

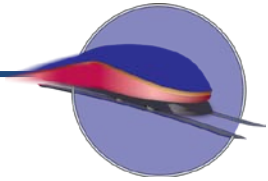
Project Name: ME-Downeaster Portland North Project Date of Submission: 8/21/2009 Version Number: 1

High-Speed Intercity Passenger Rail (HSIPR) Program

Application Form

Track 1a–Final Design (FD)/Construction

& Track 4–FY 2009 Appropriations Projects



Welcome to the Track 1a Final Design (FD)/Construction and Track 4 Application for the Federal Railroad Administration’s High-Speed Intercity Passenger Rail (HSIPR) Program. Applicants for Track 1a FD/Construction and/or Track 4 are required to submit this Application Form and Supporting Materials (forms and documents) as outlined in Section G of this application and in the HSIPR Guidance.

We appreciate your interest in the program and look forward to reviewing your application. If you have questions about the HSIPR program or this application, please contact us at HSIPR@dot.gov.

Instructions:

- Please complete the HSIPR Application electronically. See Section G for a complete list of the required application materials.
- In the space provided at the top of each section, please indicate the project name, date of submission (mm/dd/yy) and the application version number. The distinct Track 1a and/or Track 4 project name should be less than 40 characters and follow the following format: State abbreviation-route or corridor name-project title (e.g., HI-Fast Corridor-Track Work IV).
- For each question, enter the appropriate information in the designated gray box. If a question is not applicable to your FD/Construction Project, please indicate “N/A.”
- Narrative questions should be answered concisely within the limitations indicated.
- Applicants must upload this completed application and all other application materials to www.GrantSolutions.gov by August 24, 2009 at 11:59pm EDT.
- Fiscal Year (FY) refers to the Federal Government’s fiscal year (Oct. 1- Sept. 30).
- Please direct questions to: HSIPR@dot.gov

A. Point of Contact and Applicant Information

(1) Application Point of Contact (POC) Name: Patricia Quinn		POC Title: Executive Director		
Street Address: 75 W Commerical Street, Ste 104	City: Portland	State: Me	Zip Code: 04101	Telephone Number: 207-780-1000 x105

Fax: 207-780-1001	Email: patricia@nnepra.com
(2) Name of lead State or organization applying (<i>only States may apply for Track 4</i>): Northern New England Passenger Rail Authority	
(3) Name(s) of additional States and/or organizations applying in this group (<i>if applicable</i>): State of Maine	
(4) Is this project for which you are applying for HSIPR funding related or linked to additional applications for HSIPR funding that may be submitted in this or subsequent rounds of funding? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Maybe If “yes” or “maybe,” provide the following information:	

Program/Project Name	Lead Applicant	Track	Total HSIPR Funding Proposed (<i>if known</i>)	Status of Application
Downeaster Corridor Project	NNEPRA	Track 2	\$75m	Will Apply
		Track 1a - FD/Construction	\$	Applied
		Track 1a - FD/Construction	\$	Applied
		Track 1a - FD/Construction	\$	Applied
		Track 1a - FD/Construction	\$	Applied
		Track 1a - FD/Construction	\$	Applied
		Track 1a - FD/Construction	\$	Applied
		Track 1a - FD/Construction	\$	Applied

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B. Project Overview

<p>(1) FD/Construction Project Name: ME-Downeaster Portland North Project</p>
<p>(2) Indicate the Track under which you are applying: Track 1a - FD/Construction <i>Please note if you are applying for Track 1a–FD/Construction and Track 4 <u>concurrently</u>, you must submit two separate versions of this application into www.GrantSolutions.gov (one for Track 1a –FD/Construction and one for Track 4–FY 2009 Appropriations Projects).</i></p>
<p>(3) Indicate the activity(ies) for which you are applying (check both if applicable): <input type="checkbox"/> Final Design <input checked="" type="checkbox"/> Construction</p>
<p>(4) What are the anticipated start and end dates for the FD/Construction Project? (mm/yyyy) Start Date: Fall 2009 End Date: Fall 2011</p>
<p>(5) Total Cost of the FD/Construction Project (year of expenditure (YOE) Dollars*): \$ 36,290,813</p> <p>Please provide proposed inflation assumptions and methodology, if applicable in the space below. Please limit response to 1,000 characters.</p> <p>Material cost estimates for this project were updated in August 2009. Based on the readiness of this project, the majority of materials will be ordered immediately upon notification of a grant award, minimizing the opportunity for significant inflation of costs. Labor and equipment costs have been negotiated at a fixed price. A project contingency amount equivalent to 10% of the projected material costs has been included and is anticipated to be adequate to cover any unforeseen expenses.</p> <p>Of the total cost of the FD/Construction Project, how much would come from the FRA HSIPR Program: (YOE Dollars**) \$ 35,700,493</p> <p>Indicate percentage of total cost to be covered by <u>matching funds</u> 0 % <i>Applications submitted under Track 4 require at least a 50 percent non-Federal match to be eligible for HSIPR funding.</i></p> <p><small>* Year-of-Expenditure (YOE) dollars are inflated from the base year. ** This is the amount for which the applicant is applying.</small></p>
<p>(6) Project Overview Narrative. <i>Please limit response to 5,000 characters.</i></p> <p>Provide an overview of the main features and characteristics of the FD/Construction Project, including:</p> <ul style="list-style-type: none"> • The location of the project including name of rail line(s), State(s), and relevant jurisdiction(s) (include map if available in supporting documentation). • Identification of service(s) that would benefit from the project, the stations that would be served, and the State(s) where the service operates. • How the project was identified through a planning process and how the project is consistent with an overall plan for developing High-Speed Rail/Intercity Passenger Rail service. • How the project will fulfill a specific purpose and need in a cost-effective manner. • The project’s independent utility. • The specific improvements contemplated. • Any use of railroad assets or rights-of-way, and potential use of public lands and property. • Other rail services, such as commuter rail and freight rail that will make use of, or otherwise be affected by, the project.

The initiative to restore passenger rail service to Northern New England began as the vision of TrainRiders Northeast. As a result of their advocacy, the Maine Legislature passed the [Passenger Rail Service Act in 1991](#), the foundation of [Maine's 1997 Strategic Passenger Transportation Plan](#), which envisioned the operation of Amtrak service between Boston, MA and Brunswick, ME. The capital funding to rehabilitate the entire line was not available at that time, and the decision was made to establish Downeaster service as far as Portland initially, while continuing to pursue financing to complete the project. The [Amtrak Downeaster](#) has been operating between Boston and Portland since December 2001 and has become a model for success. This application seeks funding for the Downeaster Portland North Project (or the "Project") to rehabilitate approximately 30 miles of existing freight rail lines north of Portland, enabling the completion of the Boston to Brunswick Downeaster service.

[Pan Am Railways](#) owns the majority of the line including approximately 12.8 miles of Freight Main Line (CPF 198 to Royal Junction-CPF 185) and then approximately 14.7 miles on the Brunswick Branch to Church Road (CPF185-MP15) in Brunswick. The Project extends approximately 1.2 miles (MP15-MP16.2) on the state-owned Lower Road to Maine Street Station. Currently no passenger service is operated over the line between Portland and Maine Street Station. The [Maine Eastern Railroad](#) (MERR) operates seasonal excursion service over the 58 miles of state-owned Rockland Branch track from Maine Street Station to Rockland, Maine.

The Downeaster currently operates ten one-way trips daily between Boston and Portland. Upon project completion, 6 of those trips will continue to or from [Brunswick](#) with an interim stop in [Freeport](#) (Maine's premier tourist destination). The Project will increase Downeaster ridership, facilitate passenger service to mid-coast Maine, and is predicted to generate nearly \$1 billion in construction investment and thousands of new jobs along the corridor in the next 20 years.

