

RAILCET INTELLIGENCE REPORT #10

To: RAILCET
From: Ray Chambers
Subject: Chippewa Rail Commission Plan

Date: March 19, 2025

This morning, I participated in the Chippewa-St. Croix Rail Commission meeting. The advancement of the new FRA Corridor Identification and Development (CID) passenger rail project between the Twin Cities and Eau Claire was discussed. This is an important project for RAILCET construction contractors, AIPRO operators, both management and labor. This is the only CID project, with a Step #1 Scoping grant from FRA, that requires a competitive process to select an operator using the commercial Direct Access Model as opposed to the Traditional Amtrak Model that precludes competition. The track owner, Union Pacific, is in full support. The following are highlights of the meeting.

Track Restructuring at Twin Cities Union Depot. Andy Olson of Ramsey County Regional Railroad Authority reported. He reviewed the specific plans which call for millions in capital improvements around the station. The goal is to complete the improvements in the next three to five years. Happily, Ramsey County has a significant transportation sales tax. The Union Station capital projects are near the top of the list. While they may seek a federal CRISI grant for a portion, they will be prepared for self-funding from the sales tax. UPRR is working hand in glove on the Union Station plan which would restructure track on its rights of way. This project may present significant opportunities for RAILCET contractors.

FRA review of Scoping Grant Approvals. Sixty-nine new intercity corridor projects requested by forty-one states were approved by FRA for the half-million-dollar Scoping grants. This includes the Chippewa project. Across the country there is general concern these grants will be terminated in line with other Musk DOGE efforts. So far that does not appear to be the case. The FRA is proceeding with a final review of Scoping Grants including the Twin-Cities to Eau Claire project. Hopefully, there will be final approval for Scoping grant expenditures prior to the April 30 Commission meeting.

Request to the State of Wisconsin for matching funds for CID Phase 2 projects. FRA grants for Step 2, the Service Development Plan (SDP) require a 10% match. The Commission is requesting the Governor of Wisconsin to budget for matching funds for all CID projects across the State, including the Twin Cities Eau Claire route. I promised to share the draft letter with the RAILCET Trustees and AIPRO Board to determine if they would authorize expressions of support.

Next Meeting. The next meeting is scheduled for April 30.