

# Rail Industrial Access Program Application Briefing

**Kevin B. Page**  
**Chief of Rail Transportation**

# Grant Application Overview

Augusta County:

MeadWestvaco Corporation

Hershey Chocolate Company of Virginia

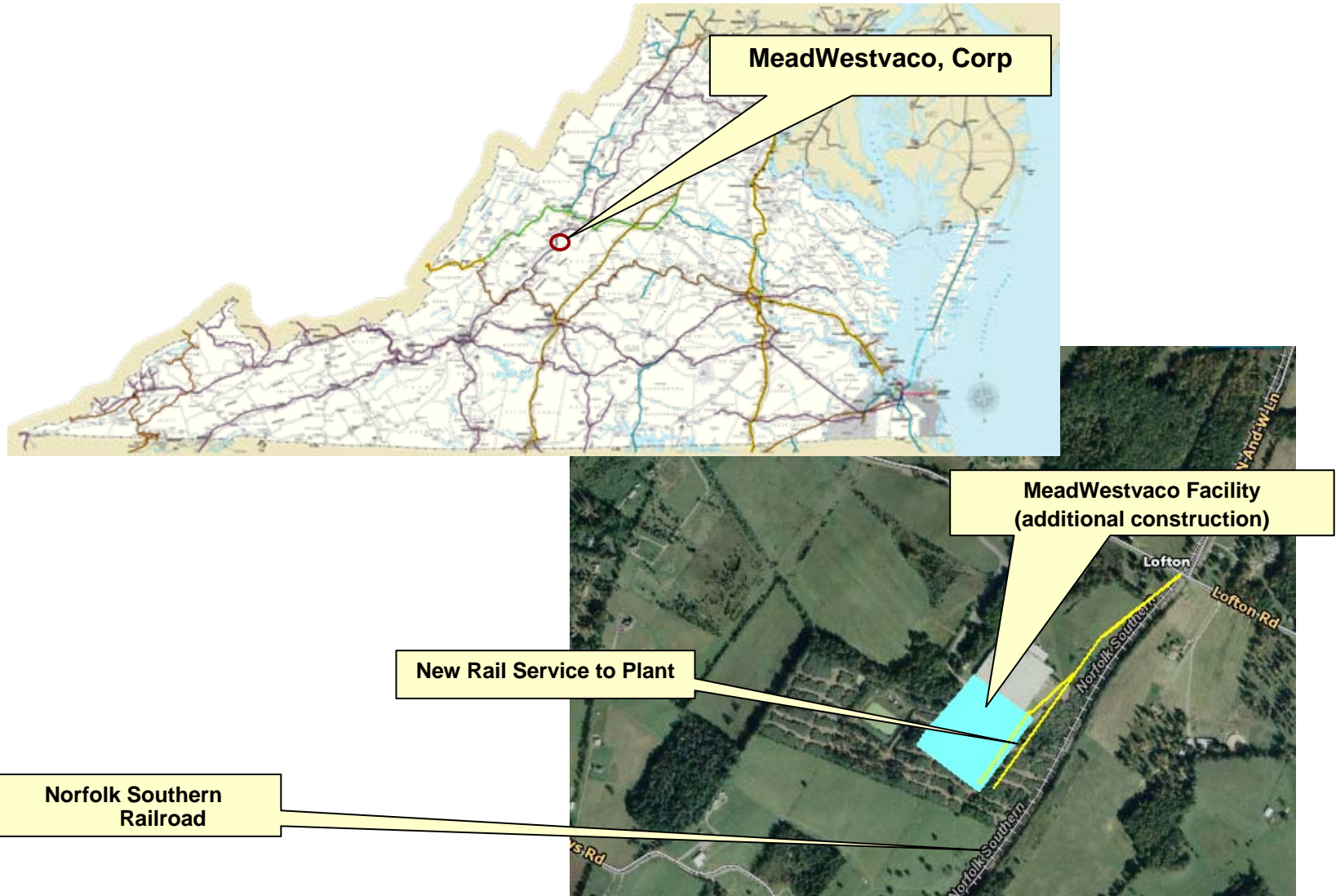
Northampton County:

