
Rail Industrial Access

CTB Workshop-June 21, 2022

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Department of Rail and Public Transportation



Agenda

- Scoring Criteria
- Project Information
- Project Scores

SCORING CRITERIA

Scoring Criteria

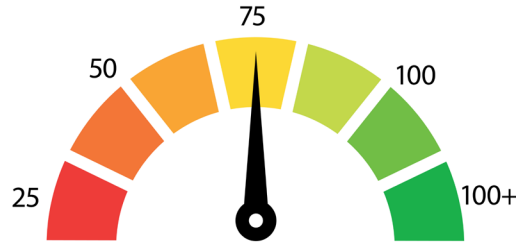
Carloads



Max Points: 20

Measure the annual increase in rail carload throughput as a result of the project

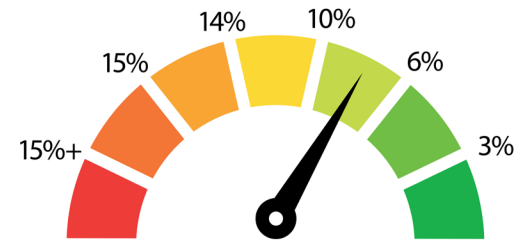
Employment



Max Points: 20

Measure the increase in jobs as a result of the investment

VA % Match



Max Points: 10

Award points for projects with a lower percent match of Virginia funds

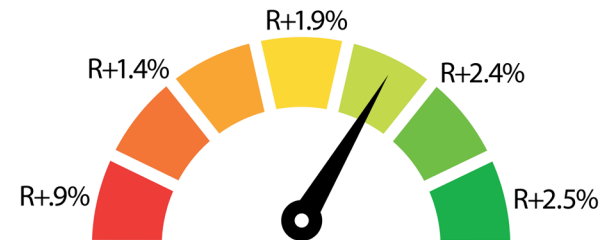
Private Match



Max Points: 10

Award projects with a higher percentage of contributing private equity

Unemployment



Max Points: 20

Measure the local unemployment rate, and recognizing localities above the Average State Rate (R)

Scoring Criteria



- Economic Development:
 - Max 10 points
 - Included in VEDP/Local EDA initiative



- Shortline Network:
 - Max 10 points
 - Directly contributes to the long term viability of the shortline network

Scoring Criteria

Category	Maximum
Carloads	20
Jobs	20
VA % of Rail Project	10
Private % of Total Investment	10
Local Unemployment	20
Economic Development	10
Shortline	10
TOTAL	100

Qualification:
50 Point Minimum

PROJECT INFORMATION

Current Applications

RIA Applications

- A Houff Corporation - Hanover County
- B Smyth County EDA - Smyth County
- C Westrock - Pittsylvania County
- D Plasser American Corporation - Chesapeake City



Houff Corporation

- Request:
 - \$450,000
 - 4,000 feet of new industrial track in Hanover County
- Background:
 - June 2021: \$182M expansion at Nestle Purina's plant in King William County
 - Inbound railcars of Perlite for kitty litter production
 - Perlite will be transloaded into trucks for delivery to Nestle Purina
 - Located along the Buckingham Branch Railroad in Hanover County
- Score: 54