The [2005 Downeaster Business Plan](#) explored costs and operation strategies associated with completing service to Brunswick. In December 2006, under, [Executive Order](#) from Maine Governor John Baldacci, NNEPRA prepared a Rail Alignment Alternatives Review and community outreach process, to reaffirm the completion of the Downeaster service. In April 2008, Maine's 123rd Legislature passed a [Joint Resolution in Support of the Expansion of Downeaster Rail Service](#) and Governor Baldacci signed into law "[An Act To Make Capital Rail Improvements for Economic Development Purposes](#)" (the "Rail Improvement Act") (23 MRSA section 4210-B, subsection 7), to provide funding to sustain Downeaster operations and complete service to Brunswick.

The Project supports the State's long term goals for developing Intercity Passenger Rail service, as noted in several MaineDOT strategic planning documents ([Explore Maine, 2002](#); [Connecting Maine, 2007](#); [Moving People and Goods, 2009](#)) by creating a passenger connection, via the Rockland Branch, to mid-coast Maine and improving the rail line between Portland and Yarmouth to support future service to Auburn, ME and eventually, Montreal.

The Downeaster Portland North Project cost effectively meets the economic and transportation goals of the State as well. With the support and cooperation of the host railroad, the existing freight line can be rehabilitated efficiently by using Railroad forces under a fixed price agreement. Material and contractor costs will be billed to NNEPRA at actual cost. The Project creates no significant environmental impacts, and can be completed and service established in two construction seasons. Stations in Freeport and Brunswick

will be built by private developers. The existing operating plan utilizes the labor and equipment pools currently allocated for the Downeaster, thus reducing operating costs, creating a streamlined operation with independent utility in the form of increased Downeaster ridership.

The Project upgrades 28.7 track miles of jointed rail with Continuous Welded Rail (CWR), replaces 30,000 ties, repairs 13 culverts, addresses drainage issues, improves protection at 36 grade crossings, extends a passing siding at Brunswick and constructs platforms in Freeport and Brunswick. Most track and signal work will be performed by Pan Am Railways under agreement with NNEPRA; platform and siding construction will be contracted separately.

(7) Status of Activities: Are any FD or Construction activities that are part of this planned investment underway or completed?

Yes (Final Design) Yes (Construction) No

If “Yes,” please describe the activities that are underway or completed in the table below.¹ If more than three activities, please detail in Section F of this application.

Activity	Description	Completed? (If yes, check box)	Actual Initiation Date (mm/yyyy)	Actual or Anticipated Completion Date (mm/yyyy)
Final Design	Track Rehabilitation Portland-Brunswick	X	11/2006	07/2009
Final Design	Culvert / ROW Improvements	X	11/2006	07/2009
Final Design	Crossing and Signal Upgrades	X	11/2006	07/2009

(8) Describe the project service objectives (check all that apply):

- Additional Service Frequencies
- Improved Service Quality
- Improved On-Time Performance on Existing Route
- Increased Average Speeds/Shorter Trip Times
- Other (Please Describe): Complete rehab of Pan Am Line to support Downeaster service to the station communities of Freeport and Brunswick.

(9) Types of capital investments contemplated (check all that apply):

- Structures (bridges, tunnels, etc.)
- Track Rehabilitation
- New or restored sidings/passing tracks
- Major Interlockings
- Station(s)
- Communication, Signaling and Control
- Rolling Stock Refurbishments
- Rolling Stock Acquisition
- Support Facilities (Yards, Shops, Admin. Buildings)
- Grade Crossing Improvements
- Electric Traction
- Other (Please Describe):

(10) Right-of-Way-Ownership. Provide information for all railroad right-of-way owners in the FD/Construction Project area. Where railroads currently share ownership, identify the primary owner. *If more than three owners, please detail*

¹ Please note: (a) requests for reimbursement of costs incurred prior to enactment of the relevant appropriations will not be considered and (b) supporting documentation for activities may also be required as noted in Appendix 2 of the HSIPR Guidance.

in Section F of this application.

Type of Railroad	Railroad Right-of-Way Owner	Route Miles	Track Miles	Status of Agreements to Implement Projects
Regional or Short Line Freight	Pan Am Railways	26.7	26.7	Master Agreement in Place
Other/Special Situations	State of Maine	1.2	1.62	Master Agreement in Place

(11) **Services.** Provide information for all existing rail services within project boundaries (freight, commuter, and intercity passenger). *If more than three services, please detail in Section F of this application.*

Type of Service	Name of Operator	Top Speed Within Project Boundaries		Number of Route-Miles Within Project Boundaries	Average Number of Daily One-Way Train Operations ² within Project Boundaries	Notes
		Passenger	Freight			
Freight	Pan Am Railways		40	26.7	6	
Freight	Maine Eastern RR		40	1.2	1 per week	Line owned by State

(12) **Rolling Stock Type.** Describe the fleet of locomotives, cars, self-powered cars, and/or trainsets that would be intended to provide the service upon completion of the project. *Please limit response to 1,000 characters.*

Service to Freeport and Brunswick will be operated with the same equipment used for the current Downeaster Service. Under contract with NNEPRA, Amtrak provides five round trips per day, operated by two push-pull train sets. Each train set generally consists of a locomotive, three or four Amfleet 1 or Amfleet II passenger coaches (70 passenger capacity), a café club dinette and a non-powered control unit (NPCU). Trains are powered by recent vintage Class P-42 4250 horsepower turbo charged locomotives. The NPCU are the shells of 1970’s vintage F-40PH locomotives configured to provide a control position for the engineer to operate the train south to Boston with a P-42 locomotive in a pushing position. The NPCUs also serve as baggage cars and have six bicycle racks.

(13) **Intercity Passenger Rail Operator.** Provide the status of agreements with partners that will operate the benefiting high-speed rail/intercity passenger rail service(s) upon completion of the planned investment (e.g., Amtrak).

Name of Operating Partner: Amtrak

Status of Agreement: Final

(14) **Benefits to Other Types of Rail Service(s).** Are benefits to non-intercity-passenger rail services (e.g., commuter, freight) foreseen?

Yes No

If “Yes”, provide further details in Section E, Question 2.

² One daily round-trip train operation should be counted as two daily one-way train operations.

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C. Eligibility Information

(1) Select applicant type, as defined in Appendix 1.1 of the HSIPR Guidance (only States may apply for Track 4):

- State
- Amtrak

If one of the following, please append appropriate documentation as described in Section 4.3.1 of the HSIPR Guidance:

- Group of States
- Interstate Compact
- Public Agency established by one or more States – [Legislative Act and Bylaws](#)
- Amtrak in cooperation with a State or States

(2) Establish Completion of Preliminary Engineering. In the space(s) below, please list the documents that establish completion of Preliminary Engineering for the project covered by this application. See HSIPR Guidance Appendix 2.2. If more than four references need to be listed, please place the additional information in Question F.

Document Name	Completion Date (mm/yyyy)
Preliminary Engineering Plan	08/2009
Annotated Track Charts	07/2009
Project Construction Schedule	08/2009
Project Elements and Budget	08/2009

(3) Establish Completion of NEPA Documentation (the date document was issued and how documentation can be verified by FRA). The following are approved methods of NEPA verification (in order of FRA preference): 1) References to large EISs and EAs that FRA has previously issued, 2) Web link if NEPA document is posted to a website (including www.fra.gov), 3) Electronic copy of non-FRA documents attached with supporting documentation, or 4) a hard copy of non-FRA documents (large documents should not be scanned but should be submitted to FRA via an express delivery service). See HSIPR Guidance Section 1.6 and Appendix 3.2.9.

Documentation	Date (mm/yyyy)	Describe How Documentation Can be Verified
Categorical Exclusion Documentation		
<input checked="" type="checkbox"/> Final Environmental Assessment	06/2009	Environmental Assessment
<input type="checkbox"/> Final Environmental Impact Statement		

(4) Indicate if there is an environmental decision from FRA (date document was issued and web hyperlink if available).

