



RAIL AUTHORITY

OF EAST MISSISSIPPI

EXPANDING RAIL SERVICE IN SOUTHEAST MISSISSIPPI

Annual Commission Meeting
Program Briefing & Progress Report
September 25, 2018



Rail Authority of East Mississippi

Mission

Implementation of the
East Mississippi
Intermodal Rail Corridor

Purpose

Support and attract
economic growth and
development
opportunities in southeast
Mississippi

Goal

Establish continuous rail
service from Meridian to
Pascagoula by
connecting Waynesboro
to Evanston

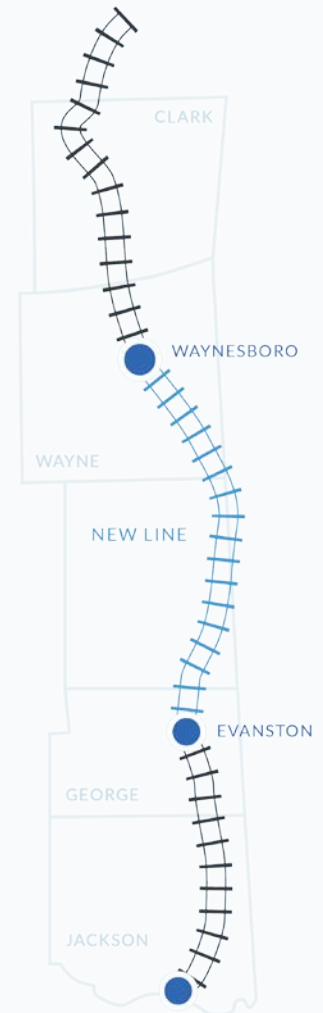
Missing Link



“To be an economically viable region, we have to have access to rail transportation . . . it’s crucial to Mississippi that we see the proposal to establish rail service between Waynesboro and Lucedale become a reality.”

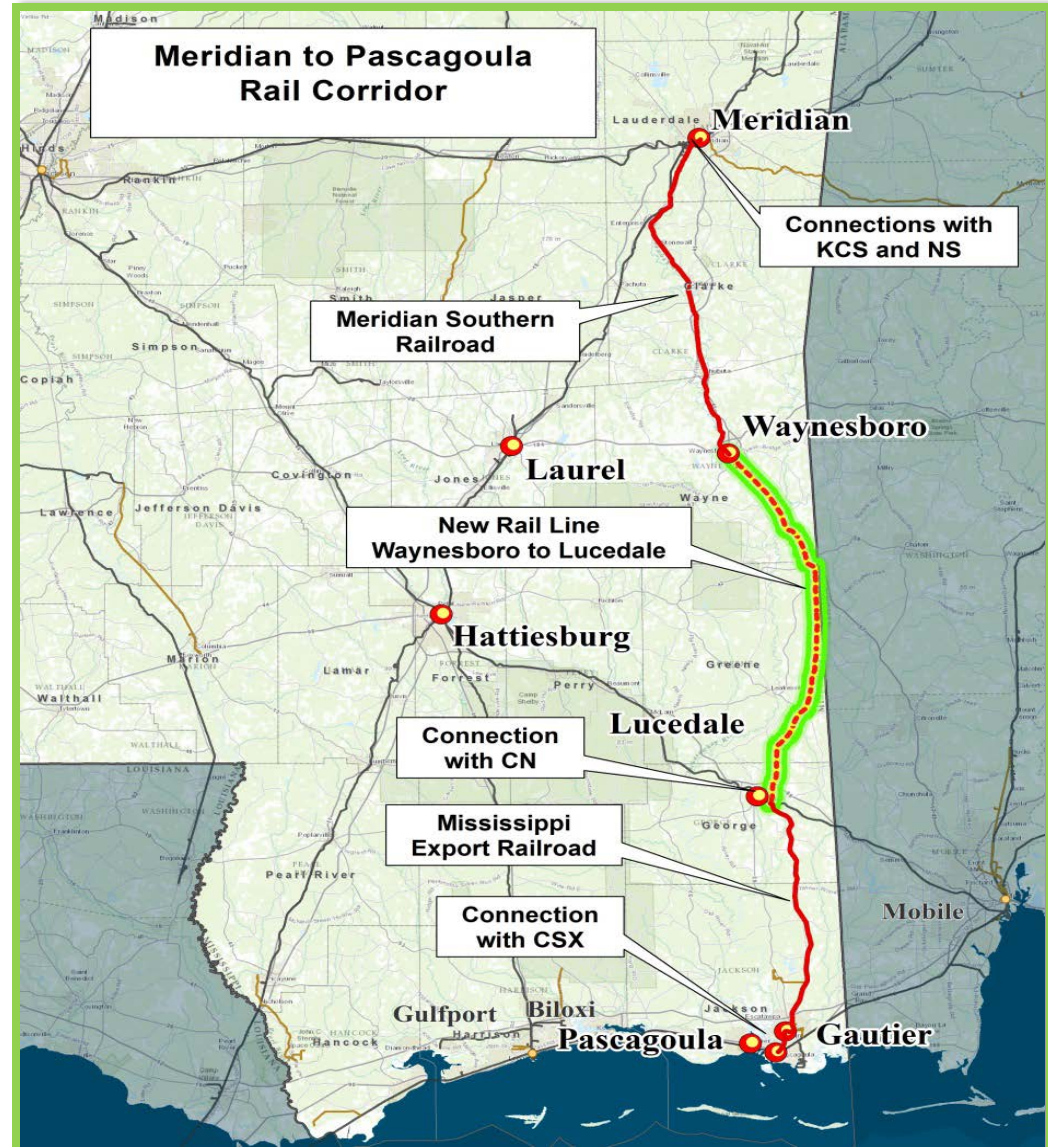
The Late, Honorable Gil Carmichael, Administrator, Federal Railroad Administration, 1989-1993