Gerald M. Moore & Son

Botetourt County:

LiteSteel Technologies America, LLC

# MeadWestvaco Corporation Raphine, Augusta Co.



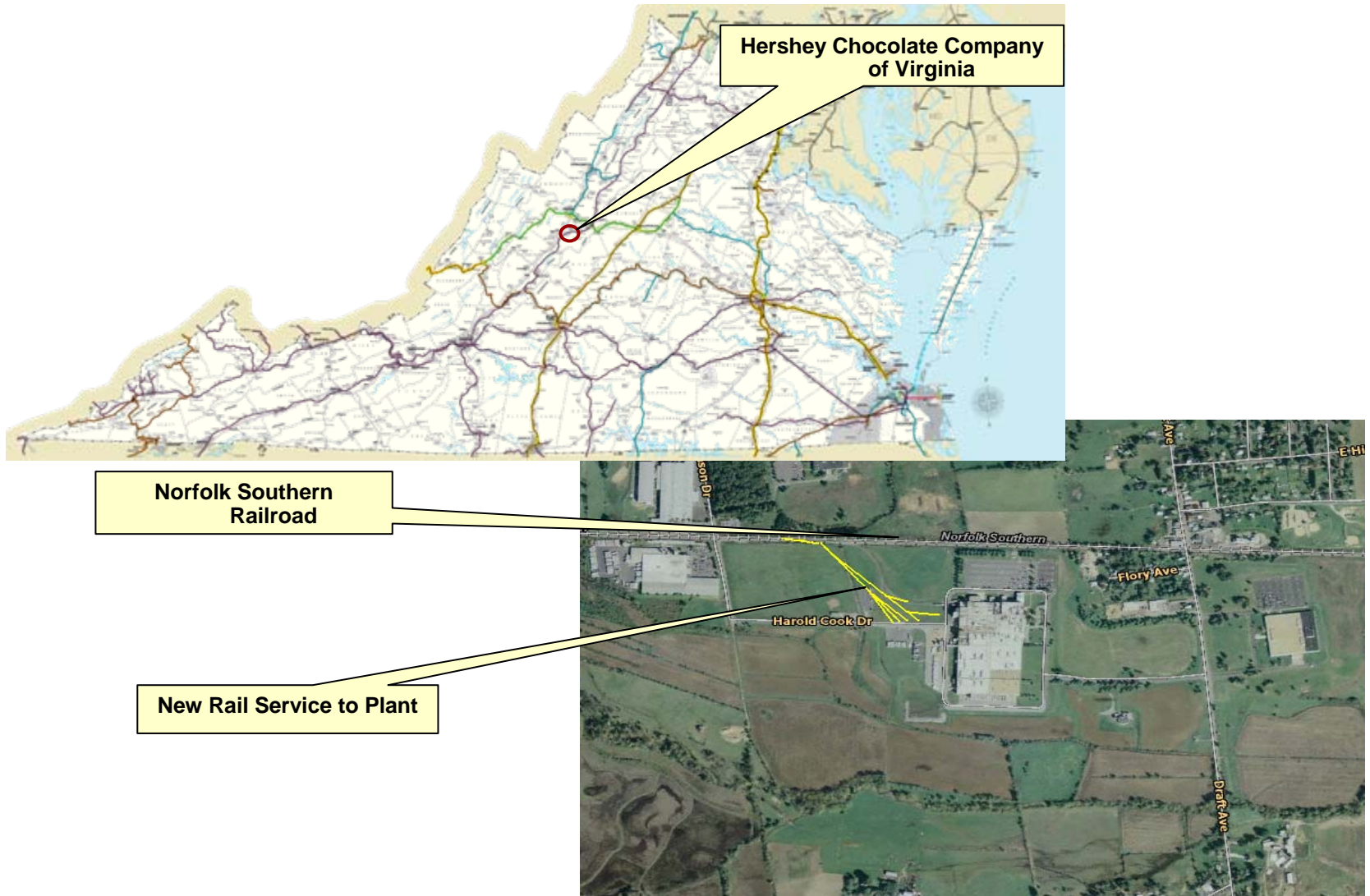
April 15, 2009

# Project Overview

## MeadWestvaco Corporation

- ❑ **Company description:** MeadWestvaco manufactures paper products
- ❑ **Project description:**
  - 4,400 feet of track, with three in-plant switches to serve the expanded facility
  - Improves a freight rail shipping connection in the I-81 corridor
- ❑ Supports \$33 million in local investment and creates 60 jobs
- ❑ Supports more than 500 railcar shipments per year and scored “Fair” at 63 out of 100 points
- ❑ Project has the support of the Virginia Economic Development Partnership and Augusta County
- ❑ Allocation would require the CTB to waive the Section II-E Allocation of Funds limit of \$450,000 per jurisdiction per year
- ❑ **Recommended funding:** \$450,000 state, \$150,000 matching funds

