DRPT
Virginia Department of Rail and Public Transportation

Rail Industrial Access Program Application Briefing

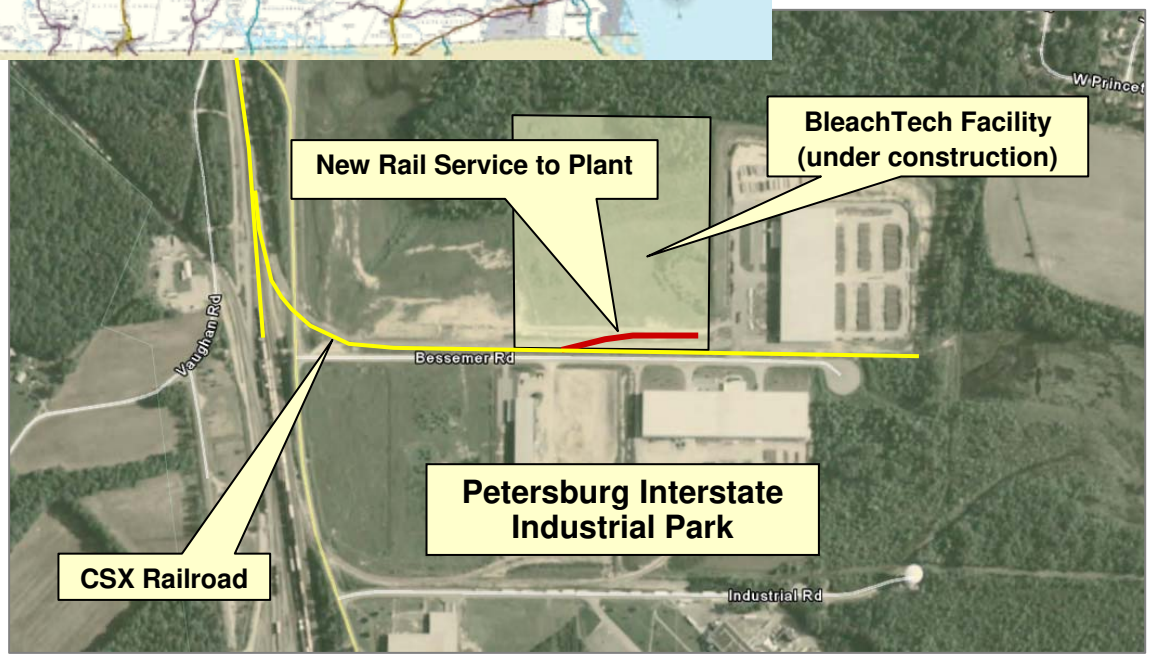
BleachTech, LLC
City of Petersburg

Kevin B. Page
Chief of Rail Transportation

October 15, 2008

Project Location





Project Description

- BleachTech provides bleaching solutions, and the new plant in Petersburg will serve the growing regional market in Virginia, North Carolina and Maryland
- Construction of approximately 1,265 feet of track to serve the new BleachTech facility in the City of Petersburg
- Project cost: $300,000
- Project provides a rail connection to the CSX I-95 rail corridor

Project Benefits

- The BleachTech facility will generate $20,000,000 in local investment by mid 2009 and will create 26 new jobs by late 2010
- Rail access will enable more than 200 railcar shipments per year upon completion
  - Over 700 trucks per year removed from Virginia highways

Project Scoring

- Projects are scored based 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 64 out of 100 points.

Recommended Project Funding

Applicant	Total Project Cost	Recommended CTB Allocation	Matching Funds from BleachTech
BleachTech, LLC	**$300,000**	**$300,000**	**$0**

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



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