Documentation	Date (mm/yyyy)	Hyperlink (if available)
<input type="checkbox"/> Categorical Exclusion Determination		
<input checked="" type="checkbox"/> Finding of No Significant Impact	07/2009	FONSI
<input type="checkbox"/> Record of Decision		

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D. Public Return on Investment

(1) 1A. Transportation Benefits. See HSIPR Guidance Section 5.1.1.1. Please limit response to 8,000 characters:

How is the project anticipated to improve Intercity Passenger Rail (IPR) service? Describe the overall transportation benefits, including information on the following (please provide a level of detail appropriate to the type of investment):

- **IPR network development:** Describe improvements to intermodal connections and access to stations as well as actual and potential expansions to the IPR network that may result from the project (including opportunities for interoperability with other services).
- **IPR service performance improvements** (also provide specific metrics in table 1B below): Please describe service performance improvements directly related to the project, as well as a comparison with the existing service (without project). Describe relevant reliability improvements (e.g., increases in on-time performance, reduction in operating delays), reduced schedule trip times, increases in frequencies, aggregate travel time savings (resulting from reductions to both schedule time and delays, expressed in passenger-minutes), and
- other relevant performance improvements.
- **IPR service results** (also provide specific metrics in table 1B below): Describe relevant outcomes of the service improvement such as increases in ridership, passenger-miles, and other results in comparison with the existing service (without project).
- **Suggested supplementary information** (only when applicable):
 - Transportation Safety: Describe overall safety improvements that are anticipated to result from the FD/Construction Project, including railroad and highway-rail grade crossing safety benefits, and benefits resulting from the shifting of travel from other modes to safer IPR service.
 - Cross-modal benefits from the FD/Construction Project, including benefits to:
 - ✓ Commuter Rail Services – Service improvements and results (applying the same approach as for IPR above).
 - ✓ Freight Rail Services – Service performance improvements (e.g., increases in reliability and capacity), results (e.g. increases in ton-miles or car-miles of the benefiting freight services), and/or other congestion, capacity or safety benefits.
 - ✓ Congestion Reduction/Alleviation in Other Modes; Delay or Avoidance of Planned Investments – Aviation and highway congestion reduction/alleviation, and/or other capacity or safety benefits. Describe any planned investments in other modes of transportation that may be avoided or delayed due to the improvement to IPR service that will result from the project.

The completion of the Downeaster to include service to Freeport and Brunswick, ME will augment and enhance what has already become an integral part of the New England intercity passenger rail system. In July of 2009, the departments and agencies of transportation for the six New England states reaffirmed their support and their vision for this system. The report issued at that time, states that “[the Downeaster] is a national model for the successful introduction of new intercity passenger rail service.” The completion of this service will make it even more successful.

Intermodality and interoperability with other public transportation systems have been hallmarks of this service since its inception. While the Downeaster currently provides five daily round trips between Boston and Portland, it is thoroughly integrated, for both scheduling and for ticketing purposes, with high quality intercity bus services between Boston and the Downeaster station communities of Portland, Dover, Durham and Exeter, enhancing opportunities for car-free travel in this congested corridor.

Furthermore, many Downeaster stations are shared with other rail and transportation services, including North Station in Boston, which links to the MBTA's commuter rail service and extensive subway network, and to Logan Airport and the Anderson Regional Transportation Center in Woburn, which the Downeaster shares with MBTA commuter rail, the Logan Express and the Flightline Airport Shuttle.

The Downeaster Portland North Project will enhance this regional connectivity. In addition to the fact that passengers will have access to all of the above destinations, Freeport and Brunswick are prepared to initiate local transit service to improve mobility and connectivity within their communities. The Maine Eastern Railroad (MERR), which currently operates excursion service from Brunswick to Rockland, will coordinate schedules with the Downeaster and consider expanding to year round operations, providing a rail connection to mid-coast Maine.

The completion of the Downeaster service will enhance the current operation on a number of levels. While always difficult to project with precision, ridership will increase. Ridership and ticket revenue forecasts prepared by Amtrak using a "National Corridor Model" projected initial annual ridership of 25,700, but that model did not consider walk-ability to stations. In a recent passenger survey conducted, 33% of Downeaster passengers indicated that they would travel more often and take advantage of Freeport and Brunswick service when available. Based on all factors and experience, NNEPRA has projected annual new ridership associated with the Portland North Service to be approximately 36,500 passengers in the first full year of operation, increasing 5% per year in the subsequent 5 years.

The completed service will also improve the overall efficiency of service and maximize the utility of existing equipment and labor pools. In fact, from an overall perspective, as demonstrated in the specific operation metrics presented in Table 1B below, and in the proposed operating budget, after the first full year of operation, Downeaster service beyond Portland is expected to (1) reduce the cost per passenger by nearly \$.90 (2) reduce the required public operating subsidy by \$1.48 per passenger; (3) increase the cost recovery ratio by 3%; and, (4) increase the number of passenger miles traveled by nearly 20%.

On time performance is expected to continue to be over 85%, and the \$500,000 [IPR Grant](#) that the FRA has awarded to NNEPRA toward the rehabilitation and improvement of the track infrastructure and wye near the Portland Station and the equipment layover facility will further support the reliability and efficiency of the entire service.

Beyond the benefits to the Downeaster itself, the entire region, in addition to the station communities, will, as described below, receive transportation and economic benefits as a result of this Project.

Tourism has long been one of the most important components of the Maine economy, currently accounting for 20% of the economic activity in the State. The Downeaster was envisioned to be a catalyst for tourism development in Maine. The Director of Tourism even serves on the NNEPRA Board of Directors. To date, the service has only been moderately successful in this respect. Currently, Boston is the major destination for most Downeaster travelers, but service to the center of communities like Freeport and Brunswick will create new "northbound" opportunities for the Downeaster and new economic opportunities for the region.

Freeport, home of [L.L. Bean](#) and countless other retail shopping opportunities, is one of the top tourist attractions in Maine. At present, the primary means of travel to Freeport is by automobile. Consequently, the

town is choking on traffic and looking at a future where it will not be possible to build enough parking spaces to sustain the growth the town now enjoys. Even estimating that every automobile entering Freeport for shopping and other activities has four occupants, which is a very high number, one train has the ability to eliminate the need for at least 75 parking spaces. This not only improves the traffic situation on the streets, but it allows the area to maintain its quaint rural character.

Brunswick will benefit differently from improved transportation service. The town is attempting to revitalize its downtown area in preparation for the impact of the imminent closing of the Brunswick Naval Air Station, located just one mile from the station. The [BNAS Reuse Master Plan](#) calls for a world class aviation complex, business centers in advanced technologies for composites, IT, aerospace and renewable energy, top notch educational facilities, a variety of housing options and an abundance of open space and outdoor recreation. This new development will place a new set of transportation demands on the area, which can, in part, be helped by the Downeaster.

The growing student and faculty population at [Bowdoin College](#), whose campus is immediately adjacent to the Brunswick train station, will also benefit from Downeaster service. Bowdoin officials have indicated that over 30% of their student body comes from greater Boston. Intercity rail service will be a major attraction and benefit to the Bowdoin community – particularly since the college has recently prohibited freshmen from having automobiles on campus.

The Downeaster Portland North project also has the ability to reduce congestion on Interstate Highway I-295, which has experienced substantial growth in traffic volume in recent years. Chronic and costly congestion and delays occur due to inadequate roadway capacity. The increase in traffic volume has created an increase in traffic accidents and more hazards by temporarily reducing highway capacity and producing lengthy backups.

The growth in traffic volume is projected to continue in the future; approximately 50,000 vehicles per day currently travel north of Portland on I-295, and traffic is expected to increase 20% by 2030 as shown in NNEPRA's [FONSI](#). Expansion of the highway is unlikely due to the need for a significant amount of displacement and the potential for substantial environmental impacts. Completion of the Downeaster project will provide an alternative to the automobile and will enhance mobility and improve safety along the I-295 corridor.

