REPORT OF THE
VIRGINIA DEPARTMENT OF RAIL AND
PUBLIC TRANSPORTATION

# POCAHONTAS TOURIST TRAIN FEASIBILITY STUDY

TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA

# HOUSE DOCUMENT NO. 44

COMMONWEALTH OF VIRGINIA
RICHMOND
1999

# COMMONWEALTH of VIRGINIA

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January 27, 1999

The Honorable James S. Gilmore, III
Members, Virginia General Assembly

Dear Governor Gilmore and General Assembly Members:

Pursuant to Chapter 464, Section 1-121, Item 535(B) of the 1998 Virginia Acts of Assembly, I am enclosing the study report, "Pocahontas Tourist Train Feasibility Study." Although the report feasibly outlines the equipment and roadway needs, a mechanism for ownership and operations between Virginia and West Virginia was not identified.

Thank you for the opportunity to conduct this study.

As always, let me know if you have questions.

Very truly yours,

Leo J. Bevon

Enclosure

# POCAHONTAS TOURIST TRAIN FEASIBILITY STUDY

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## PREFACE

The 1998 Virginia Acts of Assembly, Chapter 464, Section 1-121, Item 535(B) states:

*The Department of Rail and Public Transportation shall perform a feasibility study of establishing a tourist train between Pocahontas, Virginia and Bramwell, West Virginia. The Department shall report its findings to the 1999 General Assembly.*

In order to accomplish this directive, the staff of the Virginia Department of Rail and Public Transportation (DRPT) has coordinated its efforts with the staff of the State Rail Authority (SRA) of West Virginia, Department of Transportation. The DRPT Study Team included Thomas F. Stewart, George R. Conner, and Ranjeet Rathore. John O. Hedrick and J. J. Filbrick of the West Virginia State Rail Authority provided information and technical assistance for this study.

## EXECUTIVE SUMMARY

The 1998 Virginia Acts of Assembly, Chapter 464, Section 1-121, Item 535(B) states:

*The Department of Rail and Public Transportation shall perform a feasibility study of establishing a tourist train between Pocahontas, Virginia and Bramwell, West Virginia. The Department shall report its findings to the 1999 General Assembly.*

The corridor identified in the above legislation includes approximately five miles of active and retired in place track on an alignment between Pocahontas in Tazewell County, Virginia, and Bramwell in Mercer County, West Virginia. The Department of Rail and Public Transportation (DRPT) has worked closely with the West Virginia State Rail Authority (SRA) to perform a feasibility study of tourist train operations in this corridor.

The study corridor is two separate segments of retired in place single track railroad which total approximately five miles in length and includes nine bridges and two tunnels. The two segments are connected by a short section of active mainline track used by Norfolk Southern. To operate passenger service on this line portion, all rail facilities retired in place would require full restoration. The sub-grade, ballast, ties and rail surfaces will require complete rehabilitation. The bridge structures and tunnels will need to be reconditioned before rail service can be re-established. This study recommends that a new connector bridge be constructed to eliminate the need for the tourist trains to operate on the active Norfolk Southern main line track section.

The Town of Pocahontas is especially fascinating for its role in America's industrial revolution and its prominence in the coal mining industry which made it possible. Pocahontas has the world's oldest Exhibition Coal Mine, now a Registered National Landmark, open daily for guided walking tours from May to November. Adjacent is the Pocahontas Coal Heritage Museum. Atop a hill overlooking town, St. Elizabeth's Roman Catholic Church is noted for its beautifully painted and restored frescoes. When built in the late 1800's the Town included not only numerous taverns but also an Opera House and other public amenities which are of special interest to visitors. Bramwell, West Virginia has numerous elegant homes which were built by coal barons and are now restored for walking tours.

The study assumes an operating season for the tourist railroad of six months. It is estimated that approximately 25,000 people would ride the tourist train during its first year of operation. Visitation is expected to grow steadily each year so that by the sixth year of operation there will be a total of 67,000 passengers. Based on these visitation estimates and a projected revenue per passenger of $9.00, the annual passenger operational revenue is estimated to be $225,000 for the first year with growth to $603,000 for the sixth year.

The annual cost of operations for a six-month season has been estimated at $381,000 for the first year creating a revenue shortfall of $156,000. The service is expected to break even after the third year and should generate a profit in the sixth year of operation.

