



Next Steps Outlined in Sooner Sub Sale Process; facts about rail line

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The period to submit bids for the sale of the Sooner Sub rail line between Del City and Sapulpa ended Jan. 30 resulting in responses from four companies. The process has been extremely competitive based on inquiries from railroad companies. The Oklahoma Department of Transportation accepted the bids and was responsible to review and verify that all necessary paperwork was received with the proposals.

After paperwork was verified, ODOT turned the proposals over to an evaluation committee on Jan. 31. This group will have up to 90 days to evaluate and make a recommendation to the Oklahoma Transportation Commission. The bid proposals will be considered by five cabinet secretaries outlined in state law including the Secretary of Commerce, Secretary of Finance, Secretary of Agriculture, Secretary of Energy and the Secretary of Transportation.

The Sooner Sub rail line was one of several rail corridors facing abandonment in the late 1990s and ODOT acquired it at salvage value with the intent of preserving the connecting rail network for the future benefit of Oklahoma. Following passage of the Oklahoma Railroad Revitalization Act of 1978, the state legislature appropriated \$22 million in Fiscal Year 1980-1981 to begin acquiring rail properties which could provide economic rail service to the state. The underlying premise of these acquisitions was to save the rights of way, corridors and track for future private sector use, operation and potential ownership, and therefore not to place a government entity in direct operational competition with private rail companies.

ODOT has been successful in preserving rail corridors across Oklahoma and bringing them to a meaningful fruition by putting them back into the private sector. At its peak, the state held title to more than 850 miles of track that would have otherwise been abandoned. More than 580 miles of the state-owned rail system has been returned to private ownership. The largest section of track returned was more than 350 miles through central and southwest Oklahoma which was acquired by the Union Pacific Railroad through a lease purchase agreement.

In 2012, ODOT was approached by several private rail companies with interest in purchasing the Sooner Sub rail line. As good stewards of taxpayer investment, the department acted upon the interest and began exploring the possibility of selling the railroad. ODOT started accepting requests for proposals for the sale of the Sooner Sub rail line on November 1, 2013, and is carefully following the legislative guidance for selling rail assets set forth in Oklahoma Statute Title 66, Sec. 304. The option of a sale will only be considered if it is deemed to be in the best interest of the state.

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INFORMATION RELEASE

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Because the Sooner Sub rail line is a complex issue, ODOT offers the following facts:

- Since the department committed to exploring a sale option for the Sooner Sub, there has been more attention than ever before focused on passenger rail service in that corridor.
- ODOT continues to progress toward identifying viable options of passenger rail service between Oklahoma's two largest cities through an in-depth, federally funded study currently underway through 2015.
- The study includes the existing Sooner Sub line as well as other possible routes in the corridor, checking for feasibility, public support and cost analysis for potential passenger service operations.
- A potential sale of the Sooner Sub line will not cancel the corridor study.
- A potential sale would allow the private sector to invest money in major track improvements to support the increased demand from the energy sector.
- Currently, there is no state or federally appropriated funding for start-up and operation costs for passenger rail on the OKC to Tulsa corridor.
- An ownership change on the Sooner Sub rail line does not mean the opportunities for passenger rail service on this rail corridor are diminished. For example, the Heartland Flyer operates daily passenger service on a non-state owned line between OKC and Ft. Worth.
- Recent excursion trains provided by the current leaseholder are privately-funded trains not paid for with taxpayer funds.

For further details about the Sooner Sub rail line, visit www.okladot.state.ok.us and click on Requests for Proposals Sooner Subdivision.

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(Editors and News Directors: For more information call the ODOT Media & Public Relations Division at 405-521-6000.)