

**Pennsylvania Rail Freight Assistance Program**



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**Pennsylvania Rail Freight Assistance Program**

**July 1993**

**Bureau of Rail Freight, Ports, and Waterways  
Pennsylvania Department of Transportation  
216 Transportation and Safety Building  
Harrisburg, Pennsylvania 17120  
(717) 783-8567**

# REPORT DOCUMENTATION PAGE

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## RAIL FREIGHT ASSISTANCE PROGRAM

### Purpose

The Rail Freight Assistance Program (RFAP) provides financial assistance for investment in rail freight infrastructure. The intent of the Program is (1) to preserve essential rail freight service where economically viable and (2) to stimulate employment growth through generation of new or expanded rail freight service.

### Program Administration

The Bureau of Rail Freight, Ports and Waterways is charged with the administration of monies allocated from the Commonwealth's General Fund to the RFAP. Financial assistance is available on a matching grant basis to owners and users of rail freight infrastructure whose proposals, at a minimum, meet certain project eligibility requirements. Because the dollar value of requests for state financial assistance exceeds available funding, not all grant applications can receive funding assistance. The Bureau is responsible for the timely evaluation of grant applications and the awarding of state financial assistance based upon an objective process that serves the legislative intent of the RFAP and that promotes the public interest.

### Eligible Projects

Projects may fall into three categories: accelerated maintenance, rehabilitation, or new siding improvement. These categories are defined as follows:

Accelerated maintenance: The replacing of ties and other track and structural materials in quantities as to be sufficient functionally to restore a railroad line to the level necessary for compliance with Federal Railroad Administration Class I Track Safety Standards for five years after completion of the project. Projects only on lines with active rail freight service are eligible for accelerated maintenance assistance.

Rehabilitation: The replacing of ties and other track and structural materials in quantities as to be sufficient functionally to upgrade a railroad line to a level necessary for compliance with a higher Federal Railroad Administration class track safety standard for five years after completion of the project.

New siding (capital project): Acquisition of property, equipping, furnishing, constructing, reconstructing, rehabilitating, or improving rail freight transportation systems or facilities.

### PennDOT Evaluation of Project Applications

The Bureau's grant evaluation and selection process utilizes criteria reflecting the intent of the RFAP, the priority initiatives of the Commonwealth, and the limitations on availability of state funding. Successful applications will demonstrate the public benefits of their proposed project in terms of:

- (1) transportation and logistics cost savings for rail users
- (2) employment and economic development opportunities for rail users and the community served by rail freight

(3) the significance of the project for continuous and productive improvement of rail freight service levels.

A more competitive ranking will be given if a project contains any of the following attributes:

(4) Economic development: a new construction project that generates new employment and investment in the Commonwealth.

(5) Distressed community: a project located in an economically distressed community as designated by the Pennsylvania Department of Community Affairs's most recent issue of "Pennsylvania's Distressed Municipalities."

(6) Intermodal: a project that enables transportation efficiencies through use of an intermodal transfer facility including, but not limited to, bulk transfer, trailer-on-flatcar, container-on-flatcar, etc.

In addition, the evaluation and selection process will also consider the readiness of the project for implementation, the viability of the rail carrier providing service, and the financial need of the applicant.

### **Matching Fund Ratios and Maximum State Funding**

RFAP will provide financial assistance up to 75% of total eligible project cost, with a maximum of \$250,000 per project. Commitment letters for the 25% nonstate share must be submitted with the application.

### **Site Inspection and Project Commencement**

For successful grant applications, a joint PennDOT and applicant inspection of the proposed project will be required prior to contract execution. No project work should begin prior to Commonwealth approval and site inspection.

### **Follow-up Evaluation**

PennDOT will conduct follow-up evaluations of projects receiving state funding. These evaluations will assist the Bureau in monitoring RFAP performance and investment strategy.