Rolling stock and support facilities necessary to operate this service include three diesel locomotives, eight passenger coaches, two passenger station platforms, and one locomotive and car maintenance facility. The total capital cost including the necessary rehabilitation of the existing track and new bridge construction is estimated to be $3,200,000. If steam locomotives are utilized as suggested by others the capital cost could increase to $6,200,000.

To implement this project a range of $3.68 to $6.68 million will be needed over the first three years. This does not include funding for advertising and the general cost to rehabilitate the attractions. Full implementation will require a mechanism to be in place between Virginia and West Virginia to identify interstate interest, ownership, and operation.

## INTRODUCTION

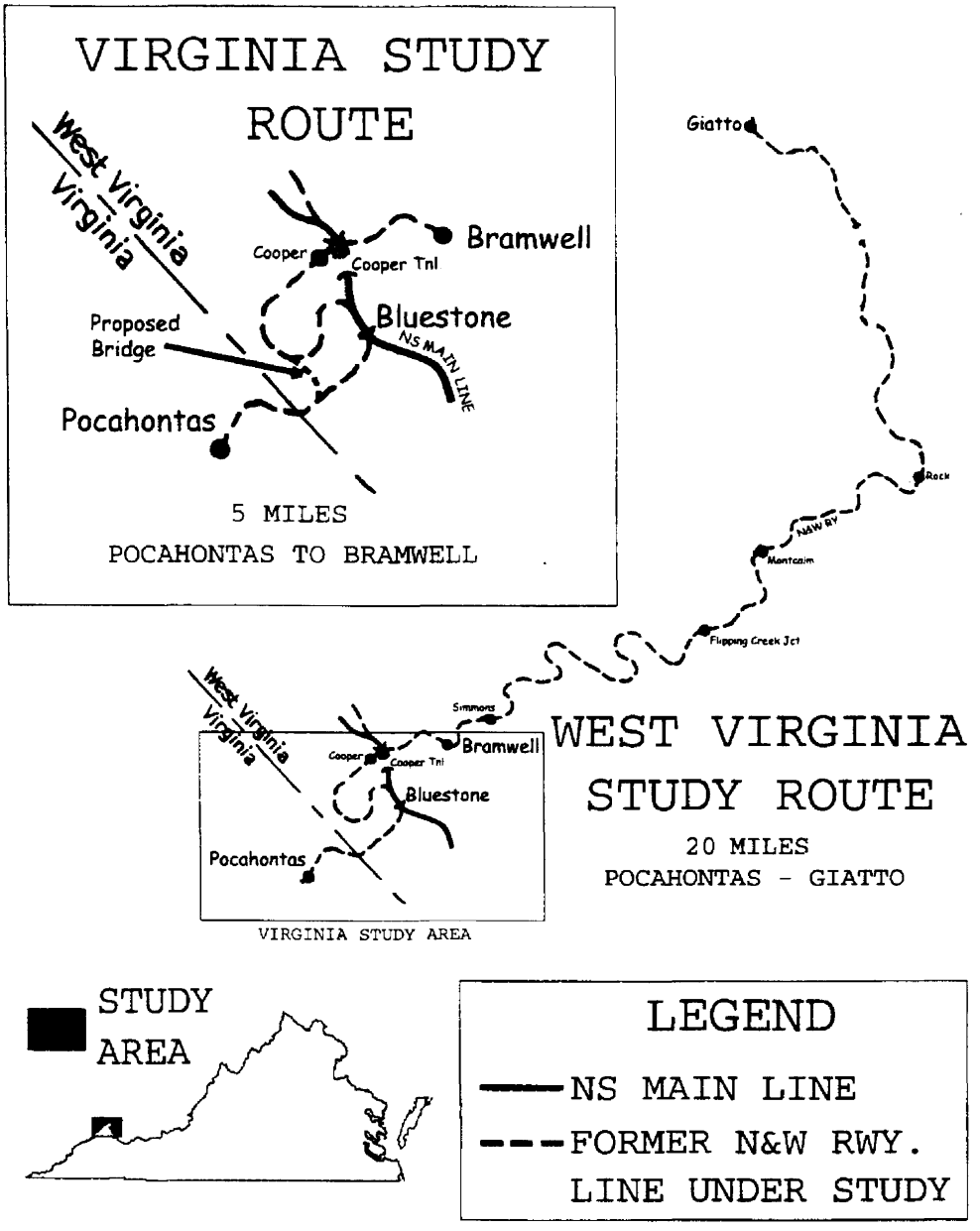
The General Assembly has directed the Virginia Department of Rail and Public Transportation (DRPT) to conduct a feasibility study concerning the establishment of a tourist train between Pocahontas, Virginia and Bramwell, West Virginia. The study is to be completed for presentation to the 1999 Session of the General Assembly.

