

### (Slide 1 – Introduction)

Good morning. My name is Charlie Monte Verde, and I work in Amtrak's Government Affairs Department in Chicago, handling relationships with our state partners and the communities we serve in the Midwest. On behalf of Mr. Boardman, our CEO, and Mr. Coscia, our Board Chair, I'm honored to have the opportunity to speak to you today.

### (Slide 2 – System Overview)

I will start today's briefing by giving you a quick overview of Amtrak's operations nationally and in the Midwest. While my focus is on Amtrak's Michigan services, I think it's important to keep in mind that every train that serves Michigan crosses three states and as many different railroads to get here. Amtrak's role as a train operator is well understood, but our role as a coordinator and integrator of services across state lines and railroad property boundaries is also an important and vital part of our operations.

As you will see from the charts on the screen, those operations have done very well over the last couple of years. Ridership and Federal operating funding have long been two of the principal yardsticks of our success, and they're strongly interrelated. Improvements in ridership and revenues generally translate into improvements in our operating efficiency, and as you can see, both have trended in very favorable directions over the last decade.

If we were an airline, we would be the sixth largest domestic carrier in America. Our 21,000 mile national system spans 46 states, and we carried more than 31.6 million passengers in the recently-ended fiscal year 2013. That figure is a record, **the tenth record in eleven years**, and it is one of the factors that have helped us to improve our cost recovery to the point where only 12% of our operating costs are paid with Federal dollars. We will discuss record ridership in Michigan a little later on as well.

### (Slide 3 – Amtrak Michigan Service)

Having discussed the nation and region, here's a close-up map of our Michigan services. Michigan is one of four states we partner with in the region. Amtrak serves 22 cities and towns in Michigan with ten (10) state-supported trains. Amtrak has owned the 97-mile route between Porter, Indiana and Kalamazoo for decades, and we have worked closely with the state to improve it to the point where last year we could raise speeds on the line to 110 mph. Recently the state purchased the 135 mile segment connecting Kalamazoo with Dearborn, which now means **that nearly 80% of the 281 mile line** between Chicago and Detroit will be publicly owned – a situation that's wholly-unique outside of the Northeastern United States, and of direct benefit to the public.

With these improvements, which I will discuss in detail in a few minutes, ridership in Michigan has gone up 63% since 2000. Equally important is the ticket revenue garnered



by Amtrak and the state, **which has nearly doubled, going up 98%** over a similar period. This translates into better service for the customer, and better bang-for-buck for the taxpayer.

**(Slide 4 – Michigan Line Projects)**

Michigan received two different federal grants to purchase and upgrade the Kalamazoo-Dearborn line from the Norfolk Southern Railroad. The first grant was for the purchase of the line, which has already occurred, and the second was for improving the physical infrastructure of the route, which is ongoing. The Kalamazoo-Dearborn section will be upgraded to match up with the Amtrak-owned section of the route, with train speeds of 110 MPH and additional capacity added. We will need to invest steadily in this line going forward, **but if we do so, we can cut trip times dramatically and bring Detroit and Chicago regions closer together.**

The rehabilitation and construction work includes virtually every aspect of railroad infrastructure work, from ground-up improvements to existing track, to construction of all-new passing sidings and second mainline tracks to advanced signal and safety enhancements.

This work is being done in addition to major projects in Indiana and Illinois which will improve reliability, and decrease congestion on the route into Chicago utilized by all Michigan trains.

**(Slide 5 – Station projects in Michigan)**

Since of great relevance to this meeting, let's take a quick look at the ongoing program of station rehabilitation in Michigan. Amtrak has partnered with agencies at all levels of government in a diligent campaign to build passenger-friendly stations befitting a modern rail network such as that in Michigan. This work is being done on all three Michigan routes and in every corner of the state.

Work was completed to make some much needed updates to the Battle Creek station last year, giving Cereal City a modern, accessible, multimodal station. Work is ongoing at Troy, Dearborn and Grand Rapids to finish brand new, state-of-the-art intermodal train stations, with work on a new planned station for East Lansing in the coming year as well.

Ann Arbor is the busiest Amtrak station in Michigan, and has been for many years. A 10% increase over FY12 to over 158,000 riders made 2013 the busiest year in Amtrak's history serving Ann Arbor. We are an eager and appreciative stakeholder as the city seeks to construct a state-of-the-art multimodal station. We applaud the city's efforts on this front as we continue to improve and grow the *Wolverine* corridor.

**Thank you for your time.**