## APPLICATION INSTRUCTIONS

### General

The Bureau of Rail Freight, Ports and Waterways requires that the following application accompany requests for financial assistance from the Pennsylvania Department of Transportation's Rail Freight Assistance Program authorized by Act 1984-119 (P.L. 587, 100-119). An original and three (3) copies should accompany each project application.

All applications should be submitted to Director, Bureau of Rail Freight, Ports and Waterways, Pennsylvania Department of Transportation, 216 Transportation and Safety Building, Harrisburg, Pennsylvania 17120. If assistance is required to complete the application, please contact the Bureau at (717) 783-8567. Applications which do not contain all requested information will not be processed.

The individual forms which comprise the application, are requested to identify the specific types of information needed to make decisions on grant awards. If the applicant chooses to submit additional information not specifically called for in the application that strengthens or clarifies the application, they are encouraged to do so. Likewise, the Bureau reserves the right to request additional information or clarification from the applicant.

Each application must be accompanied by the following forms:

- FORM A: Application Summary (Cover page to application)
- FORM B: Project Description and Cost Estimates (with site plan, track chart, or valuation map)
- FORM C: Rail Carrier Survey
- FORM D: Rail Freight Shipper/Receiver Surveys

### Application Timetable

All applications should be received by the Bureau by September 1, 1993. The Bureau will review applications during the fall and grant awards for funding as soon as possible.

**FORM A: APPLICATION SUMMARY**

Project No.: _____
Date Received: _____ (PennDOT use only)

1. Name of applicant: \_\_\_\_\_ FEIN: \_\_\_\_\_

2. Address of applicant: \_\_\_\_\_

3. Contact person and title: Name: \_\_\_\_\_ Phone no.: \_\_\_\_\_  
Title: \_\_\_\_\_ FAX no.: \_\_\_\_\_

4. Total project cost: \$ \_\_\_\_\_ Start date: \_\_\_\_\_  
Completion date: \_\_\_\_\_

5. Sources of funding: Percent of project cost  
Rail Freight Asst. Prog.: \$ \_\_\_\_\_ % \_\_\_\_\_  
Others:  
1. \_\_\_\_\_ \$ \_\_\_\_\_ % \_\_\_\_\_  
2. \_\_\_\_\_ \$ \_\_\_\_\_ % \_\_\_\_\_  
3. \_\_\_\_\_ \$ \_\_\_\_\_ % \_\_\_\_\_

6. Project location (limits): Municipalities/counties affected  
Length: \_\_\_\_\_ 1. \_\_\_\_\_ / \_\_\_\_\_  
Milepost: From: \_\_\_\_\_ 2. \_\_\_\_\_ / \_\_\_\_\_  
To: \_\_\_\_\_ 3. \_\_\_\_\_ / \_\_\_\_\_  
4. \_\_\_\_\_ / \_\_\_\_\_

7. Please give a brief description of the proposed rail project.

8. Please identify the nature of the applicant's business, the size and scope of the project in relation to the applicant's total operations, and the strategic importance of the project to the applicant's specific operations that benefit from the project. (Use separate sheet if necessary.)

The applicant warrants that all information associated with this application are true and correct.

Signature: \_\_\_\_\_ Title: \_\_\_\_\_  
Name (Please print): \_\_\_\_\_ Date: \_\_\_\_\_



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**FORM B: PROJECT DESCRIPTION AND COST ESTIMATES**

Please describe in detail the proposed rail project for which you are requesting state financial assistance. This description should begin with a report of the current physical condition of the rail facilities within the project limits, including operating speed limits. A site plan, track chart, or valuation map must be attached. A map showing the project location and the location of the major shipper(s) affected by the rail project should also be attached. If the applicant is not a rail carrier, provide the name of the carrier that will provide rail service. Please describe how project cost estimates were developed, such as by bid, solicitation, or other means. Provide specific itemized project cost estimates on the following page.

Does the applicant have a 3-5 year accelerated maintenance/rehabilitation plan or schedule?

Yes       No      If yes, please explain how the proposed project fits this schedule.

Does the applicant own the property within the project limits or have a long term lease on the right-of-way?

