



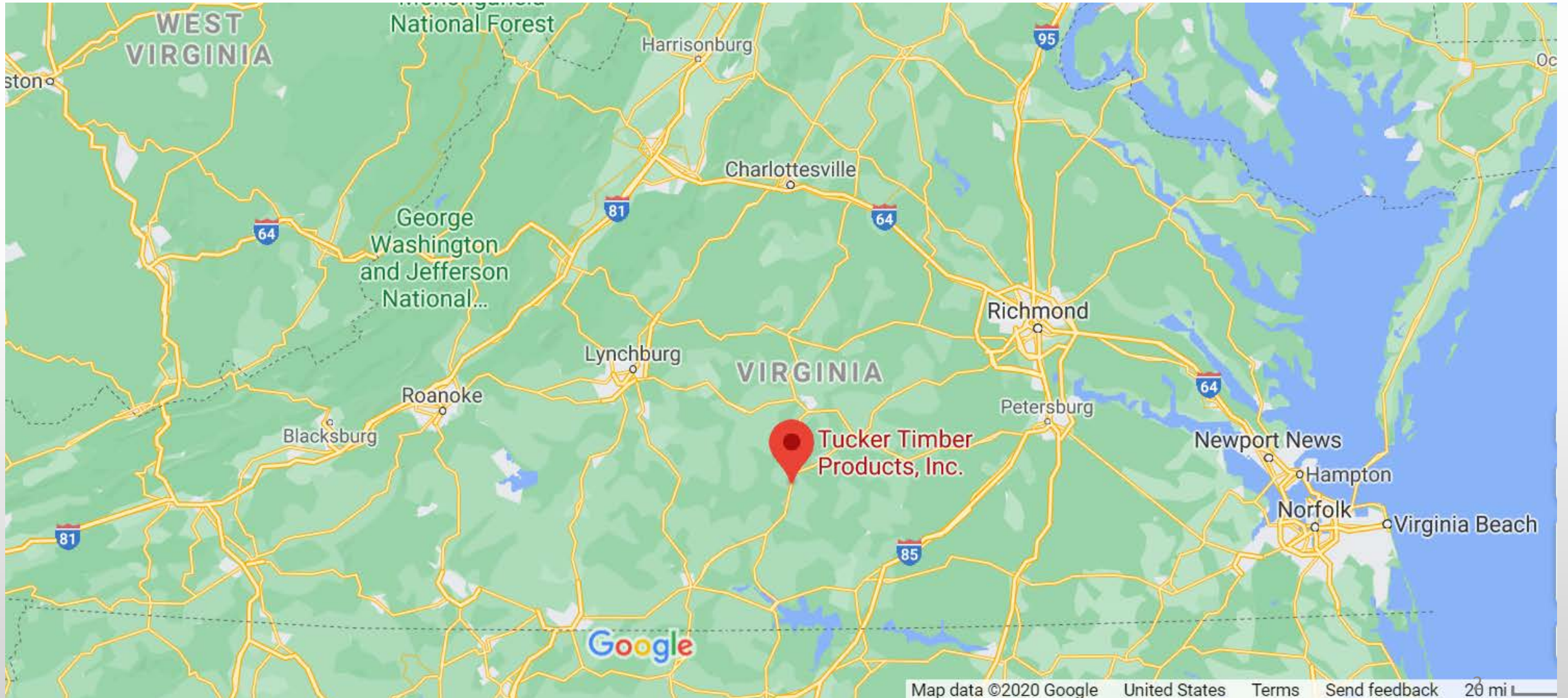
Virginia Department of Rail and Public Transportation

Rail Industrial Access Program Application

Tucker Timber Products, Inc.