# Hershey Chocolate Company of Virginia Stuarts Draft, Augusta Co.



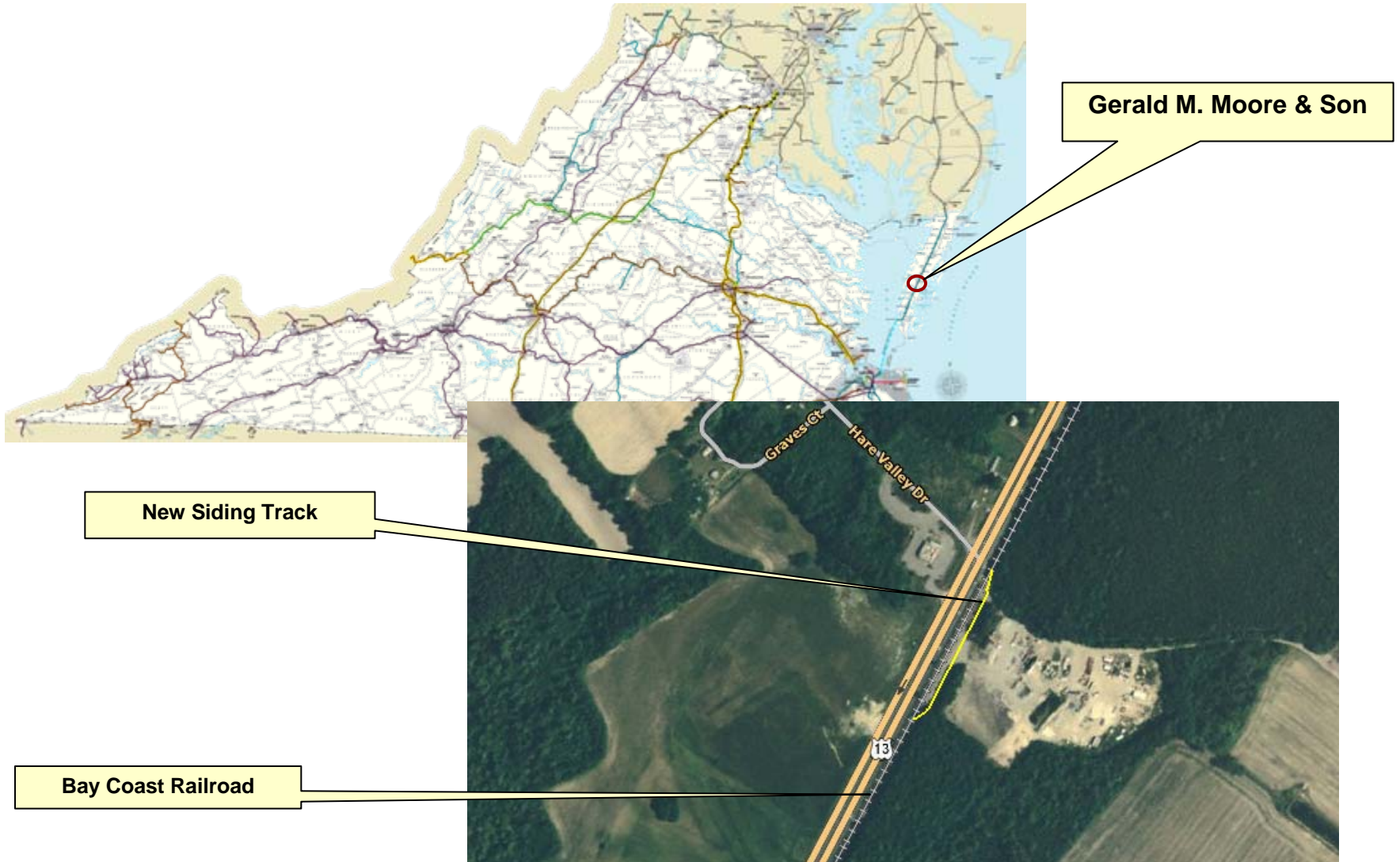
April 15, 2009

# Project Overview

## Hershey Chocolate Company of Virginia

- ❑ **Company description:** Hershey Chocolate Co. of Virginia processes, finishes and packages Hershey brand products
- ❑ **Project description:**
  - 5 new rail spurs (3,000 feet of track) to expand the existing rail yard
  - Improves a freight rail shipping connection in the I-81 corridor
- ❑ Supports \$6.4 million in local capital investment and creates 70 jobs
- ❑ Supports more than 1,000 railcar shipments per year and scored “Good” at 66 out of 100 points
- ❑ Project has the support of the Virginia Economic Development Partnership and Augusta County
- ❑ Allocation would require the CTB to waive the Section II-E Allocation of Funds limit of \$450,000 per jurisdiction per year
- ❑ **Recommended funding:** \$450,000 state, \$150,000 matching funds

