



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Shannon Valentine
Chairperson

1401 East Broad Street
Richmond, Virginia 23219

(804) 786-2701
Fax: (804) 786-2940

Agenda item # 4

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

September 18, 2018

MOTION

Made By: Mr. Whitworth, Seconded By: Mr. Kasprovicz
Action: Motion Carried, Unanimously

Title: Rail Enhancement Fund – Virginia Inland Port Terminal Expansion

WHEREAS, funding is provided by the General Assembly for Rail Enhancement Fund projects; and

WHEREAS, Section 33.2-1601 of the *Code of Virginia* declares it to be in the public interest that development of railway transportation facilities are an important element of a balanced transportation system; and

WHEREAS, the Virginia Port Authority has submitted an application for Rail Enhancement grant funds in the amount of \$7,715,855 toward a rail terminal capacity expansion at the Virginia Inland Port; and

WHEREAS, the project includes the required 30% matching funds, in the amount of \$3,306,795, from the Virginia Port Authority; and

WHEREAS, the Department of Rail and Public Transportation (DRPT) has evaluated the project in accordance with the Board's Rail Enhancement Fund policy and, because the project meets the required qualifications and surpasses the minimum threshold of the benefit cost analysis, has recommended approval of the project; and

WHEREAS, the funding request falls within the intent of Section 33.2-1601; and

WHEREAS, the Board believes that this project is for the common good of a region of the Commonwealth and serves a public purpose;

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NOW THEREFORE, BE IT RESOLVED, that the Board hereby approves that \$7,715,855 of the Rail Enhancement Fund be provided to design and construct a rail terminal capacity expansion at the Virginia Inland Port.

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CTB Decision Brief

Virginia Inland Port REF Application

Location: Warren County / Front Royal, Virginia

Summary: The Virginia Port Authority submitted an off-cycle application for FY19, which expanded on a previously approved project from FY18 to construct additional rail capacity at the Virginia Inland Port.

The updated project application was discussed with the Board during the July workshop and is now submitted under the action agenda for approval.

Facts:

- Original project application submitted in FY18 for \$5.7M (\$3.9M REF).
- FY18 application included building 2 additional terminal tracks and improved container handling with automated cranes.
- FY19 project application submitted for \$11.02M (\$7.72M REF).
- FY19 application includes an additional terminal track, making 3 total new tracks, additional turnouts, and improved container handling with automated cranes.
- In order to accommodate the anticipated rise in rail volumes the Port is increasing VIP's annual cargo capacity from 45,000 containers (86,653 TEUs) to 72,000 containers (138,644 TEU's) by upgrading rail operations from five working tracks to an eight track operation utilizing hybrid straddle carriers.
- Port submitted FY19 BUILD grant application in coordination with expanded REF project.

Source of State Funds: FY2019 – FY2021 Rail Enhancement Fund

Recommendation: In accordance with the CTB REF evaluation policies, and REF benefit cost analysis, DRPT recommends the Board approve the project.

Action Required by CTB: Appropriation of additional funds requires CTB action on the resolution.

Options: Approve, Deny, or Defer