

**MEMORANDUM OF UNDERSTANDING
BETWEEN METRA AND THE MARK PASSENGER RAIL COMMISSION RELATED TO THE
MILWAUKEE AREA-RACINE-KENOSHA INTERCITY PASSENGER RAIL STUDY**

WHEREAS, the Milwaukee Area-Racine-Kenosha (MARK) Passenger Rail Commission (the “MARK Commission”) is leading a MARK Rail Study (“Study”) examining the potential implementation of passenger service in the corridor directly north of the Union Pacific North Line (“UPN”) of the Commuter Rail Division of the Regional Transportation Authority, a division of a unit of local government, and the Northeast Illinois Regional Commuter Railroad Corporation, an Illinois public corporation (collectively, “Metra”), in the State of Illinois; and

WHEREAS, the MARK Commission is conducting the Study with several partner entities, including the Wisconsin Department of Transportation (“WisDOT”), the Southeastern Wisconsin Regional Planning Commission, the Cities of Racine, Kenosha, and Milwaukee, consultants, and other partners the MARK Commission designates (“Designees”); and

WHEREAS, the MARK Rail Study includes exploring the potential implementation of new Intercity Passenger Rail (“IPR”) service between Milwaukee Intermodal Station in Milwaukee, Wisconsin, and Ogilvie Transportation Center in Chicago, Illinois, using Union Pacific Railroad’s (“UPRR”) Kenosha Subdivision, which includes Metra’s UPN route between Kenosha, Wisconsin, and Ogilvie Transportation Center (the “Route”); and

WHEREAS, in the course of the Study, the feasibility of implementing IPR service along the entire Route, as well as operating on segments of the Route, including but not limited to service between Milwaukee Intermodal Station and the Kenosha Metra Station at milepost 51.6, will be evaluated; and

WHEREAS, the MARK Rail Study is currently reviewing appropriate levels of service on the Route; and

WHEREAS, Metra must protect the performance of its and UPRR’s current and future train operations on the Route, and the MARK Commission desires to implement reliable, on-time, IPR service on the same Route; and

WHEREAS, Metra, the MARK Commission, and the MARK Commission’s Designees recognize that close collaboration will be necessary to develop an efficient and reliable service plan; and

WHEREAS, the MARK Commission and its Designees have not yet determined an operator of the passenger rail service along the Route but recognize that Metra will be an important stakeholder due its operations on the Route.

NOW THEREFORE, the MARK Commission and Metra, as the parties to this Memorandum of Understanding (“MOU”), agree as follows:

1. **Parties' Intent.** The parties intend to study and develop an IPR service and operations plan ("Operations Plan") on the Route. The Route map is attached hereto as Exhibit A.

The parties will further discuss and refine the Operations Plan that will allow IPR trains to safely and efficiently operate on the Route while providing the capacity necessary to protect Metra commuter trains and UPRR's performance. The Operations Plan elements will be completed by the MARK Commission, its Designees, and Metra as follows:

- a. Metra, at its discretion and subject to availability, will provide ridership, infrastructure documentation, projected service plans, high-level cost information, and other useful operations data to the MARK Commissions and its Designees to refine the Operations Plan as efficiently as possible with responsibilities allocated as appropriate;
- b. Metra and the MARK Commission will work together to develop the Operations Plan that are mutually agreeable to both parties as IPR train speed limits and operating performance characteristics are established;
- c. If determined necessary, and at the MARK Commission's expense, Metra will participate and cooperate with the MARK Commission's and its Designees' performance of RTC or similar rail operations software modeling of the Operations Plan and necessary project sequencing to ensure that IPR and commuter operating requirements are achieved;
- d. Metra and the MARK Commission will work together to support mutually beneficial steps to implement the Operations Plan in a timely fashion;
- e. The MARK Commission will lead coordination with UPRR to ensure the Operations Plan is compatible with freight operations on both the UPRR Kenosha Subdivision and the UPRR Milwaukee Subdivision, while keeping Metra informed of this coordination;
- f. The MARK Commission will lead coordination with Canadian Pacific Kansas City Limited ("CPKC") and the National Passenger Railroad Corporation ("Amtrak") to ensure the Operations Plan is compatible with CPKC's and Amtrak's operations on the segment of track near Milwaukee Intermodal Station that is owned by CPKC and used by Amtrak while keeping Metra informed of this coordination;
- g. Metra and the MARK Commission will establish a regular review and communication process between the parties; and
- h. The MARK Commission and Metra agree that actual service or operating plan will be subject to further review (including cost analysis), discussions, and negotiations, including, but not limited to, further consideration of necessary capital improvements and investments, necessary service and operating agreements and plans, as well as require the coordination and agreement with the UPRR.

2. **Operations Plan.** The Operations Plan may include and account for, without limitation, the following elements:
 - a. Schedules of the IPR service;
 - b. Fares;
 - c. Terminal capacity;
 - d. Operating equipment;
 - e. Organizational structure;
 - f. Capital and operating costs as it relates to IPR operations on the Route; and
 - g. The parties will use all best efforts to complete the Operations Plan in a timely manner necessary for advancement of the Study.
3. **Goals.** The parties will have due regard for the following performance and service objectives during the development of the Operations Plan:
 - a. Preservation of commuter and freight service to current and future customers at levels required by the marketplace;
 - b. Developing an Operations Plan compatible with Metra's Strategic Plan or other guiding principles as requested by Metra as well as goals set forth by the MARK Commission and its designees; and
 - c. Demonstrating a clear benefit to Metra, Northeast Illinois, and to the Chicago-Milwaukee region.
4. **Further Considerations.** This MOU is intended to serve solely as the basis for collaboration between the parties. Both parties acknowledge that any definitive written agreements will include additional terms and conditions and that such terms and conditions must be acceptable to each party, in each party's sole discretion. Furthermore, the following considerations are recognized by both parties:
 - a. Understanding that Metra's plans may change, and Metra makes no guarantees about accuracy of the information shared with the MARK Commission and its Designees;
 - b. Any information shared between the parties will be in a spirit of cooperation but would not prejudice either party in any possible future contract negotiations;
 - c. Metra may require the MARK Commission and/or its Designees enter into a Non-Disclosure Agreement ("NDA") covering sensitive business information that may be exchanged during the Study;
 - d. Upon receipt of initial requests for information/collaboration from the MARK Commission and/or its Designees; Metra will assess whether staff time would be de

minimis or whether further agreement is needed to reimburse Metra for staff time allocated to the Study (“Reimbursement Agreement”);

- e. Metra will periodically review levels of staff involvement to determine appropriateness. Metra will notify the MARK Commission as necessary if it believes staff is unable to accommodate requests as part of their regular duties, or if creation of/revision to a Reimbursement Agreement is warranted.

In witness whereof, the parties have executed this MOU as of the date of final signature (“Effective Date”).

THE MARK PASSENGER RAIL
COMMISSION

COMMUTER RAIL DIVISION OF THE
REGIONAL TRANSPORTATION
AUTHORITY

By: _____
[Name, Title]
Date: _____

By: _____
James M. Derwinski, CEO/Executive Director
Date: _____

Exhibit A