(The Wayne County News, Feb. 24, 2010)



East MS Intermodal Rail Corridor

- ✓ 19 miles along former GM&O to Stateline
- ✓ 37 miles on new location to Lucedale
- ✓ Links four Class I railroads
 - *KCS / NS (Meridian)*
 - *CN (Lucedale)*
 - *CSX (Pascagoula)*
- ✓ Crosses three interstate highways (I-20, I-59, I-10) and three 4-lane U.S. Highways (45, 98, 90)
- ✓ Service to three Gulf of Mexico ports (Gulfport, Pascagoula, Mobile)



Where We Are



Analysis of Engineering and Construction Feasibility – Complete

- *Identify Alternative Alignments*
- *Establish Design Criteria*
- *Prepare Detailed Opinions of Cost*
- *Identify Potential Constraints*

Analysis of Impacts to Local and Regional Economies & Markets – Complete

Where We Are

National Environmental Policy Act (NEPA)

- *Reasonable Alternatives*
- *Archaeological/Cultural Resources – Complete*
- *Wetlands Analysis – Complete*
- *Threatened & Endangered Species – Complete*
- *Noise & Vibration – Complete*
- *Additional Impacts to Human and Natural Environments – Ongoing*
- *Preparation of Environmental Assessment Report & Coordination with Federal Rail Administration – Middle of 2019*



Where We Are

Continued Pursuit of Available Funding Sources

- *MDOT Intermodal Grants Program – April 2018*
- *USDOT – BUILD Grant Program (formerly TIGER) – July 2018*
- *State of Mississippi – Bond Appropriations*
- *USDOT – CRISI Grant Program – October 12, 2018*

What We've Found



- ✓ Since the 1983 GM&O closure, **unemployment** in Wayne, Greene, and George Counties has risen from 4.8% (1970) to an average of **9.1%** (1990-2016). It is projected that implementation of the EMIR would bring back **3,351 total jobs** over a 30-year period, bringing unemployment back down within the state balance.
- ✓ Reestablishment of rail service in the Corridor is projected to enable the region to recapture its fair share of rail dependent industries. Fiscal impacts (wages and associated federal and state taxes) within Wayne, Greene, and George Counties are projected over 30 years to **exceed \$1.5 billion**.
- ✓ The rail industry in general is substantial in size, growing, and supported by long-term trends. Increasing transportation costs and demand for fuel efficiency are driving rail-dependent companies to shift more of their business to rail.

*A case study of the economic impact short line railroads have had across the state of Louisiana are significant and relevant to **Southeastern Mississippi***

Employment



The American Association of Railroads estimates that in terms of overall employment impact, **each short line rail job** in the local economy **supports** approximately **4.5 other jobs**. Since **331** are **directly employed** by short lines, **short line rail supports** approximately **1,490 other jobs** in the state economy for a combined **total employment impact of 1,821 jobs**

Spending



The American Short Line and Regional Rail Association estimate **annual earnings** of **\$89,000 per mile** of functional track, representing approximately **\$44.5 million** in annual revenues in LA. This figure, less estimated **wages** paid of **\$22.2 million** and maintenance expenses of **\$1.95 million**, leaves approximately **\$20.35 million** to be used for other expenses

Highway Repair



In 2010, the American Short Line and Regional Railroad Association estimated that short line railroads in Louisiana facilitated the transportation of approximately **472,000 truckloads** of freight, **preventing** approximately **\$21 million in pavement damage** that would have been the responsibility of government to repair

*Source: National Center for Intermodal Transportation for Economic Competitiveness "Economic Impact and Analysis of Short Line Railroads"

“RAEM Market Feasibility and Economic Impact Study”, February 2018 (IXL Center)

Type of Impact	Lost Impacts w/out Rail	Projected Impacts w/Rail
	1985-2015	2023-2053
<i>Ave. Annual Carloads</i>	N/A	18,723
<i>Total Carloads</i>	N/A	561,697
Additional Direct Jobs	(1,941)	664
Additional Indirect & Induced Jobs	(3,575)	1,888
Total Jobs	(5,516)	2,552
<i>Wages</i>	<i>(\$2,406,555,000)</i>	<i>\$5,068,284,000</i>
Federal Taxes	(\$601,639,000)	\$1,267,070,000
State Taxes	(\$120,329,000)	\$253,415,000
Total Fiscal Impacts	(\$721,968,000)	\$1,520,485,000

**Submit CRISI
Program Grant
Application to FRA**

**Complete
Environmental
Assessments**

**Conduct Public
Review and
Comment
Meetings**

**Coordinate with
Federal Rail
Administration
for NEPA
Compliance**

**Complete
Preliminary Design,
ROW and
Permitting
Requirements**

**Develop
Institutional
Strategy for
Implementation of
EMIRC**

**Prepare Long
Term Funding
Strategy**

**Where
We're
Headed**