

May 1, 2017

Greetings!

This is the third update on the Mayor's Task Force on Rail Realignment activity and progress. Please let me know any questions or concerns that need to be addressed. Please feel free to respond back to me at <u>Laura.lwpadgett@gmail.com</u> or call me at 910-262-4025. Thanks.

- 1. To repeat the purpose of this potential project: Southeastern North Carolina has the opportunity to benefit from a realignment of the existing heavy rail corridor that currently runs through the City of Wilmington to a safer, more direct route into and out of the Port of Wilmington and the creation of a public use right-of-way/greenway.
- 2. The Feasibility Study is complete through the initial version of the report and the Consultant has addressed the comments from the three partner agencies, the City of Wilmington, the Wilmington MPO and the NC DOT Rail Division.

We had every hope of finishing the final version of the report for public presentation in April, but as with many projects, vacations, busy people, holidays and scheduling conflicts have conspired to create some delay. The report is in the process of Task Force review and we expect to provide the report to the Wilmington City Council, the WMPO and NC DOT the end of May.

- 3. There will be a pubic presentation to the Wilmington City Council at their regular meeting on June 6, followed by a public presentation to the WMPO at their June 28 meeting.
- 4. I would like to summarize the results of the Consultant's Report so far. One of the challenges of completing this study has been the rapid pace of change in shipping in NC, with the CSXT Carolina Connector Intermodal Facility at Rocky Mount making progress, the Queen City Express, a mostly double-stacked container train between the Port of Wilmington and Charlotte, beginning 2 trips a week, and Enviva beginning to reach their goals receiving and shipping wood pellets.

A word of caution that the report is not meant to get the project moving but simply to determine whether it is possible to create a shorter access to the Port of Wilmington and re-purpose the existing rail right-of-way – frustrating as that may seem!

The Engineering Section does indeed indicate that an approximate 4.5-mile track with 2 river crossings can be built. There are three recommended routes culled from a possible 7 alternatives. Those routes acknowledge various environmental issues.

The Environmental sections show that there are a number of concerns, such as wetlands, conservations easements and to a minor degree, habitat issues. There is no environmental show-stopper, though, and the report suggests that Environmental challenges can be met and mitigated.

The RFP asked for an "order of magnitude" cost estimate and some recommendations of workable sources of funding. "Magnitude" is the right word as it will cost between \$500 Million and \$1 Billion to create, including both the new track, 2 bridges and an exceptionally wonderful streetcar system. There is, importantly, a 40% contingency used as at this point there are about as many 'unknowns' as 'knowns'. There are opportunities to break up larger projects into smaller parts and that may help.

5. There have been multiple community contacts and presentations with a long list of organizations and individual meetings across the SE NC Community. There were two Open Houses held in Leland and in Wilmington, with about 50 people attending.

The task of figuring out how to fund this transformational project will be a big challenge, especially in an environment where there are not nearly enough public funds to build needed infrastructure. The cost seems huge, but there are many benefits that the Southeastern NC region deserves and those include a more efficient access for the Port of Wilmington and for businesses in the Port area, the Pender County Industrial Park, the 421 Corridor, etc. Many of those future benefits to shippers and taxpayers cannot be quantified into the future. It may be possible to use Public-Private funding. The Port of Wilmington's current and projected growth, and that of other shippers, contribute to the state and region's economic wellbeing, but the impact on business and individual mobility affects nearly everyone in SENC. And population growth brings more vehicles. The streetcar line creates an opportunity for alternative mobility and access within the region, potentially connecting Wilmington and populations areas in Brunswick County.

I want to thank the major 'cast of characters' who have put a great deal of professional time and effort into keeping this project moving: Mike Kozlosky, Executive Director of the WMPO and Project Manager for the City of Wilmington; Glenn Harbeck, Planning Director of the City of Wilmington; John Cease, President, Clear Track Ahead, LLC, a railroad mapping and safety company; Arthur Pettaway, Project Development Engineer with the NC DOT Rail Division; Wayne Hyatt, PE PLS, Team Manager, and his team with Moffatt & Nichol.

Any person or organization that you feel we should contact, please let me know. Thank you for your interest and I am happy to receive questions and comments.

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Laura Padgett, Chair Wilmington Mayor's Task Force on Rail Realignment

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