

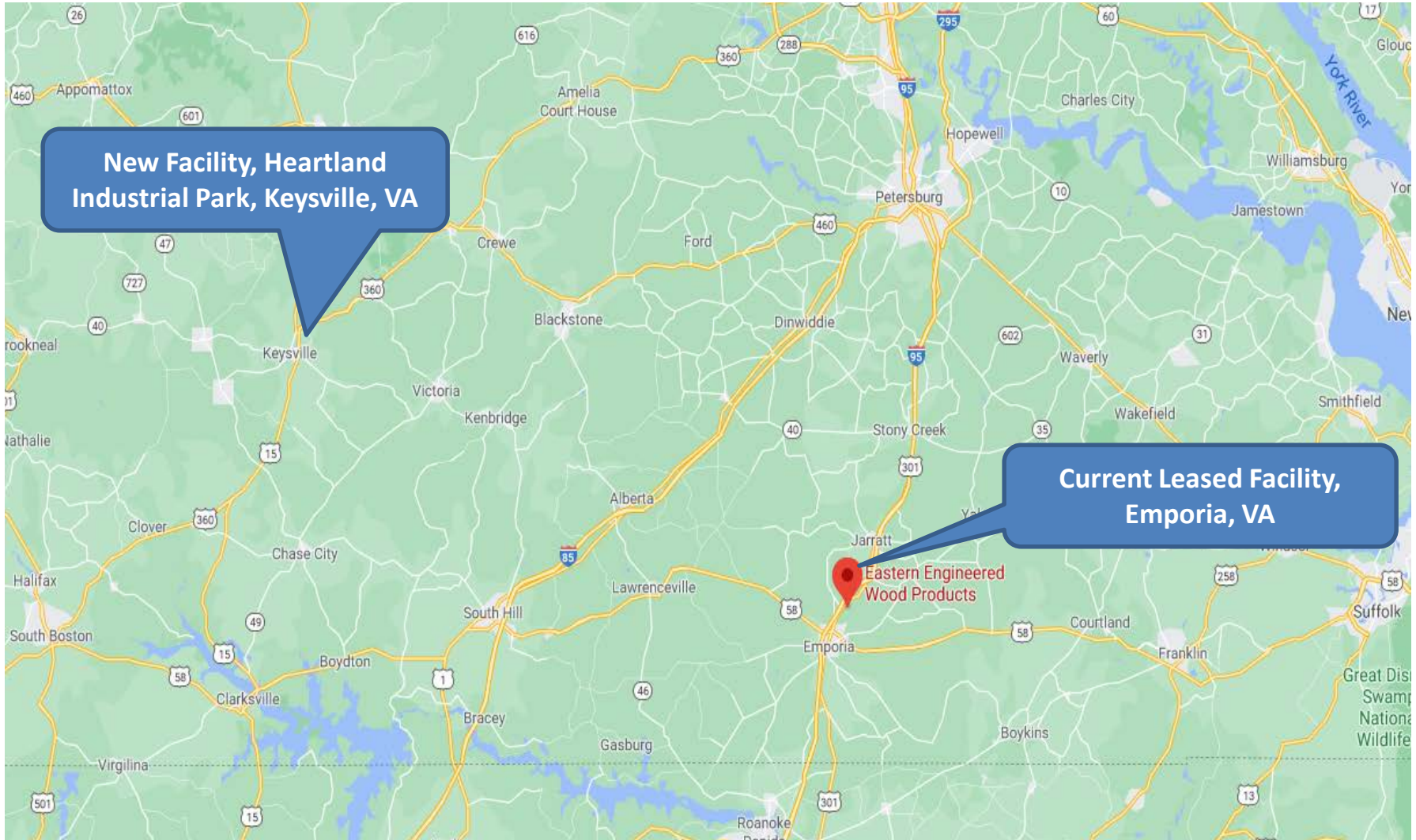
**Rail Industrial Access Program Application Briefing
Eastern Engineered Wood Products, Inc.
Charlotte County**