The Project will benefit the region from additional safety perspectives as well. Thirty-six highway-rail grade crossings are scheduled to be rebuilt and upgraded as part of the project, thus making an already safe mode of travel (i.e., the fatality rate for intercity passenger rail stands at 0.30/100 million passenger miles, as opposed to 0.80/100 million passenger miles for highway travel) even safer.

The track improvements associated with this Project will allow for improved speed and reliability of freight service. This has significant economic, safety and transportation benefits to the entire region.

1B. Operational and Ridership Benefits Metrics: In the table(s) below, provide information on the anticipated transportation benefits and ridership changes projected to result from the project. Please do not include benefits and changes that would occur even if the project is not implemented (for example, as a result of population or economic growth factors).

Project/Program Metric	Actual— FY 2008 levels	Projected Totals by Year (Actual Levels <u>Plus</u> Project-Caused Changes Only)		“X” If N/A or Unsure
		First Full Year After Project Completion	Fifth Full Year After Project Completion	
Annual passenger-trips	474,292	498,667 BON-POR 36,500 POR-BRK	606,133 BON-POR 44,366 POR-BRK	<input type="checkbox"/>
Annual passenger-miles (millions)	35	37m BON-POR 5m POR-BRK	45m BON-POR 6m POR-BRK	<input type="checkbox"/>
Annual IPR seat-miles offered (millions)	98	98 BON-POR 18 POR-BRK	98 BON-POR 18 POR-BRK	<input type="checkbox"/>
Average number of daily round train trip operations (typical weekday)	10	10 BON-POR 3 POR-BRK	10 BON-POR 3 POR-BRK	<input type="checkbox"/>
On-time performance (OTP) ³ – percent of trains on time at endpoint terminals	71%	85%	87%	<input type="checkbox"/>
Average train operating delays: minutes of en-route delays per 10,000 train-miles ⁴	1,064	532	510	<input type="checkbox"/>
Top operating speed (mph)	79	79mph BON-POR 59mph POR-BRK	79	<input type="checkbox"/>
Average scheduled operating speed (mph) (between endpoint terminals)	48mph	48mph BON-POR 36mph POR-BRK	48mph BON-POR 36mph POR-BRK	<input type="checkbox"/>

(2) 2A. Economic Recovery Benefits. *This section is required for Track 1a, and optional for Track 4. Please limit response to 4,000 characters. For more information, see Section 5.1.1.2 of the HSIPR Guidance.*

Describe the contribution the FD/Construction Project is intended to make towards economic recovery and reinvestment, including information on the following:

- How the project will result in the creation and preservation of jobs, including number of onsite and other direct jobs (on a 2,080 work-hour per year, full-time equivalent basis), and timeline for achieving the anticipated job creation.
- How the different phases of the project will affect job creation (consider the construction period vs. operating period)
- How the project will create or preserve jobs or new or expanded business opportunities for populations in Economically Distressed Areas (consider the construction period vs. operating period)
- How the project will result in increases in efficiency by promoting technological advances.
- How the project represents an investment that will generate long-term economic benefits (including the timeline for achieving economic benefits and describe how the project was identified as a solution to a wider economic challenge)
- If applicable, how the project will help to avoid reductions in State-provided essential services.

³ As calculated and reported by Amtrak according to its existing procedures and definitions. An example can be found at page E-7 of the May 2009 Monthly Performance Report at <http://www.amtrak.com/pdf/0905monthly.pdf>. ‘On-time’ is defined as within the distance-based thresholds originally issued by the Interstate Commerce Commission, which are: 0 to 250 miles and all Acela trains—10 minutes; 251 to 350 miles—15 minutes; 351 to 450 miles—20 minutes; 451 to 550 miles—25 minutes; and 551 or more miles—30 minutes.

⁴ As calculated by Amtrak according to its existing procedures and definitions. Useful background can be found at pages E-1 through E-6 of Amtrak’s May, 2009 Monthly Performance Report at <http://www.amtrak.com/pdf/0905monthly.pdf>

The project will make a significant contribution towards economic recovery and reinvestment. There will be an immediate benefit in the form of the preservation and creation of jobs. In addition, there will be downstream benefits in the form of economic activity and investment that will be generated as a result of the implementation of the project.

Pan Am Railways will perform the construction work on the line between Portland and Brunswick. Based upon the scope of the work, Pan Am Railways will employ over 100 track workers and other specialists, most of whom are expected to be on the project for approximately 2 years.

In addition to the work being performed by Pan Am Railways, Maine DOT will contract with an outside firm in order to do the upgrading of approximately 1.5 miles of the line in Brunswick and construction of the platforms, requiring approximately 50 employees.

Freeport intends to build a railroad station in the center of town. Construction of the station is expected to require approximately 20 workers.

Based upon the most recent data, none of the counties between Portland and Brunswick are Economically Distressed Areas. If, however, the determination of economic distress is based not on countywide information but rather by locality, certain of the areas in these counties are Economically Distressed Areas. As described in this section, the project will create or preserve jobs and provide new or expanded business opportunities for people in these Economically Distressed Areas.

Implementation of passenger rail service between Portland and Brunswick will generate long-term economic benefits by supporting and enhancing the prospects of success for development projects that are either under way or in the planning stage. Conversely, the absence of passenger rail service will chill or inhibit economic activity. As described below, there are at least 3 projects that will benefit from rail service.

As a result of the Federal base closing statute, Brunswick Naval Air Station (BNAS) will be ceasing operations. The Midcoast Regional Redevelopment Authority has developed a [Master Plan](#) for the reuse of BNAS that constitutes the single largest economic development project in the history of Maine. The reuse plan contemplates the eventual creation of 13,800 jobs and the availability of 2,300 residential units. It is anticipated that hundreds of millions of dollars of private investment will be generated in the course of the transition from a military base to a private sector development that will include commercial space, educational facilities, professional offices, technology facilities and a resort/conference center. The new jobs created by the reuse plan will result in an average annual income more than twice the average annual wage of the military and civilian personnel who were employed at BNAS. Implementation of the plan will generate approximately \$41 million annually in state tax income in approximately \$20 million annually in property taxes.

In downtown Brunswick, a coalition of private investors, Bowdoin College and the Town of Brunswick have nearly completed constructing 2 of 6 buildings included in the \$25m Maine Street Station complex. This Transportation Oriented Development (TOD) is situated in the center of town at the entrance to the Bowdoin Campus and will include retail, commercial and residential development around a new train station. Developers expect to move ahead with the next phase,

including construction of a hotel, upon confirmation of the Downeaster Portland North Project. When complete, the facility will create approximately 200 jobs.

Tourism, which is increasingly important, accounts for \$1 of every \$5 of sales throughout Maine's economy and supports 1 out of 6 jobs in Maine. Freeport is a major attraction for tourism in Maine. The extension of rail service to Freeport will enable the town and its largest and best-known retailer, L.L. Bean, to market Freeport even more aggressively as a gateway for tourism in Maine. Sales tax revenues generated by Freeport businesses will increase in relation to the increased economic activity promoted by the access to rail service.

2B. Job Creation: Provide the following information about job creation through the life of the FD/Construction Project. Please consider construction, maintenance, and operations jobs.

	FD/ Construction Period	First full Year of Operations	Fifth full Year of Operations
Anticipated number of <u>annual</u> onsite and other direct jobs created (on a 2080 work-hour per year, full-time equivalent basis)	184	49	52

(3) Environmental Benefits. *Please limit response to 4,000 characters.*

How will the FD/Construction project improve environmental quality, energy efficiency, and reduction in the Nation’s dependence on oil? Address project-caused changes in the following:

- Any projected reductions in key emissions (CO₂, O₃, CO, PM_x, and NO_x) and their anticipated effects. Provide any available forecasts of emission reductions from a baseline of existing service for the first and fifth years of full operation (*provide supporting documentation if available*).
- Any expected energy and oil savings from traffic diversion from other modes and changes in the sources of energy for transportation. Provide any available information on changes from the baseline of the existing service for the first and fifth years of full operation (*provide supporting documentation if available*).
- Use of green methods and technologies. Address green building design, “Leadership in Environmental and Energy Design” building design standards, green manufacturing methods, energy efficient rail equipment, and/or other environmentally-friendly approaches.