# Gerald M. Moore & Son Exmore, Northampton Co.



Gerald M. Moore & Son

New Siding Track

Bay Coast Railroad

April 15, 2009

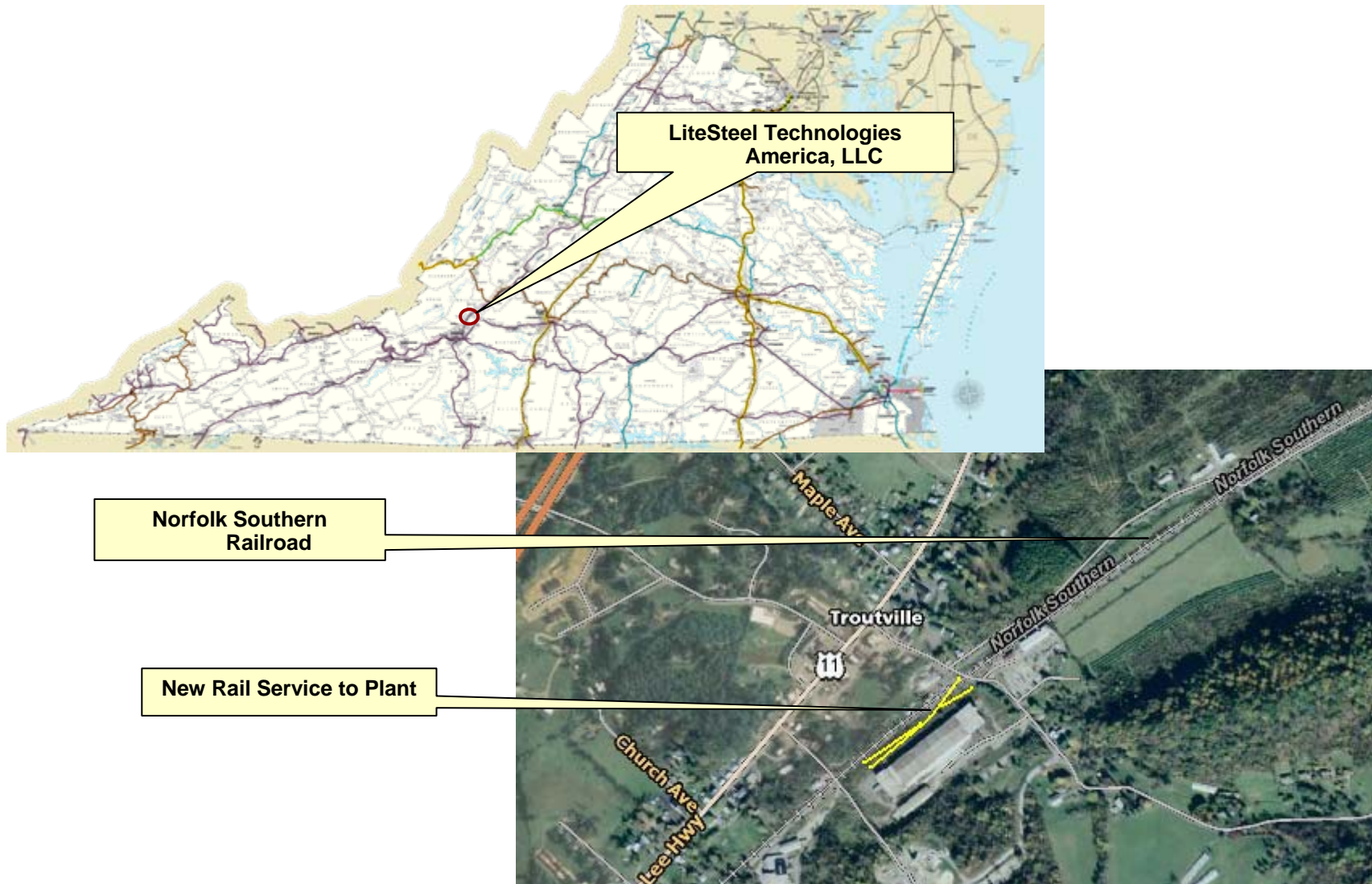
# Project Overview

## Gerald M. Moore & Son

- ❑ **Company description:** A full service site preparation and paving contractor
- ❑ **Project description:**
  - Construction of a siding (1,800 feet of track)
  - Increases freight rail shipping capacity along Route 13 to the Eastern Shore
- ❑ Supports local capital investment of \$250,000, recent capital improvements totaled \$1 million. Creates 20 jobs.
- ❑ Supports 500 railcar shipments per year and scored “Fair” at 62 out of 100 points.
- ❑ Project has the support of the Accomack-Northampton Transportation District Commission
- ❑ Allocation would require the CTB to acknowledge that the total capital investment associated with this project has been achieved over time since 2005
- ❑ **Recommended funding:** \$131,800 state, unmatched



# LiteSteel Technologies America, LLC Troutville, Botetourt Co.



April 15, 2009

# Project Overview

## LiteSteel Technologies America, LLC

- ❑ **Company description:** LiteSteel manufactures steel products for use in residential and commercial buildings
- ❑ **Project description:**
  - Construction of 1,851 feet of track to serve the facility