Houff Corporation

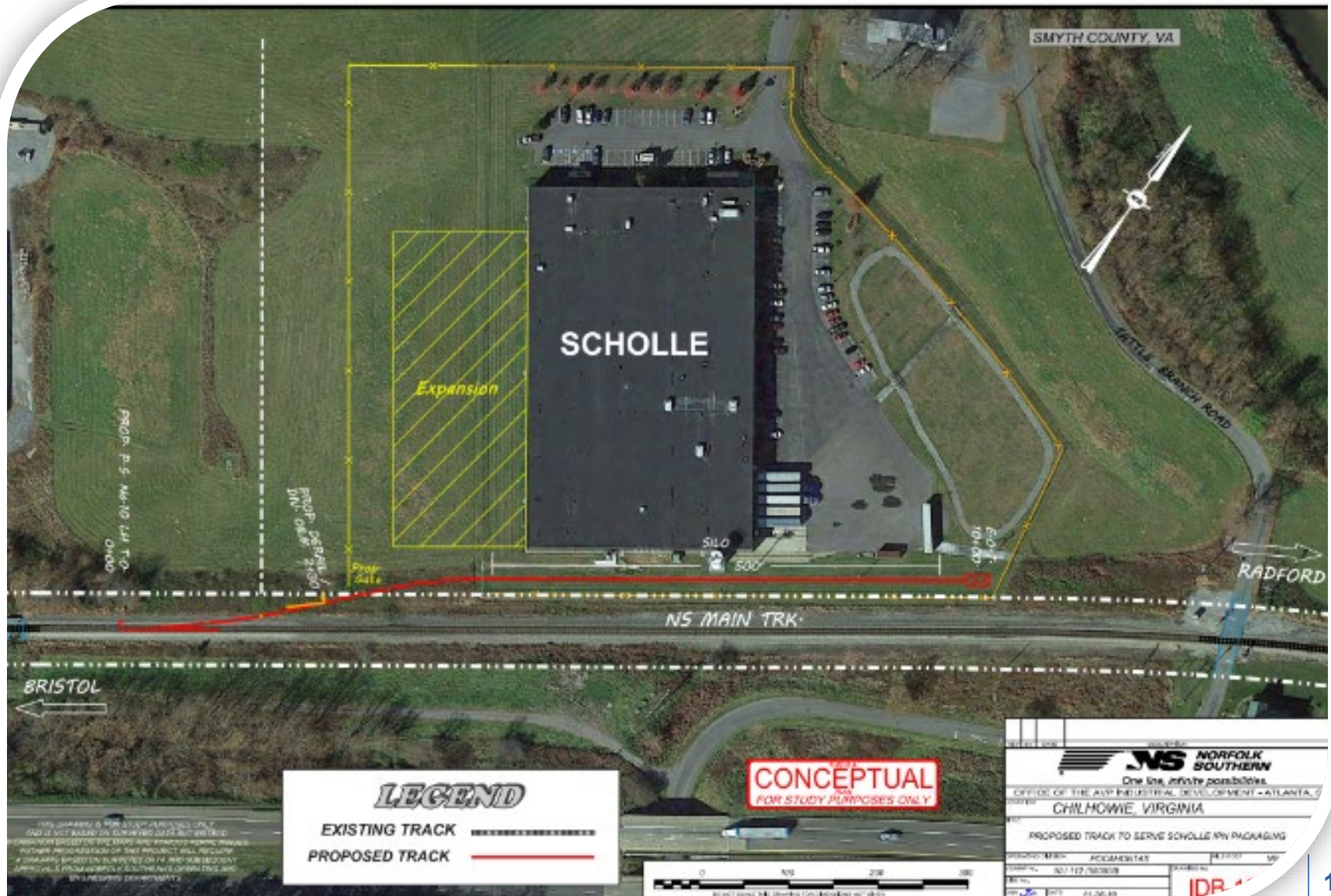


Smyth County Economic Development Authority

- Request:
 - \$450,000
 - 770 feet of new industrial rail spur
 - Scholle IPN - plastic film manufacturing
- Background:
 - Smyth County EDA incentive effort to locate the expansion in the Smyth's Deer Valley Industrial Park
 - VA was chosen over two other states (Illinois & Georgia)
 - Rail being used to transport incoming resin used in the manufacturing process
- Score: 54



Smyth County EDA



Westrock Corporation

- Request:
 - \$298,410
 - Reconstruct industrial track
 - Cascade facility in Pittsylvania County
- Background:
 - Chip mill that purchases pulpwood from local logging contractors
 - Chips are shipped to Westrock's Covington facility and made into packaging paper
 - \$248M 5-year upgrade to Covington facility began in 2018
 - This rail project will help support upgrades in Covington
- Score: 53



Plasser American Corporation



- Request:
 - \$450,000
 - 2,740 feet of new industrial track
- Background:
 - Plasser specializes in oversized rail maintenance of way equipment (tamper, regulators, undercutting machines, etc.)
 - Transport machines out of the facility via rail to locations outside of the Chesapeake City limits instead of in pieces on oversized load trucks
 - Austrian Company who chose this location because of its proximity to the Port
- Score: 52

Plasser American Corporation



PROJECT SCORES

Project Scores

Category	Houff (\$450k)	Smyth (\$450k)	Westrock (\$298k)	Plasser (\$450k)
Carloads	14	11	20	5
Jobs	8	14	8	17
VA % of Rail Project	2	10	2	10
Private % of Total Investment	10	8	6	10
Local Unemployment	0	0	8	0
Economic Development	10	10	10	10
Shortline	10	0	0	0
TOTAL	54	53	54	52

Project Benefits

Category	Houff (\$450k)	Smyth (\$450k)	Westrock (\$298k)	Plasser (\$450k)	Total
Carloads	312	215	600	25	1,152
Jobs	4	75	1	98	178
VA % of Rail Project	26%	1%	69%	1%	
Private % of Total Investment	56%	38%	30%	61%	
Local Unemployment	Below VA Avg.	Below VA Avg.	+0.1%	Below VA Avg.	
Economic Development	Yes	Yes	Yes	Yes	
Shortline	Yes	No	No	No	

Recommendation