Although perhaps difficult to quantify with precision, there are clearly environmental benefits attributable to the expansion of service to Freeport and Brunswick.

A [University of New Hampshire sustainability study](#) determined that “the potential of Downeaster ridership to reduce green house gas emissions is great and predicted to grow.” The study found that in November 2005, 3,838 one-way trips were made on the Downeaster between Durham, New Hampshire, and Boston, Massachusetts. The study assumed that each of these one way trips represented an individual who would have driven alone between the UNH-Durham train station and North Station in Boston (approximately 59.1 miles). By taking the Downeaster instead, approximately 91 Metric Tons Carbon Dioxide Equivalents were not emitted and \$24,332 in gasoline costs were avoided.

This estimate assumes that the average miles per gallon for each of these 3,838 vehicles is 22.1, that the average cost for a gallon of gasoline in New England as of February 6, 2006, was \$2.38 and that each gallon of gasoline releases 19.564 pounds of CO₂ when burned. The source cited is www.eia.doe.gov/oiaf/1605/coefficients.html and www.eia.doe.gov/

The results and methodology of the UNH study can be extrapolated in order to estimate the environmental

and energy-saving benefits for the existing Downeaster service between Boston and Portland and for the extended service between Portland and Brunswick. For fiscal year 2009, the Downeaster recorded 36,967,569 passenger miles “But for” the Downeaster, assume that every passenger mile would have been driven in a single occupancy vehicle, i.e. that each auto mile is the equivalent of one passenger mile on the Downeaster. The average New England price per gallon of gasoline today is \$2.739 (DOE) (source same site as above).

For fiscal year 2009, the results from operation of the Downeaster were as follows:

1. Number of gallons of gasoline saved: 1,672,740 or \$.045 per passenger mile
2. Amount of money saved by not purchasing gasoline: \$4,581,636.72 or \$.123 per passenger mile
3. Pounds of CO2 not produced: 32,725,498 or .885 per passenger mile
4. Metric Tons Carbon Dioxide Equivalents that did not enter the atmosphere: 14,844 or .0004 per passenger mile

These same or similar results can be expected from operations of the Downeaster between Portland and Brunswick as a result of implementation of the project.

(4) Livable Communities Project Benefits Narrative. *(For more information, see Section 5.1.1.3 of the HSIPR Guidance, Livable Communities). Please limit response to 3,000 characters.*

How will the FD/Construction Project foster Livable Communities? Address the following:

- Integration with existing high density, livable development: Provide specific examples, such as (a) central business districts with walking/biking and (b) public transportation distribution networks with transit-oriented development.
- Development of intermodal stations: Describe such features as direct transfers to other modes (both intercity passenger transport and local transit).

Implementation of the Downeaster Portland North project will foster the development of livable communities. In particular, passenger rail service and the construction of new rail stations will produce transit oriented development ("TOD"). According to the ["Overview of Projected Economic Impact"](#) study conducted by [the Center for Neighborhood Technology \("CNT"\)](#) in March, 2008, TOD has been an incentive for in-migration to Maine by residents of other states. The obvious starting point for TOD--indeed, an absolute prerequisite--is a public transit station around which homes and businesses may be developed within walking distances of the station. CNT found that the existing Downeaster service between Boston and Portland has already fostered TOD, and the extension of service from Portland to Brunswick, serving Freeport, will continue to produce TOD benefits.

CNT estimates that by 2030 the economic benefits attributable to the extension of the Downeaster will include the following: \$982 million in cumulative construction investment; construction of almost 6,000 new housing units and approximately 900,000 square feet of commercial space; creation of approximately 2,400 jobs; the saving of \$21 million of transportation costs; and additional tax revenues of approximately \$16 million per year. As described below, Brunswick and Freeport, the new station locations for the Downeaster, are ideally situated for TOD.

Freeport has already recognized its unique village atmosphere and the importance of "walkability" for its residents and visitors. Freeport has recently installed new signage specifically designed for pedestrians, and it is working on plans to relieve pedestrian/vehicle traffic congestion in the center of town by the use of trolleys and vans. Planning efforts are also focusing on making Freeport more bicycle friendly and accessible. In addition, Freeport has enacted zoning changes and is working on a comprehensive town plan that have as their goal the promotion of new housing units in designated, high density growth areas in the center of town so that open space will be preserved. Extension of the Downeaster service to Freeport will enhance the village's ability to achieve these TOD goals.

The [Maine Street Station](#) project in downtown Brunswick is a poster child for TOD. The project is located in the center of town and, when complete, will provide new commercial and residential space immediately adjacent to a new railroad station. The station is within walking distance of the rest of downtown Brunswick and the campus of Bowdoin College. The developers are coordinating with local bus and van services to create intermodal public transportation options to and from the railroad station.

Project Name: ME-Downeaster Portland North Project Date of Submission: 8/21/2009 Version Number: 1

E. Project Success Factors

(1) Project Management Approach and Applicant Qualifications Narrative: *Please provide separate responses to each of the following. Additional information on project management is provided in Section 5.1.2.1 of the HSIPR Guidance, Project Management.*

1A. Applicant qualifications. *Please limit response to 2,000 characters.*

Management experience: Does the applicant have experience in managing rail investment projects and managing projects of a similar size and scope to the one proposed in this application?

Yes - Briefly describe experience (brief project(s) overview, dates)

No- Briefly describe expected plan to build technical and managerial capacity; provide reference to Project Management Plan.

NNEPRA has significant experience managing construction projects within guidelines and specifications required by federal funding partners. From 1999 through 2001, NNEPRA successfully managed the “Passenger Rail Project” required to upgrade between Plaistow, NH and Portland, ME to support the operation of the Downeaster. The line had been used solely for freight for approximately 30 years. The project included the rehabilitation of 78 miles of track, replacement of 100,000 ties and 150,000 tons of ballast, upgrades to 31 public grade crossings, and the construction of 7 passenger platforms in Maine and New Hampshire. Under NNEPRA’s leadership, the \$70m project was delivered within all guidelines specified by the Federal Transit Administration (FTA). Downeaster service began on December 15, 2001 and since that time NNEPRA has managed a number of improvement projects with Pan Am Railways including the \$1m project in 2004 to increase track speeds in Kennebunk, Maine; a \$6m capacity project in 2006-2007 to construct sidings in Maine and New Hampshire to support additional frequencies; a variety of projects included in the annual capital maintenance plan, and the Portland Area Infrastructure Project, funded by FRA, which is currently underway. NNEPRA's financial operation is audited by an independent agency annually with consistently no findings. NNEPRA has also completed two FTA Triennial Audits with no or few findings.

1B. Describe the organizational approach for the different project stages included in this application (final design, construction), including the roles of staff, contractors and project stakeholders in implementing the project. For construction activities, provide relevant information on work forces, including railroad contractors and grantee contractors. *Please limit response to 2,000 characters.*

As outlined in the Project Management Plan, the NNEPRA Board of Directors has authorized the Executive Director to complete the Downeaster Portland North project including the overall program responsibility for construction management, contract administration, procurement of professional services, procurement of construction services, budget and schedule management and public outreach. Pan Am Railways has designed the planned improvements and will perform the construction in the existing rail corridor. Labor and equipment will be provided by Pan Am Railways under a fixed price agreement; materials required for the performance of the Project will be purchased by NNEPRA; and outside contractor services will be obtained as required. NNEPRA has dedicated staff to perform the various support tasks throughout the life of the project, including the Manager of Budget and Administration, Data Analyst, Clerk of the Works and Marketing Coordinator. To assist NNEPRA in carrying out the management, a Project Management Consultant firm will be hired through a professional services contract. NNEPRA has already advertised a Request for Proposals for

a consultant to fill this role; a selection is expected to be made in mid-September 2009. The selected contractor will be required to appoint a Project Manager to coordinate project management responsibilities and to be the liaison among NNEPRA, Pan Am Railways and the various construction contractors. Responsibilities of the Project Manager shall include pre-bid plan and specification review, modification to design plans, subcontractor approval, construction material approval, field inspection, equipment system testing and construction management. Administrative responsibilities include invoice payment review, change order review and preparation and cost estimating. The Project Manager shall also be responsible for monitoring all work performed by Pan Am Railways.

