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To: Mayor Karen Golonka and
Members of the Jupiter Town Council

Date: Tuesday, July 1, 2014

From: P. Michael Reininger
President and Chief Development Officer

RE: All Aboard Florida and coordination with the
Town of Jupiter

We are aware of the concerns raised by your constituents and council and wanted to take the opportunity to address them before you decide to take any action as it relates to tonight's commission meeting. While All Aboard Florida will not stop in Jupiter, we believe that the Town will realize positive benefits from its operations.

The Town of Jupiter has historically supported passenger rail efforts. In 2008, the Treasure Coast Regional Planning Council conducted charettes in the Town to determine what a future commuter rail station and related transit oriented development could look like. In April 2009, the council passed a resolution supporting the Amtrak project on the Florida East Coast Railway (FECR) corridor, and in a Palm Beach Post article published in November of 2012, Town Manager Andy Lukasik said *passenger rail service could reduce traffic congestion in the town. The availability of a passenger train would be an incentive for companies to move into coastal cities, such as Jupiter.*

We couldn't agree more, and we encourage you to look toward the bigger picture. All Aboard Florida is investing more than \$1.5 billion to upgrade the rail infrastructure between Miami and the new station at the Orlando International Airport. These investments, like double tracking the corridor, installing Positive Train Control, upgrading every grade crossing to the highest applicable levels of safety required by the Federal Railroad Administration and the Florida Department of Transportation (FDOT) and modernizing the bridge over the Loxahatchee River, will benefit both freight and passenger movement and lay the groundwork for the future Tri-Rail Coastal Link project, which will provide commuter rail in the FECR corridor between Miami and Jupiter.

For example, when Tri-Rail Coastal Link, or South Florida East Coast Corridor Study as it was called in 2008, was being studied, the capital costs were estimated between \$1.5 and \$2 billion, and the start of operation was 2030 to 2040. Now, solely due to the implementation of All Aboard Florida and our investment, FDOT and South Florida Regional Transportation Authority (SFRTA) have said they believe the capital costs could be as low as \$700 to \$800 million and the system operational by 2020. Since the Town of Jupiter will have a commuter rail station at Toney Penna Drive, this is a direct benefit to the Town of Jupiter as a result of our infrastructure investment. We have said publicly that we see commuter rail as the next logical step in the process, and our team, FDOT and SFRTA meet bi-weekly to coordinate operating plans and station designs for both passenger rail systems.

Just imagine the possibilities when both All Aboard Florida and commuter rail are operational. All Aboard Florida will link Central and South Florida and two of Florida's premier medical research institutes, Scripps in Jupiter and Sanford-Burnham in the Orlando Medical City Campus, which is located just minutes from our station. Researchers and visitors working at Sanford Burnham can take a short intercity trip to West Palm Beach and then hop on a commuter rail station to Scripps in Jupiter. The same thing can be said for the growing medical district in downtown Miami. These synergies and connections make South Florida and the entire state economically strong and continue helping us attract and retain talent.

Several concerns have arisen regarding safety and noise, and we know quiet zones are of the utmost importance to the Town. The investment in safety improvements made by All Aboard Florida will produce the added benefit of drastically

reducing the improvements that would otherwise be associated with the introduction of quiet zones, and therefore the majority of the costs of quiet zones will be contributed by All Aboard Florida in the areas north of West Palm Beach, including the Town of Jupiter. As stated by federal statute, quiet zones can only be requested by local municipalities or authorities that have jurisdiction over the roadway. As a matter of federal law, railroads are obligated to comply with strict conditions with regard to the use of train horns to warn the public of the oncoming train. All Aboard Florida represents a once in a lifetime opportunity to realize this benefit at the lowest possible cost, the quickest possible time frame and the easiest possible process. In addition to the investment, All Aboard Florida has expressed willingness to assist with needed engineering, bidding and even construction management of the process as evidence of our commitment to supporting the realization of this benefit.

Our trains will be much quieter, faster and lighter than the freight trains that operate in the corridor today. We recently released a grade crossing demonstration video (<https://www.youtube.com/watch?v=jhG5ImwYBYg&feature=youtu.be>) that shows it will take less than 50 seconds for a grade crossing cycle to occur as a result of our added passenger trains. This means that motorists or pedestrians will not be impacted for 58 minutes of every hour, or put another way, there is a 97 percent chance you will not encounter a passenger train when you are traversing our corridor.

The issue of added freight and any relationship to All Aboard Florida has also been discussed. It is worth reemphasizing that the Florida East Coast Railway is an entirely different company from Florida East Coast Industries, the parent company of All Aboard Florida. The companies do not share legal structure, organization, management or any participation from operating results of their independent businesses. Freight traffic will likely echo Florida's economy as it has since the late 1890s. Regardless of All Aboard Florida, freight will continue to operate in the corridor. However, if it weren't for All Aboard Florida, the improvements, like safety upgrades to each of the grade crossings and a modernized bridge over the Loxahatchee, won't happen. In that way, All Aboard Florida and its investment creates the advantages that benefit everyone as a result of the newer, safer, better and more efficient infrastructure.

Regarding the Loxahatchee River bridge, All Aboard Florida is investing millions of dollars to upgrade the existing structure. Currently, the bridge is single tracked. We will reinstall the second track, allowing two trains (like a freight train and passenger train or two freight trains) to cross at the same time. Additional improvements include replacing or repairing structural steel, mechanical equipment and electrical equipment, resulting in a more efficient and reliable bridge able to cross more trains quicker.

As you know, the Environmental Impact Statement (EIS) process that's being led by the Federal Railroad Administration (FRA) is analyzing the impacts of both freight and passenger service operating within the corridor and determining the appropriate mitigation factors for any impacts. All of these mitigation measure will be outlined when that document is published by the FRA later this summer or in early fall. We believe the Draft EIS document will show that the average wait times of marine vessels will be reduced at the Loxahatchee River bridge (and the New River and St. Lucie River bridges). This is a direct result of the increased track speed and signaling system being installed by All Aboard Florida.

The Town of Jupiter and Palm Beach County will benefit from the significant economic output that will be created by All Aboard Florida. This passenger rail system will generate more than \$6 billion in economic impact to Florida's economy over the next eight years and add \$3.5 billion to Florida's GDP through 2021. Simply put, if you live in Florida, you will benefit from these revenues since the money will be distributed to the local, state and federal coffers to support existing or new public services. Almost 1,000 jobs will be created in Palm Beach County during rail line construction, and more than \$156.8 million will be added to the county's GDP.

And finally, regarding the financial viability of our business, this private investment represents a remarkable statement of confidence in the future of Florida. It is a vision that in the past has only been explored with full reliance on taxpayer

produced public funds. Unlike every other major proposed passenger rail project, no state grant or federal money has been requested or provided.

As an organization, we are proud to bring to life a project as important and impactful as All Aboard Florida will be for the entire State of Florida. This 235-mile passenger rail project will ignite a continuing cycle of economic benefits to the entire state that history has shown evolve from investments in fundamental infrastructure. It will also yield environmental benefits to the state by eliminating some three million cars from the roadways of Florida (including those located in northern Palm Beach County) and the detrimental impacts that come from them.

We welcome the opportunity to address your council directly to answer any questions or concerns they may have. My team and I look forward to continuing working together as we develop this historic infrastructure backbone along Florida's east coast that will transform the entire state.

We hope you will take all of these important realities into consideration prior to taking any action.