Yes       No

Is the applicant involved in any litigation, delinquencies, or liens which would affect the project?

Yes       No      If, yes, fully describe on a separate sheet and attach to this page.

### Project Cost Estimate

Item	Description	Estimated Quantities	Unit Cost	Total Item Cost
1	Cross Ties Size _____	_____ each	\$ _____	\$ _____
2	Switch Ties <sup>1</sup>	_____ linear foot	_____	_____
3	Rail Weight _____	_____ linear foot	_____	_____
4	Tighten Joint Bar Assemblies	_____ each	_____	_____
5	Raise, Line and Surface	_____ track feet	_____	_____
6	Spot Surface	_____ track feet	_____	_____
7	Bridge Deck Repair <sup>2</sup> (Bridge Timbers) Size _____ Mileposts _____	_____ each	_____	_____
8	Road Crossing Rebuilding <sup>3</sup>	_____ linear foot	_____	_____
9	Ditching	_____ linear foot	_____	_____
10	Brush Cutting	_____ acres	_____	_____
11	Weed Spray	_____ acres	_____	_____
12	Track Construction	_____ track feet	_____	_____
List any additional items on separate sheets using same format as above.				
Total of additional items				\$ _____
<b>TOTAL PROJECT COST</b>				<b>\$ _____</b>

<sup>1</sup>Indicate number and length of switch ties for each switch on separate sheet.

<sup>2</sup>If more than one location, indicate on separate sheet.

<sup>3</sup>Indicate location and length of each road crossing on a separate sheet.

**FORM C: RAILROAD SURVEY**

(To be completed by the rail carrier providing service over or to the proposed project)

1. Name of railroad<sup>1</sup>: \_\_\_\_\_ FEIN: \_\_\_\_\_
2. Address of railroad: \_\_\_\_\_
3. Contact person and title: Name: \_\_\_\_\_ Phone no.: \_\_\_\_\_  
Title: \_\_\_\_\_ FAX no.: \_\_\_\_\_

**For accelerated maintenance projects intended to maintain/improve existing rail service, please complete questions 1-3 only. For new rail siding projects intended to generate new rail traffic, including intermodal transfer facilities, please complete questions 3 and 4 only.**

1. Describe how essential the proposed project is for maintaining current rail service quality levels within the project limits during 1994-95.

2. For the rail branchline affected by the project, how much of the current annual rail traffic utilizes the portion of track or facilities scheduled for improvement by the proposed project? \_\_\_\_\_ carloads. What percent do these carloads represent of total current carloads on the branchline? \_\_\_\_\_ percent.

3. Please describe the relative importance of state financial assistance to the completion of the proposed project in 1993.

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<sup>1</sup> Do not complete if same as applicant

4. How many rail carloads do you estimate will be generated in 1995 by the proposed project assuming the proposed project is completed in 1994? \_\_\_\_\_ carloads. What percent would this generated traffic represent of current annual carloads carried on the branchline serving the proposed project? \_\_\_\_\_ percent.

**Please complete the following worksheet or provide financial statements that provide the requested information. The information requested pertains to the rail carrier's entire rail operations.**

<u>Revenue Adequacy</u>	1990	1991	1992	1993 Est.	1994 Est.
1. Carloadings					
2. Operating revenue					
<u>Carrier Efficiency</u>					
1. Operating expenses/mile					
2. Operating expenses/carload					
<u>Carrier Stability</u>					
1. Operating ratio					

**FORM D: RAIL FREIGHT SHIPPER/RECEIVER SURVEY**  
(To be completed by each affected shipper/receiver served by the proposed project)

1. Name of shipper: \_\_\_\_\_ FEIN: \_\_\_\_\_  
2. Address of shipper: \_\_\_\_\_  
3. Contact person and title: Name: \_\_\_\_\_ Phone no.: \_\_\_\_\_  
Title: \_\_\_\_\_ FAX no.: \_\_\_\_\_