1C. Does the FD/Construction Project require approval by FRA of a waiver petition from a Federal railroad safety regulation? (Reference to, or discussion of, potential waiver petitions will not affect FRA’s handling or disposition of such waiver petitions.)

- YES- If yes, explain and provide a timeline for obtaining the waivers
 NO

Please limit response to 1,500 characters.

1D. Provide a preliminary self-assessment of project uncertainties and mitigation strategies (consider funding risk, schedule and budget risk and stakeholder risk). Describe any areas in which the applicant could use technical assistance, best practices, advice or support from others, including FRA. Please limit response to 2,000 characters.

As described in E. 1A above, NNEPRA has already successfully managed a very similar project, working with the same host railroad, over a 78-mile rail line that led to the inception of the existing Downeaster service. In addition, since service began, NNEPRA has also managed, on a continuing basis, a number of capital projects aimed at upgrading and improving the existing service. The same management methodologies and techniques will be applied to this project. Consequently, it is anticipated that this experience will result in the on time, under budget completion of this project. Even if there are unforeseen budget overruns, however, the Governor and Legislature of Maine have demonstrated an unwavering commitment to find the resources to complete the project.

To be sure, there is always some uncertainty in any project involving the acquisition of large amounts of material, particularly railroad materials, such as rail, crossties and signaling equipment which have experienced substantial price increases in recent years. To eliminate or mitigate that risk, NNEPRA is fully prepared to purchase these materials upon receipt of a notice of award of the funding requested through this application. NNEPRA will be managing the acquisition processes internally and is in a position to place orders immediately, thereby reducing the risk of price escalation as much as possible.

An early decision from FRA on this application will assist in keeping this project on the schedule foreseen in this application, as it will allow for prudent planning and construction preparation over the winter and a very early start to actual construction in 2010.

(2) Stakeholder Agreements Narratives. *Additional information on Stakeholder Agreements is provided in Section 5.1.2.2 of the HSIPR Guidance.*

Under each of the following categories, describe the applicant’s progress in developing requisite agreements with key stakeholders. In addition to describing the current status of any such agreements, address the applicant’s experience in framing and implementing similar agreements, as well as the specific topics pertaining to each category.

2A. Ownership Agreements – Describe how agreements will be finalized with railroad infrastructure owners listed in the

“Right-of-Way Ownership” and “Service Description” tables in Section B. If appropriate, “owner(s)” may also include operator(s) under trackage rights or lease agreements. Describe how the parties will agree on project design and scope, project benefits, project implementation, use of project property, project maintenance, scheduling, dispatching and operating slots, project ownership and disposition, statutory conditions and other essential topics. Summarize the status and substance of any ongoing or completed agreements. *Please limit response to 2,000 characters.*

The Downeaster Portland North Project includes the rehabilitation of approximately 28.7 miles of existing track between Portland and Brunswick, ME. The majority of the project includes track owned by Pan Am Railways, including approximately 12 miles on the main line from MP 196 to Yarmouth and approximately 14.7 miles on the Brunswick Branch to Church Road. The State of Maine owns the remaining 1.2 miles of the Lewiston Lower Road which extends from Church Road to Maine Street Station.

NNEPRA and Pan Am Railways will enter into a construction agreement, contingent upon funding from the HSIPR Program, to perform the majority of the rehabilitation including all track work and culvert repairs between Portland and Maine Street Station and crossing /signal upgrades between Portland and Church Road. The agreement covers the design, scope and implementation of the project elements and is subject to the requirements of the ARRA and the applicable FRA regulations. Pursuant to this agreement, both parties have agreed to a lump sum fixed price for labor and equipment. Material and contractor requirements will be specified by Pan Am Railways and procured by the NNEPRA Project Manager. This agreement format has been used by NNEPRA and Pan Am Railways to successfully complete a number of other federally compliant projects over the past 4 years.

Amtrak and Pan Am Railways are in the final stages of negotiating, contingent upon funding from the HSIPR Program, an amendment to their existing Terms and Conditions for Operation Agreement effective May 29, 1998. This amendment governs use, maintenance, scheduling and dispatching, associated with the extension of the Downeaster to Brunswick over rail line segments owned by PAR. In addition, Amtrak and the State of Maine have recently entered into an agreement that permits Amtrak to operate the Downeaster over the Lower Road.

2B. Operating Agreements – Describe the status and contents of agreements with the intended operator(s) listed in “Services” table in the Project Overview section above. Address project benefits, operation and financial conditions, statutory conditions, and other relevant topics. *Please limit response to 2,000 characters.*

Amtrak and NNEPRA have executed an [amendment](#) to their existing operating/service agreement for the Downeaster to provide for Downeaster service to Brunswick, contingent on the completion of the rehabilitation of the rail line between Portland and Brunswick.

Amtrak operates the Downeaster between Portland and Boston pursuant to an agreement with NNEPRA entitled Agreement for the Provision of Rail Passenger Service dated as of December 2, 1996, as amended (the “Service Agreement”). Under the Service Agreement, Amtrak provides and maintains equipment for, and operates, five daily round trips between Portland and Boston. The Service Agreement also requires that NNEPRA pay Amtrak an annual service fee for the operation of the Downeaster and reimburses Amtrak for fuel costs and for payments made to host railroads. Downeaster ticket revenues are retained by Amtrak and are credited against amounts NNEPRA owes Amtrak.

The service to Brunswick, which includes a year-round intermediate station stop in Freeport, will be operated using the existing equipment pool and crew base.

- 2C. Selection of Operator** – This question applies to Track 1a only. If the proposed operator railroad was not selected competitively, please provide a justification for its selection, including why the selected operator is most qualified, taking into account cost and other quantitative and qualitative factors, and why the selection of the proposed operator will not needlessly increase the cost of the project or of the operations that it enables or improves. *Please limit response to 1,000 characters.*

Amtrak operates the Downeaster service between Boston and Portland in accordance with a [Service Agreement](#) which has governed the operation since 1996. Amtrak initially became the operator of the Downeaster in order to reconnect northern New England with the national passenger rail network and to use Amtrak's statutory right of access. Amtrak will continue to operate the Downeaster service once track upgrades through Freeport to Brunswick are complete. It would not be feasible nor economically advantageous to use an operator other than Amtrak.

- 2D. Other Stakeholder Agreements** – Provide relevant information on other stakeholder agreements including State and local governments. *Please limit response to 2,000 characters.*

Part or all of the station platform in Freeport will be constructed on land owned by Pan Am Railways. The Town of Freeport will enter into a lease or sublease arrangement with Pan Am Railways permitting the construction, operation, and maintenance of this station platform. The Freeport parties are [supportive](#) of this partnership and a formal agreement has been drafted and is currently in circulation for approval.

Part or all of the station platform in Brunswick will be constructed on land owned by the State of Maine. The State of Maine and Town of Brunswick are finalizing an agreement permitting the construction, operation, and maintenance of this station platform. The Brunswick parties are [supportive](#) of this partnership and a formal agreement has been drafted and is currently in circulation for approval.

Construction of passenger stations is not included in the HSIPR Grant request and is not a condition precedent to implementation of the extended Downeaster service so long as the platforms are available. However, stations to support the Downeaster Portland North Project are being constructed by private investors in both communities with the cooperation and support of their respective municipalities. The Brunswick Station is part of a larger Maine Street Station complex. Development of the Freeport Station is currently being negotiated between the Town and private investors. NNEPRA and Amtrak anticipate entering into three-way agreements with the Towns of Brunswick and Freeport concerning the operation of their stations. Such agreements are in place with current Downeaster Station Communities.

