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FDOT on wrong track with Tri-Rail

By the Sun-Sentinel Editorial Board

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The Florida Department of Transportation believes it can build a brand new commuter rail line between Fort Lauderdale and Miami by targeting the only one currently operating in the state — Tri-Rail. We are skeptical.

FDOT Secretary Ananth Prasad signaled an unwelcomed turn in the department's relationship with the South Florida commuter rail line by announcing that his agency would consider a "private-public partnership" for Tri-Rail.

Secretary Prasad said this would "expand service," "lower the cost to the taxpayer" and provide "quality services to the customer." Department officials have since met with Florida East Coast Railway administrators in secret discussions, which included talk of transferring Tri-Rail operations to the railroad.

In an era of limited public resources, the idea of privatizing sounds tempting. However, the state's rush to rob Peter to pay for a new Paul is troubling, not only to South Floridians who rely on Tri-Rail but to other communities that still need government funding to build and operate commuter rail lines to address their own mass transit needs.

In 2009, the Florida Legislature created a new funding formula that boosted Tri-Rail's state appropriation to about \$30 million annually and guaranteed seven years of continued support to operate SunRail, Orlando's new commuter rail line. Transit officials in both areas were able to breathe easier thanks to the steady stream of revenue coming from their partners in Tallahassee.

Now FDOT appears to be renegeing, at least in its commitment to the South Florida Regional Transportation Authority, which runs Tri-Rail. FDOT hopes to raise the estimated \$300 million needed to start building an additional track and stations along the southern end of the FEC corridor by taking what they describe as \$10 million a year in "savings" from the authority's administrative costs.

Unfortunately, FDOT's claims that Tri-Rail could lower administrative costs by reallocating 20 percent of 126 positions is not convincing. Authority officials contend their administrative expenses account for about 9 percent of the total budget. And FDOT's own analysis can't sufficiently verify Tri-Rail's labor expenses or accurately compare those costs with other commuter rail lines, all of which suggests a hole big enough to accommodate truck traffic on I-95.

What seems clear is that FDOT wants to stop funding commuter rail projects that only seem to

benefit specific parts of the state. If so, this would leave regions like South Florida ultimately picking up a far greater share of the costs to operate Tri-Rail and any new passenger trains on the FEC tracks.

State leaders may have concerns about how commuter rail services are financed, but those concerns aren't enough to justify abandoning their obligation to fund those projects. Until FDOT can show that privatization is more than a pipe dream, with real and verifiable figures and projections, they should leave well enough alone.

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Privatize for whose benefit?

By **THE PALM BEACH POST**

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The quest for a better passenger-rail system in South Florida has taken a puzzling turn, with secretive talks coming to light about privatizing Tri-Rail in the name of cutting costs and creating new service through South Florida's coastal downtowns. These efforts could prove helpful if they lead to real benefits for commuters, but given how state officials have handled the discussions, it's hardly surprising that skepticism abounds.

Last month, The Post reported that the Florida Department of Transportation has been in far-too-private talks with the Florida East Coast Railway about the company taking over Tri-Rail, which runs from Mangonia Park to Miami along the CSX tracks west of Interstate 95. The FEC claims that it could save taxpayers \$10 million a year by assuming operations, although the company does not operate any passenger-rail systems and won't say what it bases those figures on. Members of the board that oversees Tri-Rail were unaware of the talks.

The state seeks potential savings for Tri-Rail because the 14,000 daily riders cover only 16 percent of the two-decades-plus-old system's \$68 million operating budget. The rest is covered by state, county and federal subsidies, with the state by far the biggest contributor. Jim Wolfe, the transportation department's regional secretary, says any savings could help to pay for system upgrades and, one day, help to subsidize the cost of putting additional passenger service on the more convenient FEC tracks.

But it's still far from clear whether privatization would benefit taxpayers and how such a move might affect public oversight of Tri-Rail. Eighty percent of Tri-Rail operations already are privatized, and the system is overseen by the nine-member South Florida Regional Transportation Authority. Next year, the Legislature might privatize Tri-Rail and strip the authority of its role. Who would watch the taxpayers' investment then?

How does this tie in to expanded passenger service? Theoretically, the FEC or another company could operate passenger rail on both sets of tracks more efficiently than separate entities, while savings from privatization could help to offset the tens of millions in new subsidies required to run a second system.

But in this economy, that sort of public money will not materialize anytime soon, meaning that passenger rail on the FEC tracks is still years away. In the meantime, South Floridians have good reason to wonder why a state agency overseen by a governor who has been so critical of the subsidized Tri-Rail system is discussing privatization in secret with a company that donated at least \$195,000 to the Republican Party of Florida in 2010 and \$25,000 toward Gov. Scott's inauguration this year.

State officials say privatization is one of only many options they are examining in an effort to reduce Tri-Rail's costs. Whatever changes are made must be designed to benefit customers and taxpayers, not private businesses.

- Andrew Marra,

for The Palm Beach Post Editorial Board