

Railroad Capacity Improvement Program Guidelines

- The program is for the purpose of facilitating capacity improvements, through new track construction, on railroads in Kansas.
- Qualified entities include any Class II or Class III railroad, as defined in 49 C.F.R., part 1201, holding a certificate of public convenience from the Surface Transportation Board, port authority established in accordance with Kansas law, and any governmental unit or Kansas shipper in coordination with the serving railroad.
- Qualified entities will submit a Capacity Improvement project application to the Kansas Department of Transportation, Freight and Rail Unit.
- The ratio of benefits to costs (benefit-cost analysis) for any project shall be greater than one (1.0).
- The qualified entity shall demonstrate that it is financially sound and capable of fulfilling all obligations created by the agreement to perform the project.
- If the qualified entity is a governmental unit or Kansas shipper, a letter of agreement from the serving railroad acknowledging project coordination with the qualified entity is required. If the serving railroad operates with trackage rights there will also need to be coordination with the rail line owner.
- The qualified entity shall demonstrate that operations will be made more efficient by raising the minimum operating speeds from FRA class one (up to 10 mph) to FRA class two (10-25 mph), OR from FRA class two (10-25 mph) to FRA class three (25-39 mph)
- The qualified entity shall demonstrate that the project for which funding is sought will result in road or highway maintenance costs savings for state and local government entities.
- The qualified entity shall demonstrate the commitment of capital, or the guarantee of a set amount of rail traffic by local shippers, government entities or other interested parties, to the qualified entity for the continued operation of rail service for which funding is sought.
- Term of the agreement is 10 years from the project Notice of Acceptance date.
- The qualified entity agrees not to abandon improved line (project) during the 10 years following the project Notice of Acceptance date.
- The loan portion of the agreement includes a promissory note and lien on the segment of rail line where the project was completed.
- Construction will meet FRA and AREMA Guidelines.
- A minimum of five carloads of 2" to 3" granite ballast per mile (a depth approximately 4") are to be installed on all projects.
- If a project includes mainline rail installation and/or replacement, a minimum of 112 pound rail is required.
- If project is to accommodate 286,000 pound railcars crossties must be 18 inches on center.
- A final track inspection will be conducted by a third party FRA certified track inspector.