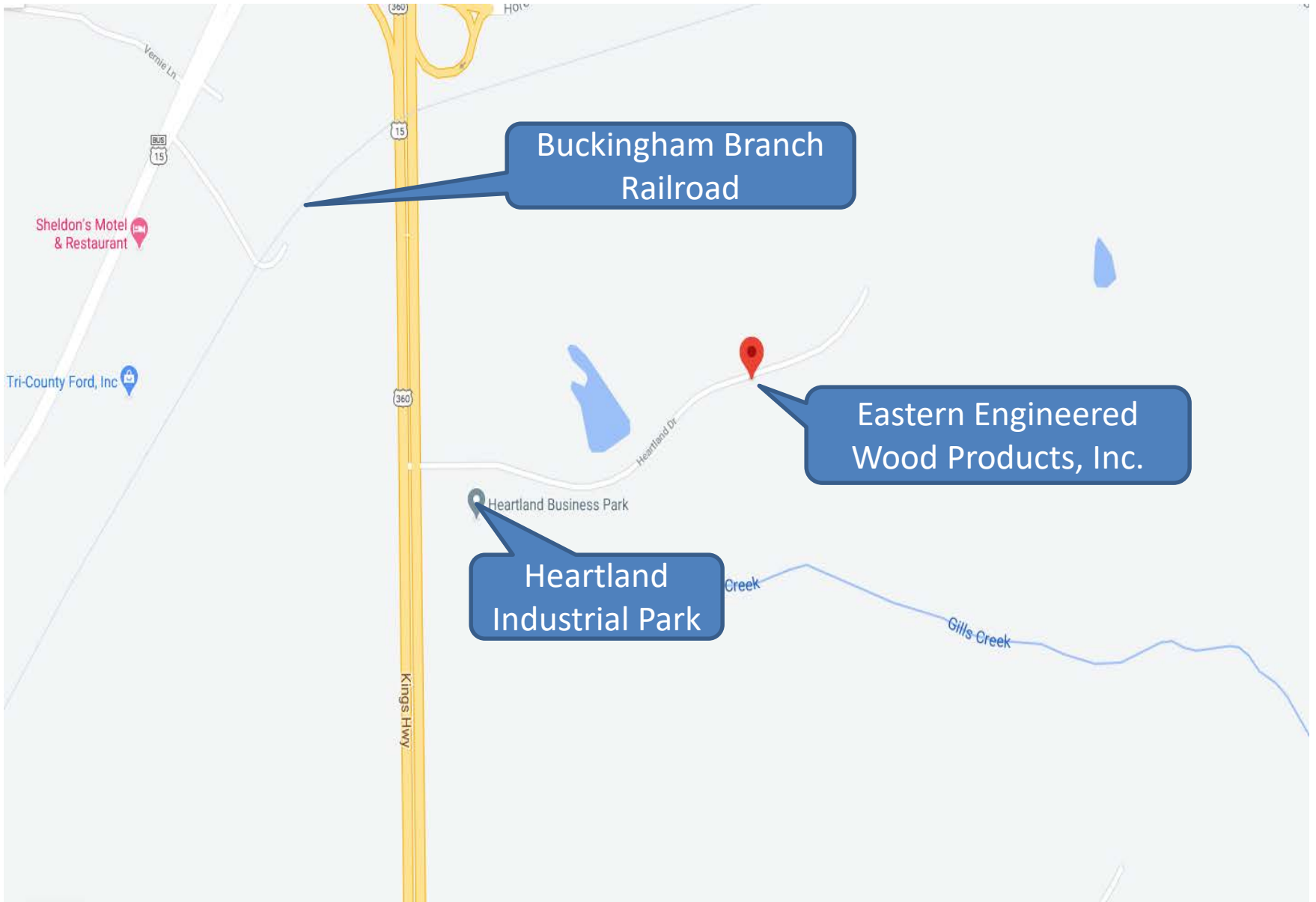
Commonwealth Transportation Board, October 20, 2020