### Background

The suggestion for a tourist railroad for the abandoned rail line of the old N & W Bluestone and Pocahontas branches was conceived in 1987. The original termini for the Tourist Train project were Pocahontas, Virginia and Giatto, West Virginia. The total length of the proposed rail lane is 20 miles (Figure 1). In 1988, the West Virginia Legislature established the Statewide West Virginia Tourist Train and Transportation Board, whose members are appointed by the Governor of West Virginia. The Board commissioned a study, completed in 1989 by Centennial Rail, LTD of Denver, CO, which proposed a pilot project in a specific area rather than a Statewide effort to study tourist train operations throughout the state.

In 1990, the West Virginia Legislature passed House Bill 4356 creating the Mercer County Tourist Train Authority (MCTTA) which had the authority to obtain bonds once a feasibility study had been completed. Until this time many unsuccessful attempts had been made to secure funding to purchase the branch lines. In 1992, the MCTTA agreed to purchase the railroad branches from the Norfolk Southern Corporation and they applied to the West Virginia Legislative Finance Committee for funding in the 1993 session. They were denied funding until an "Independent Feasibility Study" was completed on the line. Once again funding was sought from various sources to complete the requirement of an "Independent Feasibility Study". In 1996, Senate Bill 471 and other legislation to authorize a bond issue did not pass the House Finance Committee but an appropriation of $30,000 was made to finance the study.

**Figure 1 - Study Area**



Centennial Rail, Ltd. made a proposal that was accepted by the Bluestone Visitors and Convention Bureau on behalf of the MCTTA. Completed in early 1997, the study contained an independent survey by Mr. Tim Oxley, Director of the Center for Economic Action, Concord College. A bill was proposed to allow the authority to issue revenue bonds up to $5,000,000 and to cooperate with the State of Virginia to develop the under two mile portion of the project in Virginia.

**Previous Studies**

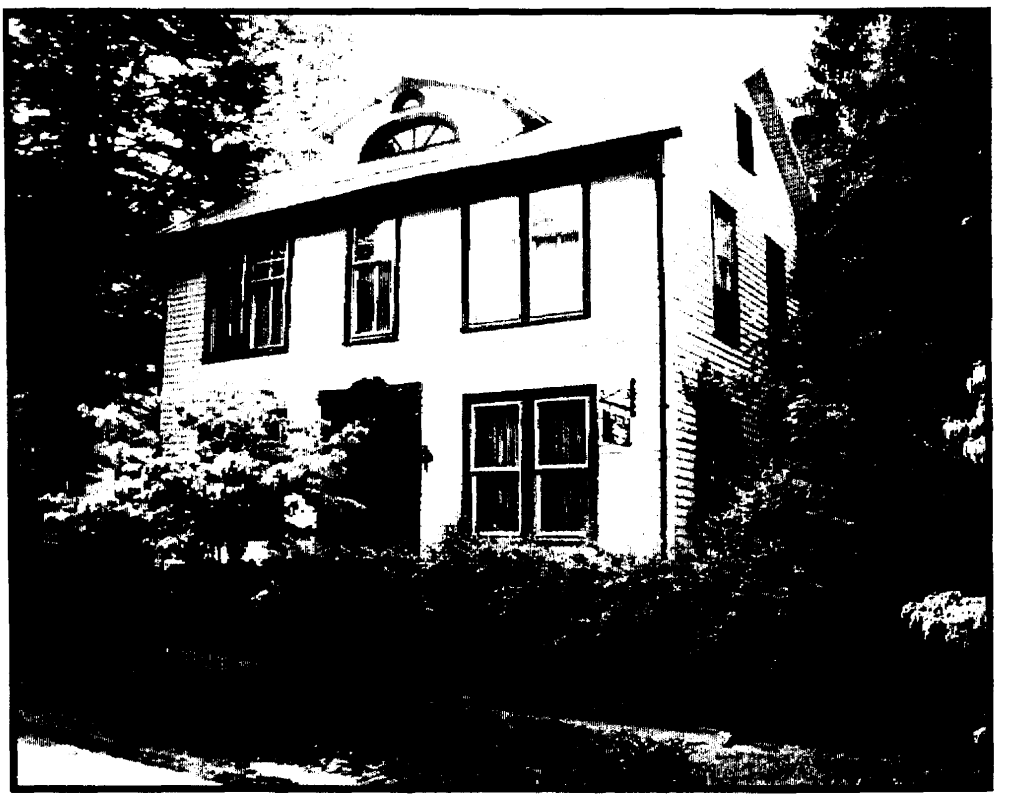
Previous studies have investigated the abandoned Norfolk & Western two mile line section from Pocahontas, VA to Bluestone Junction, WV and the 18 mile line section from Bluestone Junction, WV to Giatto, WV. The last study completed by Centennial Rail, Ltd. found the project to be feasible but stated the earning potential did not appear to be sufficient to support the estimated debt service of $10,530,000, the capitalized cost estimate for the project. They recommended scaling the project back to an operation between Simmons and Montcalm. The scaled down operation was estimated to cost $4,900,000.