  - Creates a new freight rail shipping connection in the I-81 corridor
- ❑ Supports \$24 million in local capital investment and creates 55 jobs
- ❑ Supports more than 500 railcar shipments per year and scored “Good” at 68 out of 100 points
- ❑ Project has the support of the Virginia Economic Development Partnership and the Botetourt County Board of Supervisors
- ❑ Project is part of the Governor’s economic development initiative
- ❑ Project would require the CTB to fund construction costs incurred prior to agreement
  
- ❑ **Recommended funding:** \$433,329 state, \$133,329 matching funds

# Summary of Recommended Project Funding

<b>Applicant</b>	<b>Total Project Cost</b>	<b>Recommended CTB Allocation</b>	<b>Matching Funds</b>
<b>MeadWestvaco, Corp</b>	<b>\$1,400,000</b>	<b>\$450,000</b>	<b>\$150,000</b>
<b>Hershey Chocolate Company of Virginia</b>	<b>\$6,400,000</b>	<b>\$450,000</b>	<b>\$150,000</b>
<b>Gerald M. Moore &amp; Son</b>	<b>\$250,000</b>	<b>\$131,800</b>	<b>No match</b>
<b>LiteSteel Technologies America, LLC</b>	<b>\$24,000,000</b>	<b>\$433,329</b>	<b>\$133,329</b>
<b>Total</b>	<b>\$32,050,000</b>	<b>1,465,129</b>	<b>\$433,329</b>

DRPT will present these projects for action at the May 2009 CTB meeting.

April 15, 2009



[www.drpt.virginia.gov](http://www.drpt.virginia.gov)

drptpr@drpt.virginia.gov

804-786-4440