- 2E. Agreements with operators of other types of rail service** – Describe any cost sharing agreements with operators of non-intercity passenger rail service (e.g., commuter, freight). *Please limit response to 2,000 characters.*

Certain costs of maintaining and operating the line between Portland and Brunswick will be shared by Pan Am Railways, the owner of the line. The agreement between Pan Am Railways and Amtrak provides for the reimbursement of Pan Am Railways' incremental costs to maintain and operate the line for passenger service. Pan Am Railways will be obligated for basic maintenance and operation expenses that do not constitute incremental costs. This arrangement is consistent with the terms of the operation of the current Downeaster service between Boston and Portland.

In addition, Pan Am Railways has agreed to share other costs of the project by providing engineering

and project design services at no cost.

As noted in response to B14, it is anticipated that there will be certain, unquantifiable benefits to freight service as a result of the project. Upgrading the line used by Pan Am Railways will permit the removal of slow orders and the operation of freight service at higher speeds than are presently possible.

(3) Financial Information.

3A. Capital Funding Sources. Please provide the following information about your funding sources (if applicable).

Non FRA Funding Sources	New or Existing Funding Source?	Status of Funding ⁵	Type of Funds	Dollar Amount (YOE Dollars)	% of Project Cost	Describe Uploaded Supporting Documentation to Help FRA Verify Funding Source
N/A	New	Committed				
	New	Committed				
	New	Committed				

⁵ Reference Notes: The following categories and definitions are applied to funding sources:

Committed: Committed sources are programmed capital funds that have all the necessary approvals (e.g. legislative referendum) to be used to fund the proposed project/program without any additional action. These capital funds have been formally programmed in the State Rail Plan and/or any related local, regional, or State Capital Investment Program CIP or appropriation. Examples include dedicated or approved tax revenues, State capital grants that have been approved by all required legislative bodies, cash reserves that have been dedicated to the proposed project/program, and additional debt capacity that requires no further approvals and has been dedicated by the sponsoring agency to the proposed project/program.

Budgeted: This category is for funds that have been budgeted and/or programmed for use on the proposed project but remain uncommitted, i.e., the funds have not yet received statutory approval. Examples include debt financing in an agency-adopted CIP that has yet to be committed in their near future. Funds will be classified as budgeted where available funding cannot be committed until the grant is executed, or due to the local practices outside of the project sponsor's control (e.g., the project development schedule extends beyond the State Rail Program period).

Planned: This category is for funds that are identified and have a reasonable chance of being committed, but are neither committed nor budgeted. Examples include proposed sources that require a scheduled referendum, requests for State/local capital grants, and proposed debt financing that has not yet been adopted in the agency's CIP.

3B. Capital Investment Financial Agreements: Describe any cost sharing contribution the applicant intends to make towards the FD/Construction Project, including its source, level of commitment, and agreement to cover cost increases or financial shortfalls. Describe the status and nature of any agreements between funding stakeholders that would provide for the applicant’s proposed match, including the responsibilities and guarantees undertaken by the parties. Provide a brief description of any in-kind matches that are expected. *Please limit response to 2,000 characters.*

Maine has demonstrated its continuing commitment to the operation of the Downeaster Service and the completion of the project to include stations in Freeport and Brunswick. Costs to complete this project have been carefully estimated. Approximately one third of the project costs have been negotiated at a fixed price. Material costs have been carefully estimated, and a contingency has been included in the costs. NNEPRA and the Maine Department of Transportation have entered into a [Cooperative Agreement](#) assuring that funds available through a dedicated, legislatively approved funding mechanism will be available to NNEPRA for the purpose of supporting the annual operating subsidy of the Downeaster and any shortfalls, which are not anticipated, associated with the Portland North Project.

The Pan Am Railways Engineering Department has contributed in-kind preliminary and final design services for the Downeaster Completion Project and will contribute staff to manage construction throughout the duration of the project. The value of this contribution is approximately \$265,370. Additionally, the MaineDOT has contributed approximately \$300,000 in in-house and contracted engineer support services for the design of the station platforms, Brunswick passing siding, and deep cut segments of this project. NNEPRA has contributed approximately \$24,950 toward the completion of NEPA requirements in support of this project.

3C. Operating Financial Plan: Does the applicant expect that the State operating subsidy requirements for the benefiting intercity passenger rail service will significantly increase, **as a result of the project**, during the first five years after project completion?

Yes No

If “Yes,” please complete the table below (in YOE dollars) and answer the following questions. *Please limit response to 2,000 characters.*

- (a) How did you project future State operating subsidies for the benefiting service(s); and
- (b) What are the source, nature, and likelihood of the funding that will enable the State to finance the projected increases in annual operating subsidies due to the project?

While completion of service to Freeport and Brunswick will increase operating costs, Maine has taken steps to fund operating subsidies for Downeaster service between Portland and Brunswick. In April 2008, Maine’s Legislature passed a [Joint Resolution in Support of the Expansion of Downeaster Rail Service](#) and Governor Baldacci signed into law [“An Act To Make Capital Rail Improvements for Economic Development Purposes”](#) (23 MRSA section 4210-B, subsection 7), to provide funding to sustain and expand the Downeaster. This source is expected to provide up to \$3m annually for Downeaster operating subsidies. Further, NNEPRA believes that reauthorization of federal surface transportation legislation will continue to allow the use of Congestion Mitigation and Air Quality funds for operations. This belief is buttressed by the express support of the Maine congressional delegation and endorsed by resolution by leading regional and national organizations. The Obama Administration proposal for authorization calls for greater flexibility in the use of all transportation funding, and the report (House Report 111-218) accompanying HR 3288 (THUD FY 2010) (page 98) recognizes operating costs are a critical issue. Finally, New Hampshire and Massachusetts will be encouraged to continue to make modest capital improvements that reduce operating costs and that enhance revenues. The combination of these various sources of operating subsidies or cost reductions is expected to cover fully the operating expense requirements of the entire Downeaster service between Boston and Brunswick.

Subsidy	Actual— FY 2009 levels (YOE Dollars)	Projected Totals by Year (Actual Levels Plus Project Caused Changes Only) (YOE Dollars)											
		First Full Year After Project Completion	Fifth Full Year After Project Completion										
State operating subsidy (total for all benefiting services)	\$6,140,416\	\$8,017,232	\$8,755,674										
<p>(4) Financial Management Capacity and Capability – Provide audit results and describe applicant capability to absorb potential cost overruns, financial shortfalls, or financial responsibility for potential disposition requirements (include as supporting documentation as needed). Provide statutory references/ legal authority to build and oversee a rail capital investment. <i>Please limit response to 2,000 characters.</i></p> <p>The Northern New England Passenger Rail Authority (NNEPRA) is a State of Maine public transportation authority created in 1995 to develop and provide passenger rail service between Maine and Boston. NNEPRA manages the \$13m annual budget and holds a 20-year agreement with Amtrak to operate the Downeaster rail service between Portland and Boston and is party to agreements with host railroads.</p> <p>NNEPRA has not only authority, but significant experience managing construction projects within guidelines and specifications required by federal funding partners. From 1999 through 2001 NNEPRA successfully managed the \$70m “Passenger Rail Project” which lead to the initiation of the Downeaster service between Boston and Portland in 2001. NNEPRA has managed several smaller projects, totaling more than \$10m in state and federal dollars, since that time. An additional \$6.5m in projects, funded through state and federal sources, are currently underway.</p> <p>An independent contractor audits NNEPRA’s financial performance annually, with few or no findings. NNEPRA has also completed two FTA Triennial Reviews.</p> <p>Most significantly, in April 2008, Maine’s 123rd Legislature passed a Joint Resolution in Support of Downeaster Rail Service and Governor Baldacci signed into law the “Rail Improvement Act” (23 MRSA section 4210-B, subsection 7), to provide a dedicated funding stream to support the Downeaster service as it exists today, and when completed to include stations in Freeport and Brunswick. By Cooperative Agreement with the Maine Department of Transportation, this will provide up to \$3m annually to supplement CMAQ and meet the remaining financial obligations associated with Downeaster service.</p>													
<p>(5) Timeliness of Project Completion – Provide the following information on the dates and duration of key activities, if applicable. <i>For more information, see Section 5.1.3.1 of the HSIPR Guidance, Timeliness of Project Completion.</i></p> <table border="1"> <tr> <td>Final Design Duration:</td> <td>complete months</td> </tr> <tr> <td>Construction Duration:</td> <td>24 months</td> </tr> <tr> <td>Rolling Stock Acquisition Duration:</td> <td>n/a months</td> </tr> <tr> <td>Rolling Stock Testing Duration:</td> <td>n/a months</td> </tr> <tr> <td>Service Operations Start date:</td> <td>10/1/2011 (mm/yyyy)</td> </tr> </table>				Final Design Duration:	complete months	Construction Duration:	24 months	Rolling Stock Acquisition Duration:	n/a months	Rolling Stock Testing Duration:	n/a months	Service Operations Start date:	10/1/2011 (mm/yyyy)
Final Design Duration:	complete months												
Construction Duration:	24 months												
Rolling Stock Acquisition Duration:	n/a months												
Rolling Stock Testing Duration:	n/a months												
Service Operations Start date:	10/1/2011 (mm/yyyy)												
<p>(6) If applicable, describe how the project will promote domestic manufacturing, supply and other industries, including United States-based equipment manufacturing and supply industries. <i>Please limit response to 1,500 characters.</i></p>													