**Jeremy Latimer, Director of Rail Transportation Programs
Department of Rail and Public Transportation**

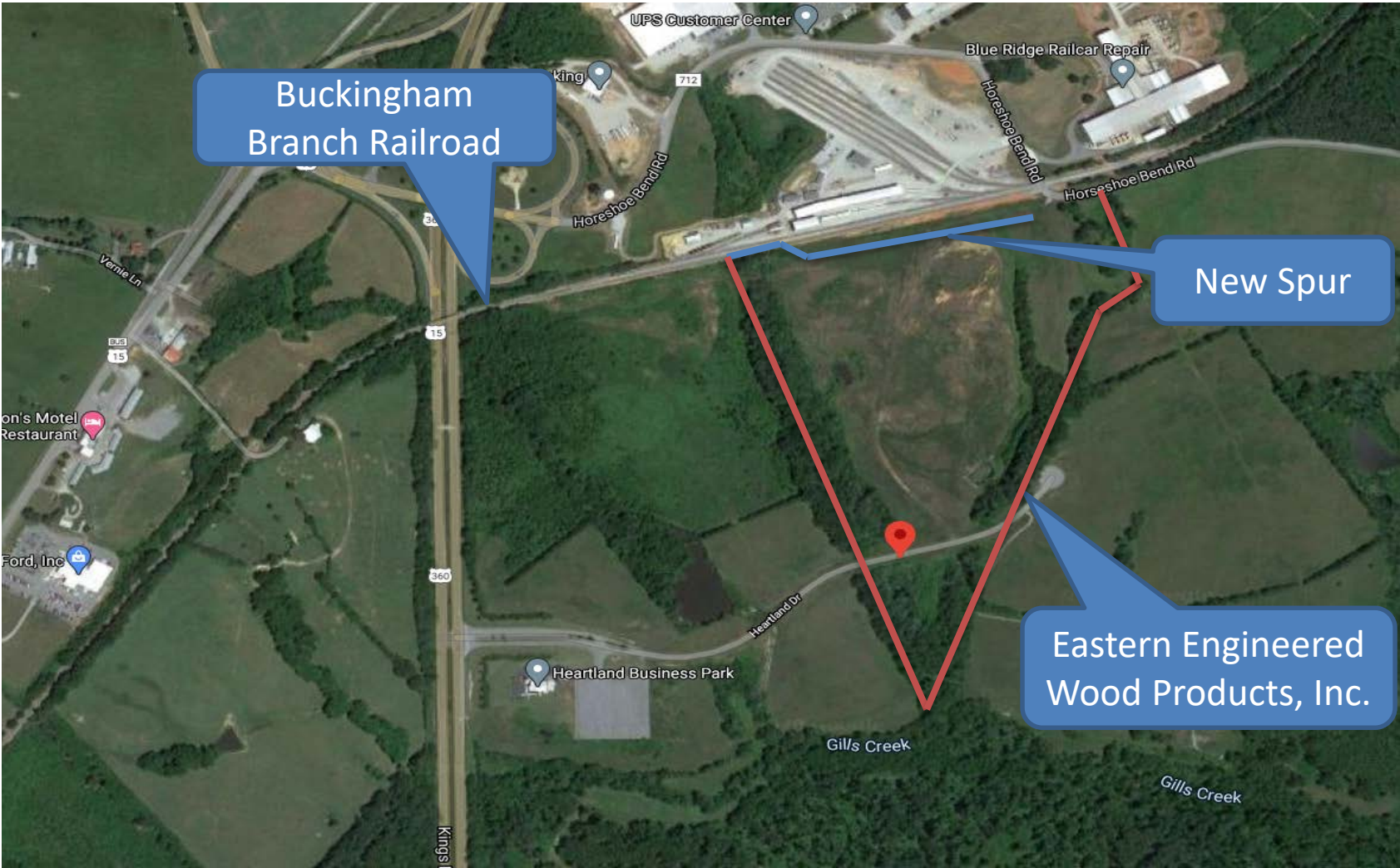


Virginia Department of Rail and Public Transportation





Project Location



Project Overview

- Eastern Engineered Wood Products, Inc. is a wholesale distribution company selling engineered lumber (joists, trusses, beams, etc.) to the building supply industry.
 - Based in Bethlehem, Pennsylvania.
 - Current operations in Emporia, VA, which cannot get adequate rail service for the volume of cars shipped – unable to grow rail volumes needed for expansion.
 - Expansion Project required partnering with a shortline to accommodate rail service needs.
 - This project will benefit from rail service by accessing new markets of competitive suppliers. Shipping by rail from new suppliers allows Applicant to remain competitively priced in the Virginia and NC markets.
 - Facility will receive unrefined wood products and refine as outbound construction products for Virginia and North Carolina.
- The Applicant considered other locations, including sites in North Carolina for this expansion.
 - **The rail component in Keysville gave this site a competitive edge.**

Project Overview

- Emporia location will remain open under Toll Brothers.
 - Eastern Engineering Wood Products will transfer their employees to the new facility and add employees as the operation grows.
- New facility will locate in the Heartland Industrial Park in Charlotte County.
 - Served by the Buckingham Branch Railroad on the Virginia Southern Division.
 - This project builds on DRPT partnership with Buckingham Branch Railroad.
- Coordinated with VEDP on this location remaining in Virginia.
 - Applicant will apply for Tobacco Commission incentives, and local incentives for employment and permitting costs.

Application Summary

- Application for \$385,000
 - \$6.5M Total Estimated Capital Expenditure for new facility in Virginia
 - \$550,000 Total Estimated Rail Cost
 - Applicant required to provide minimum 30% match
- Standard Program requirements:
 - All capital expenditures above grant amount will be paid for by applicant
 - Cost overruns responsibility of applicant

Public Benefits

- Application scores 58 of 100 points
 - Minimum 50 points needed to be recommended to CTB
- Public Benefits
 - 101 railcars annual commitment
 - Minimum threshold to achieve 50 points is 10 new carloads
 - 7 new jobs associated with new facility
 - Retaining current 7 jobs which will move from Emporia
 - 34% of shipping will be by rail

Questions?

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