**Employment Impacts**

1. Is the facility to be served by the proposed rail project an existing, recently relocated, or new facility?  
Existing \_\_\_\_ Relocated \_\_\_\_ New \_\_\_\_

2. What is the current (estimate if new facility) full-time equivalent employment at the facility to be served by the proposed project?  
1993 full-time equivalent employment: \_\_\_\_\_

3. What do you expect full-time equivalent employment and salaries and wages at this facility to be in 1995 assuming the proposed rail project is completed in 1993-94?  
With rail project completed  
Estimated 1995 full-time equivalent employment: \_\_\_\_\_  
Estimated 1995 total salaries and wages: \_\_\_\_\_

If there is an increase in employment over current levels, please explain.

4. What impacts, if any, would occur at this facility if the proposed project is not completed in 1993-94?

5. Is rail service necessary for preservation of existing full-time equivalent employment levels at the effected facility on the rail line of the proposed project? Please explain your response.

6. Please indicate any other economic development related values of the proposed project.

### **Transportation/Logistics Cost Impacts**

7. Will completion of the proposed rail project result in some diversion of your current annual freight traffic from other modes to rail transport? \_\_\_ Yes \_\_\_ No \_\_\_ Not applicable (newly located facility) If yes, please estimate or explain the following:

A. The change in your annual transportation costs due to this traffic diversion. \$ \_\_\_\_\_

B. The impact the traffic diversion may have on other logistics-related operations and costs .

8. At presently existing facilities, how many annual rail carloads of newly generated freight traffic (i.e. traffic that previously did not exist and would not exist without the rail project) do you estimate will be transported in 1995 due to completion of the proposed rail project? \_\_\_\_\_ carloads. Please explain.

9. If the proposed rail project is to serve a new facility (manufacturing plant, distribution center, etc.), please explain the significance of the rail project in terms of transportation and other logistics-related cost impacts.

10. Please identify and explain other significant transportation and logistics cost or service quality impacts that the proposed project may have. Particularly, what is the impact on the operations of your facility if the proposed rail project is not completed?



**Pennsylvania Rail Freight Assistance Program**

**Application Evaluation Worksheet**

**July 1993**

**Bureau of Rail Freight, Ports and Waterways  
Pennsylvania Department of Transportation**

**PENNDOT RAIL FREIGHT ASSISTANCE PROGRAM  
PROJECT EVALUATION WORKSHEET**

(For accelerated maintenance projects intended to maintain/improve existing rail service)

**Rail Carrier Benefits**

1. Importance of proposed project for maintaining current rail service levels.

<u>Not essential: same service levels will be maintained</u>	_____	<u>Essential: operations will cease without project</u>	<u>Score</u>
1	2	3	

2. Percentage of current rail traffic impacted by proposed project.

<u>0-25%</u>	<u>26-50%</u>	<u>51-75%</u>	<u>76% +</u>	<u>Score</u>
1	2	3	4	

3. Number of annual carloads impacted by proposed project/state dollar requested.

<u>1-10</u>	<u>11-30</u>	<u>31-50</u>	<u>51+</u>	<u>Score</u>
1	2	3	4	

4. Importance of state financial assistance to project completion in 1993-94:

<u>Not essential: project will be completed w/o state aid</u>	_____	<u>Essential: project will not be completed w/o state aid</u>	<u>Score</u>
1	2	3	4

**Rail Carrier Benefits, Total Score:** \_\_\_\_\_

**Rail Users' Transportation/Logistics Benefits**

1. Quantifiable transportation or logistics cost reduction / state dollar requested.  
(Derived from sum of rail user responses)

<u>0-.10</u>	<u>.11-.30</u>	<u>.31-.50</u>	<u>.51%+</u>	<u>Score</u>
1	2	3	4	

2. Nonquantifiable transportation or logistics quality of service level impact of proposed project  
(Synthesis of rail user responses).