Town of Keysville, VA

Project Location: Keysville, Virginia



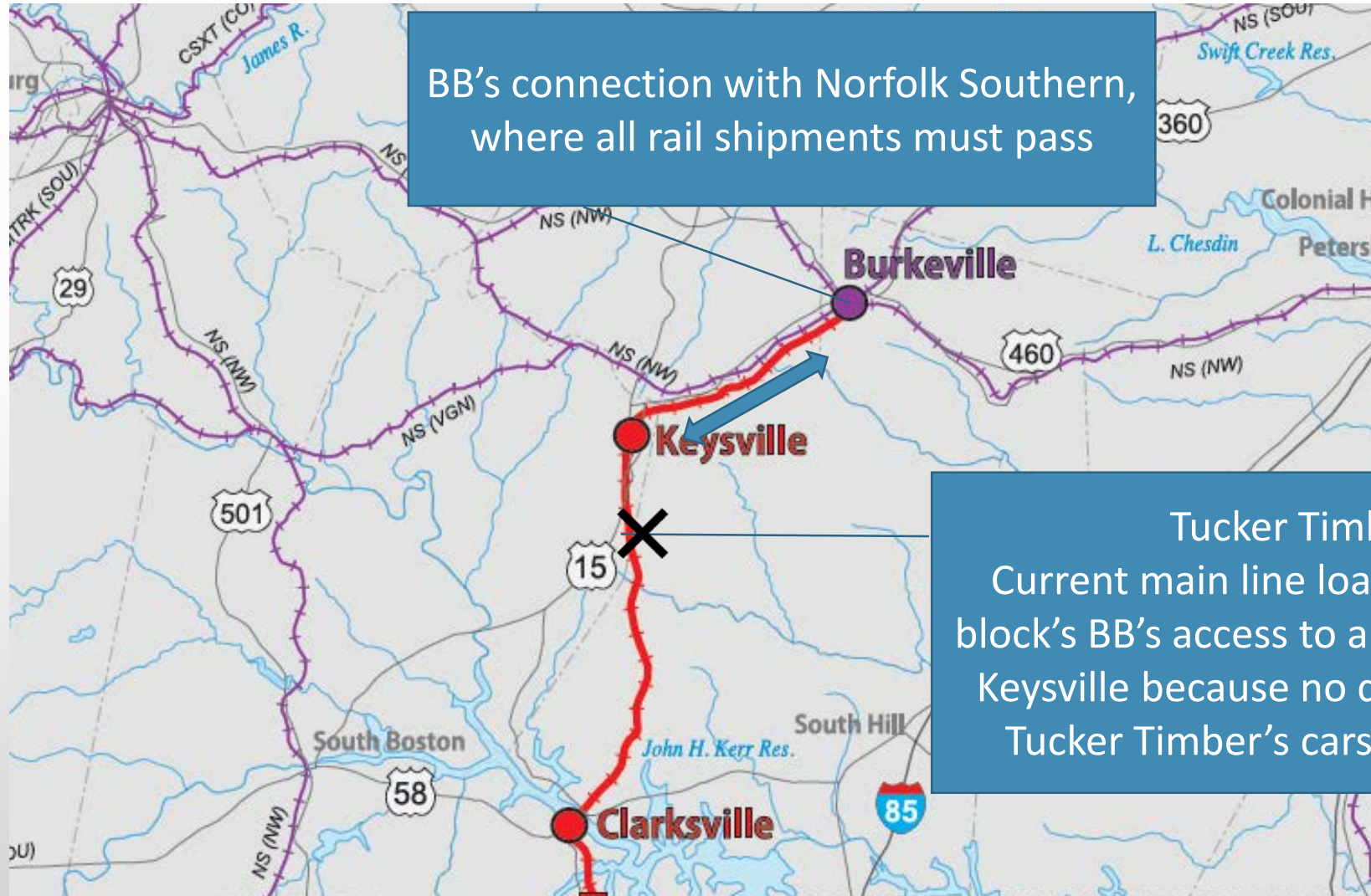
Tucker Timber Products, Inc.



Tucker Timber's Story

- Its primary customer reduced demand, which was delivered by truck.
- Tucker Timber worked with Buckingham Branch to pilot using rail to reach new customers.
- Rail is vital to diversifying their customer base
 - Existing Customer in PA – previously served by truck, now switched to rail
 - New Customer in Missouri enabled because of rail service
- Rail is part of the permanent solution for Tucker Timber
 - Mainline loading not sustainable for BBRR
 - Temporary loading set-up is not sustainable for Tucker Timber
 - Demonstrates shortline benefit to small businesses
 - Without this grant, they will not continue to use rail

Regional Context



BB's connection with Norfolk Southern, where all rail shipments must pass

Tucker Timber
Current main line loading location block's BB's access to all sites south of Keysville because no detour around Tucker Timber's cars is available.

Application Evaluation

Evaluation Criteria	Data	Score
Annual Carloads	201	11
Added Employment	2	8
Company Capital Investment vs State Contribution	\$603,825	0
Jurisdictional Unemployment Rate	7.1	8
VEDP Support	Yes	10
Location on a Shortline Railroad	Yes	10
Local (Applicant) Match	\$181,147	6
Total Application Score		53

- Applications must meet a minimum of 50 of 100 points
- Tucker Timber Score: 53 points

Regional Context

- Economic Benefit: New Jobs and Sustaining Existing Jobs
 - With 2 new jobs, 40 jobs are also secured with greater access to markets for additional customers
- Economic Development
 - Builds on DRPT and Buckingham Branch Railroad partnership to preserve the Virginia Southern Division through Rail Preservation Program
 - Tucker Timber and Eastern Engineered Wood Products are recent economic opportunities due to preservation of rail service in the region

Benefit Cost Analysis of Tucker Timber Application

- DRPT utilized the former Rail Enhancement Program Benefit-Cost model to monetize public benefits.
- Public Benefit over three year performance period amounts to \$2.86M:
 - Accident Reduction - \$1.6M
 - Shipping Cost Reduction (mode shift) - \$1.2M
 - Savings in Pavement Maintenance - \$51,363
 - Environmental Improvement - \$32,881
 - Congestion Reduction Benefit - \$17,484

Application Summary

- Application for \$422,678
 - \$603,825 Total Estimate Rail Cost (also total capital investment)
 - Applicant required to provide minimum 30% match
 - Total Applicant match: \$181,147
- Standard Program Requirements
 - All capital expenditures above grant amount will be paid by applicant
 - Cost overruns are the responsibility of the applicant

Tucker Timber Video



Thank you.

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