

TEXAS TRANSPORTATION COMMISSION

COOKE, DENTON AND TARRANT Counties

MINUTE ORDER

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WICHITA FALLS, DALLAS AND FORT WORTH Districts

Transportation Code, §91.002 states that the financing and operation of a rail facility are public and governmental functions, exercised for a public purpose and matters of public necessity.

In May 2006, citing funding shortfalls, the National Railroad Passenger Corporation (Amtrak) announced its intent to eliminate the Heartland Flyer route which extends from Fort Worth, Texas to Oklahoma City, Oklahoma. Since federal fiscal year 2007, the Texas Transportation Commission (commission) has authorized the Texas Department of Transportation (department) to provide funding for the continuance of service. The state of Oklahoma has also provided funding for each year.

Amtrak's operating loss on the Heartland Flyer for the federal fiscal year beginning October 1, 2010 is projected to be \$1,072,768 without fuel and host railroad costs. Amtrak has requested that the state of Texas provide \$2.1 million, including projected fuel and host railroad costs, for the continuation of service for the federal fiscal year beginning October 1, 2010. The state of Oklahoma plans to provide \$2.1 million for the continuance of the service. Amtrak and the department will review expenditures on a quarterly basis to determine if remaining funding is sufficient to continue service. If additional funding is needed, the department will provide additional funding or work with Amtrak to implement necessary service modifications to comply with the limitations of the remaining funding.

Amtrak will cease providing passenger rail service on October 1, 2010, if the state of Texas does not provide \$2.1 million to offset the operating loss on the Heartland Flyer.

IT IS THEREFORE ORDERED by the commission that the executive director is authorized to enter into any necessary agreements to fund the Heartland Flyer passenger rail service for an amount not to exceed \$2.1 million for the federal fiscal year 2011.

Submitted and reviewed by:

Director, Rail Division

Recommended by:

Executed **112428 SEP 30 10**

Minute
Number

Date
Passed