<u>Low</u>	_____		<u>High</u>	<u>Score</u>
1	2	3	4	

**Rail Users' Transportation/Logistics Benefits, Total Score:** \_\_\_\_\_

**Employment Benefits**

1. State dollars requested/job created or preserved.

<u>&gt; \$10000</u>	<u>\$5001-\$10000</u>	<u>\$1000-\$5000</u>	<u>&lt; \$1000</u>	<u>Score</u>
1	2	3	4	

2. Distressed community status.

<u>No</u>	<u>Mixed</u>	<u>Yes</u>	<u>Score</u>
1	2	3	4

**Employment Benefits, Total Score:** \_\_\_\_\_

**PENNDOT RAIL FREIGHT ASSISTANCE PROGRAM  
PROJECT EVALUATION WORKSHEET**  
(For new or restored rail siding projects intended to serve new rail traffic)

**Rail Carrier Benefits**

1. Annual rail traffic expected to use siding as percent of current rail traffic on rail line.

<u>0-2%</u>	<u>3-5%</u>	<u>6-10%</u>	<u>11%+</u>	<u>Score</u>
1	2	3	4	

2. New freight shipments (rail carloads) generated by the proposed rail project / state dollar invested.

<u>Low</u>	<u>High</u>	<u>Score</u>
1	2	3
	4	

3. Importance of state financial assistance to project completion in 1993-94.

<u>Not essential: project will be completed w/o state aid</u>	<u>Essential: project will not be completed w/o state aid</u>	<u>Score</u>
1	2	3
	4	

**Rail Carrier Benefits, Total Score:** \_\_\_\_\_

**Rail Users' Transportation/Logistics Benefits**

1. Quantifiable transportation or logistics cost reduction/state dollar invested  
(Derived from sum of rail user responses).

<u>0-.10</u>	<u>.11-.50</u>	<u>.31-.50</u>	<u>.51%+</u>	<u>Score</u>
1	2	3	4	

2. Nonquantifiable transportation or logistics quality of service level impact of proposed project (Synthesis of rail user responses).

<u>Low</u>			<u>High</u>	<u>Score</u>
1	2	3	4	

**Rail Users' Transportation/Logistics Benefits, Total Score:** \_\_\_\_\_

**Employment Benefits**

1. State dollars invested/job created or preserved.

<u>&gt;\$10,000</u>	<u>\$5,001 - \$10,000</u>	<u>\$1,000 - \$5,000</u>	<u>&lt;\$1,000</u>	<u>Score</u>
1	2	3	4	

2. Distress community status (Using average index of distress for impacted municipalities).

<u>No</u>	<u>Mixed</u>	<u>Yes</u>	<u>Score</u>
1	2	3	4

**Employment Benefits, Total Score:** \_\_\_\_\_

**PROPOSED PROJECT EVALUATION SUMMARY**

Analyst: \_\_\_\_\_

**Threshold Tests:**

Project Readiness \_\_\_\_\_

Carrier Viability \_\_\_\_\_

Quantifiable Benefit/Cost &gt; 1.0 \_\_\_\_\_

**Project Benefit Score Summary:**

Benefit Category	(1) Points Scored	(2) Maximum Score	(3) <sup>1</sup> Points Scored as % of Maximum	(4) Weight <sup>2</sup>	(5) Weighted Score <sup>3</sup>
Rail Carrier					
Transport/Logistics					
Employment					
<b>Total</b>					
Applicant financial strength (subtract 0-10 points, explain in comments)					
Commonwealth priority initiatives (add 0-10 points, explain in comments)					
<b>Grand Total</b>					

**Projected Project Cost:**

\$ \_\_\_\_\_

**Suggested Funding Ratio:** PennDOT

\_\_\_\_\_ %

\$ \_\_\_\_\_

Applicant


\_\_\_\_\_ %

\$ \_\_\_\_\_

Other

\_\_\_\_\_ %

\$ \_\_\_\_\_


 Comments:
<sup>1</sup> Column 1 divided by column 2<sup>2</sup> State assigned, total of weights must equal 100.<sup>3</sup> Column 3 multiplied by column 4

