Rail Industrial Access Program Application Briefing

Calenzi, LLC
Nottoway County

Kevin B. Page
Chief of Rail Transportation
Project Location

Calenzi, LLC
Nottoway County

Existing Calenzi Facility

New Rail Service to Plant

NS Railroad

Fort Pickett
Project Description

- Calenzi provides warehousing and processing of semi-precious stone such as marble and granite
- Construction of approximately 500 feet of track to serve the expansion of the existing Calenzi facility near Blackstone and Fort Pickett in Nottoway County
- Project cost: $150,000
- Project provides a connection to the NS Heartland Corridor
Project Benefits

- The Calenzi facility expansion will generate $3,000,000 in local investment over next 21 months and will create 10 new jobs by July 2010.

- Rail access will enable approximately 250 railcar shipments per year upon completion
  - Over 875 trucks per year removed from Virginia highways
Project Scoring

- Projects are scored based on the following criteria:
  - Number of annual carloads
  - Added employment
  - Commonwealth’s portion of track construction per initial capital investment cost
  - Jurisdictional unemployment rate as compared to statewide
  - Project endorsement by the Virginia Economic Development Partnership or Department of Business Assistance to bring or expand industry in Virginia
  - Non-state contributions to track construction
  - Contribution to the long-term viability of a rail line

- This project scored “Fair” at 60 out of 100 points.
Recommended Project Funding

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Total Project Cost</th>
<th>Recommended CTB Allocation</th>
<th>Matching Funds from Calenzi, LLC</th>
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</thead>
<tbody>
<tr>
<td>Calenzi, LLC</td>
<td>$150,000</td>
<td>$85,000</td>
<td>$65,000</td>
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</tbody>
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The Rail Industrial Access program specifies that no more than $300,000 of unmatched funds may be allocated to any one project in any fiscal year. Rail Industrial Access funds in excess of $300,000 are matched dollar-for-dollar by the grantee or from other non-program sources.

DRPT will present this project for action at the November 2008 CTB meeting.
Contracting Process

Agreement will include the following framework:

- Project description
- Project budget
- Project schedule
- Design, engineering and construction criteria
- Performance
  - Employment – Achieved first 24 months
  - Carloads – Achieved first five years and maintained thereafter for 15 years
  - Recovery for failure to perform
- Payment and acceptance of project
- Commonwealth’s ownership interest in the work for 15 years
- SWAM and non-discrimination
- Assignment/Amendment