The expansion of the Downeaster service to Freeport and Brunswick will require the acquisition of at least 30,000 railroad ties, over 27 miles of new rail, a significant amount of other track-related material and over \$5 million in new signaling materials and components, including the upgrade of highway/rail grade crossing protection at two (2) locations.

All of this material will be acquired from United States-based companies. Pan Am Railways will utilize its quarry in Emden, ME for rock ballast. Emden is located in Somerset County, which has been defined by FHWA as an economically-distressed area. One candidate for the supply of railroad ties is Koppers in Pittsburgh, PA. Koppers has recently supplied treated ties to Maine DOT.

In addition, the project will add 63,510 annual train miles to a fleet of Amtrak locomotives and coaches that already compiles one of the highest annual averages for train miles operated by unit in the country. While this initial service expansion does not entail the acquisition of new rolling stock, the additional service operated will hasten the acquisition of new and or rebuilt locomotives and coaches for the Downeaster service at some point in the future.

- (7) **If applicable, describe how the project will help develop US professional railroad engineering, operating, planning and management capacity needed for sustainable HSR/IPR development in the United States, including promotion of a diverse workforce.** *Please limit response to 1,500 characters.*

The expansion of the Downeaster Service represents another expansion of intercity passenger rail service in the U. S. It also represents continued growth in what has become a growth industry. Over the past two decades, new intercity services such as the Downeaster, the Capitol Corridor and the Cascades have all proven to be very successful in attracting impressive levels of ridership

Each of these services has been the product of careful planning and engineering, creative use of rolling stock and, ultimately, operational/management expertise. This project will help assure the continuation of that trend, through the application of sound railroad engineering practices, skilled track/signal upgrading, careful project management of the construction project, as discussed in Section E (1), and safe, efficient operation of the Portland North service.

The Downeaster expansion project will help to make the experienced engineers and managers engaged in the project more experienced and it will also provide experience for those participants working on a project of this type for the first time.

In addition NNEPRA will benefit from the opportunity to once again manage a major railroad construction project, as it did so successfully in the original start-up of the Downeaster.

Diversity will also be addressed in this project as the ensuing operation will be governed by Amtrak's well-established nationwide diversity program.

F. Additional Information

(1) Please provide any additional information, comments, or clarifications and indicate the section and question number that you are addressing (e.g., Section E, Question 1B). *This section is optional.*

The Northern New England Passenger Rail Authority respectfully requests that the Downeaster Portland North Project be accepted and approved for funding under Track 1A of the High Speed Intercity Passenger Rail grant program. The strong economic impact components of this project, combined with its “readiness”, provide a compelling case for Track 1 consideration.

As is reflected throughout this application, the Downeaster Portland North project clearly meets the objectives of ARRA. It is a quintessential stimulus activity which will aid the economic recovery of this region by causing the immediate expenditure of funds for materials and the preservation and creation of a substantial number of jobs. FRA guidance cites economic stimulus as the most important criteria for Track 1 projects.

The project further meets the vision of President Obama and the goals of the Strategic Transportation Plan in that it supports interconnected communities while promoting energy efficient and environmental quality. This infrastructure investment project is supported by significant private development, will benefit the entire region in many aspects and will lay the foundation for competitiveness and economic stability for generations to come.

This project is not new, as it truly fulfills the objective of the northern New England passenger rail restoration initiative. The towns of Freeport and Brunswick have been anticipating and planning for Downeaster service for many years.

The project is ready to go and has independent utility. Preliminary engineering and final design are complete, NEPA documentation is approved, and agreements are in place. Construction is all that remains.

NNEPRA has a decade-long track record of managing construction projects, complying with federal regulations and operating successful passenger rail service. The State of Maine has also made a financial commitment and has dedicated funds to assure the Downeaster’s continued growth and success.

Finally, there are practical benefits associated with a submitting a Track 1 application. Winters in Maine are long and severe, resulting in limited construction seasons. NNEPRA and its partners are prepared to order materials immediately so that delivery of some items can be accepted this year. Not only will this provide an opportunity to employ workers this year, but it will set the stage to aggressively begin construction as soon as the snow melts next year.

Thank you for consideration of this very important project which has been much anticipated and much needed for a long time.

Project Name: ME-Downeaster Portland North Project Date of Submission: 8/21/2009 Version Number: 1

G. Summary of Supporting Materials

Application Form	Required	Optional	Reference	Description	Format
<input type="checkbox"/> This Application Form	✓		HSIPR Guidance Section 4.3.3.3	This document to be submitted through <i>GrantSolutions</i> .	Form
Supporting Forms	Required	Optional	Reference	Description	Format
<input type="checkbox"/> General Info.	✓		HSIPR Guidance Section 4.3.5	This document to be submitted through <i>GrantSolutions</i> .	Form
<input type="checkbox"/> Detailed Capital Cost Budget	✓		HSIPR Guidance Section 4.3.5	This document to be submitted through <i>GrantSolutions</i> .	Form
<input type="checkbox"/> Annual Capital Cost Budget	✓		HSIPR Guidance Section 4.3.5	This document to be submitted through <i>GrantSolutions</i> .	Form
<input type="checkbox"/> Project Schedule	✓		HSIPR Guidance Section 4.3.5	This document to be submitted through <i>GrantSolutions</i> .	Form
Supporting Documents	Required	Optional	Reference	Description	Format
<input type="checkbox"/> Map of the Planned Investment		✓	Application Question B.6	Map of the Planned Investment location. Please upload into <i>GrantSolutions</i> .	None
Standard Forms	Required	Optional	Reference	Description	Format
<input type="checkbox"/> SF 424: Application for Federal Assistance	✓		HSIPR Guidance Section 4.3.3.3	Please submit through <i>GrantSolutions</i>	Form

<input type="checkbox"/> SF 424C: Budget Information-Construction	✓		HSIPR Guidance Section 4.3.3.3	Please submit through <i>GrantSolutions</i>	Form
<input type="checkbox"/> SF 424D: Assurance Construction	✓		HSIPR Guidance Section 4.3.3.3	Please submit through <i>GrantSolutions</i>	Form
<input type="checkbox"/> FRA Assurances Document	✓		HSIPR Guidance Section 4.3.3.3	May be obtained from FRA’s website at http://www.fra.dot.gov/downloads/admin/assurancesandcertifications.pdf . The document should be signed by an authorized certifying official for the applicant. Submit through <i>GrantSolutions</i> .	Form

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