

Agreement between the Connecticut DOT and MassDOT Regarding the Methodology for Sharing Revenues and Expenses for Amtrak Hartford Line and Amtrak Valley Flyer Services

Board Meeting

October 20, 2021

Overview



- The Passenger Rail Investment and Improvement Act of 2008 (PRIIA) required States to provide proportionate operating costs and capital expenses for Amtrak services under 750 miles. (State-Supported Services)
- MassDOT and the Connecticut Department of Transportation share in the proportionate costs and expenses for the Amtrak Valley Flyer Pilot Service and the Amtrak Hartford Line Service.
- The Amtrak Hartford Line Service provides seven daily weekday round trips between Springfield and New Haven, CT plus one daily weekday Northeast Regional train from Springfield to New York.
- The Valley Flyer Pilot Service extends two of those daily weekday roundtrips from Springfield to Greenfield, with additional Massachusetts stops in Holyoke and Northampton

Cost Sharing



- In March 2018, in anticipation of the *CTrail* operated service on the Hartford Line and the Amtrak Valley Flyer, CTDOT and MassDOT negotiated a new approach to sharing the costs.
- The cost sharing approach eliminated MassDOT's risk of revenue reduction associated with the CTDOT "One price – Any Train" policy for the line and established MassDOT costs for Valley Flyer Pilot service.
- The 2018 cost sharing approach with CTDOT was established for a 41-month period (May 2018 to September 2021).
- The approach includes MassDOT paying a fixed price while CTDOT pays the remainder of the Amtrak costs incurred, consistent with the federally approved (PRIIA Section 209) Amtrak cost allocation methodology.

Agreement



“Agreement between the Connecticut Department of Transportation and the Massachusetts Department of Transportation Regarding the Methodology for Sharing Revenues and Expenses for Certain PRIIA Section 209 State-Support Amtrak Services”

- The agreement extends the term of the 2018 cost sharing arrangement for an additional three (3) years.
- The annual MassDOT share of costs for the two services (Amtrak Hartford Line service and Amtrak Valley Flyer service) is \$6 million (plus inflation).
- Under the terms of the agreement, MassDOT will pay Amtrak a total of \$18 million (plus inflation) for three years of service, with CTDOT paying all remaining costs.

Request of the Board



VOTED:

To authorize the Secretary/Chief Executive Officer, or his designee, to execute agreement No. 88563 between MassDOT and the Connecticut Department of Transportation (“CTDOT”), in a form approved by the General Counsel, to share revenues and expenses for certain PRIIA Section 209 State-supported services, committing MassDOT to pay CTDOT \$18,000,000 (plus inflation), over a three-year period, for Amtrak Hartford Line and Valley Flyer services.