January 5, 2019

Dear Township Board and City Council members:

As you review the proposed 2019 budget for the Trailway Council, I thought I’d take the opportunity to review where we are and what the next year looks like. We have been extremely fortunate to have had a great 2018, and 2019 looks even brighter.

Of course, most recently, the M-5 Pedestrian Bridge was opened in October. While final aesthetic and lighting enhancements are scheduled to be completed later this winter, the construction went off without any issues and the bridge itself is a big hit. Constructed with Michigan Department of Transportation (MDOT) funds (via the Congestion Mitigation Air Quality program), the bridge was built without any direct contributions from the three trail communities, except for the additional design and lighting elements requested by Commerce Township, which they alone paid for. If you haven’t had a chance to walk it yet, I encourage you to get out and see it.

The bridge was just the latest in a strong series of trail “milestones.” Of course, the Trail property itself was acquired in February of 2017, after a lengthy period of negotiation, permitting, due diligence, and grant application work. It’s important to note that the costs for the acquisition, including all due diligence costs, were provided via grants from both the federal Transportation Alternatives Program (TAP) and the Michigan Department of Natural Resources (MDNR) Trust Fund as well as significant contributions from the seller of the right of way, the Michigan Air-Line Railroad Co. The price that MDNR approved for land acquisition was $2,610,000. The MDNR land acquisition grant was conditioned on a 25 percent local match. We were fortunate to secure a $652,500 grant from MDOT for that 25 percent of land costs. While the MDOT grant was a “reimbursement” grant, requiring that the Trailway Council temporarily advance MDOT’s portion of closing costs, all locally advanced funds were returned to the communities, resulting in a net-zero acquisition cost for the communities. During the acquisition process the seller contributed $253,000 to pay for “due diligence” expenses such as surveys, environmental reports, appraisals, and professional fees for legal counsel, engineering, and administration.

Although the three communities comprising the Trailway Council did not plan to significantly improve the railroad right of way when this project started back in 2009, the Trailway Council was approached in the summer of 2017 by a trail benefactor, Mr. Mike Levine. He offered to pay for Design and Engineering Services to improve the Trail from its current condition, suitable only for hiking, to a high level Trailway, suitable for multiple non-motorized uses, provided that we apply for TAP grant funds to pay for the actual costs of those improvements by the end of October 2017. Mr. Levine’s gift amounted to nearly $220,000 in design work. After approval of the three participating Trailway communities, the application was successfully submitted to MDOT for a grant of $3.4 million offering a 20 percent local match.
We started out 2018 with news from the TAP folks at MDOT. While admitting our application was very impressive, they couldn’t justify a 20% local match for a project like this... especially considering they had already funded large portions of the Trail property acquisition. MDOT wanted a 50% local match. So, it was on the Trail Council to find grant funds to make up the gap; an additional $1.3 million would be needed. We approached the Ralph C. Wilson, Jr. Foundation about the possibility of their assistance. They were receptive as parks and trails are one of their key areas of interest and they invited us to apply for funds. We did, made a presentation to board members, and in late June we were notified that they would grant us the entire $1.3 million dollars we needed to make up the shortfall. Thrilling news, to be sure!

The final designs and associated permits were wrapped up and submitted, and MDOT requested the TAP funds be obligated from the Federal Government in November. Those funds were obligated, and the project has been advertised, with an anticipated contract letting date of February 15. Assuming the low bid is within budget, trail construction could start as early as March. We estimate that construction, including enhancements at road crossings, should wrap up in calendar 2019.

You’ll notice that the 2019 proposed budget does not call for any additional contributions by the three communities. We will operate this year on surplus from contributions from previous years and funds obtained from the seller as part of the land sale closing process. I should also note that West Bloomfield Township has budgeted $75,000 of its own funds to pay for 50% of the crossing beacon at Haggerty Road, where our Trailway adjoins the West Bloomfield Trail. We are fortunate to have another good neighbor that recognizes the importance of seeing the trail improved and is willing to invest in it further!

We are very much looking forward to this construction year on the trail. We are confident that we will deliver a fantastic trail resource for the citizens in your communities and the region beyond. Improving the trail is a fantastic bargain for our communities, especially when you consider that local contributions will amount to less than 11 cents of each dollar of costs with the other nearly 90 cents coming from private and public grant money.

Thanks again for your continued support; we all have a lot to be proud of with this project! I know you get most of your information from your community’s Trail Council member, but if you ever have any questions for me don’t hesitate to contact me at manager@miairlinetrail.com.

See you out on the Trail,

John Hensler
Trail Manager