The Commonwealth's study focuses on a shorter train ride between Pocahontas, VA and Bramwell, WVA, a distance of 5 miles. These termini were identified by the direction of the General Assembly. Information provided in previous studies was updated where possible to provide the basis for the analysis.

**Termini**

The selected termini of Bramwell, WV and Pocahontas, VA provide many historical attractions. Bramwell is designated as a National Historic Area and has many old homes of the Tudor and Victorian era (Figure 2). Bramwell has also designated an area for a train station. Pocahontas has a train station and an Exhibition Coal Mine (Figure 3) where visitors can receive a guided tour of the mine and museum. Other attractions in Pocahontas include a company store built in 1883 and an Opera House built in 1885 which showed many first run Broadway shows (Figure 4). Also open to the public is Saint Elizabeth's Catholic Church (Figure 4) built in 1896 which has ten life size murals painted on the walls and ceiling of the church.

**Figure 2 - Historic Residences in Bramwell, W.Va.**



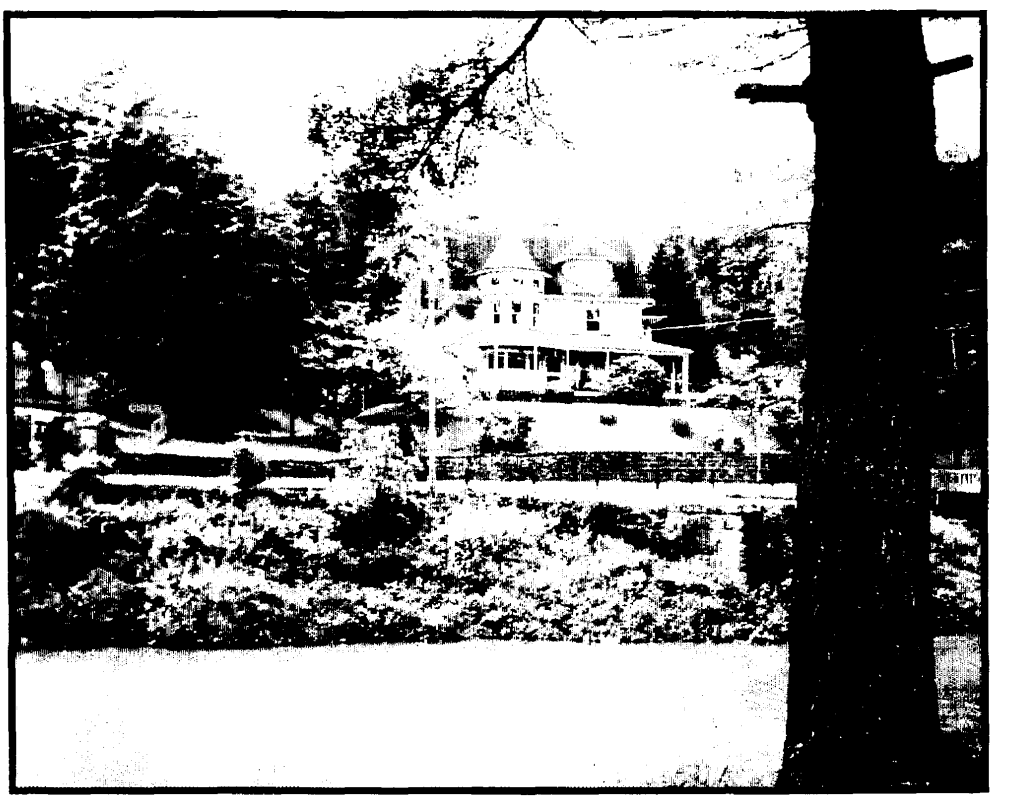


**Figure 3 - Pocahontas Exhibition Mine**

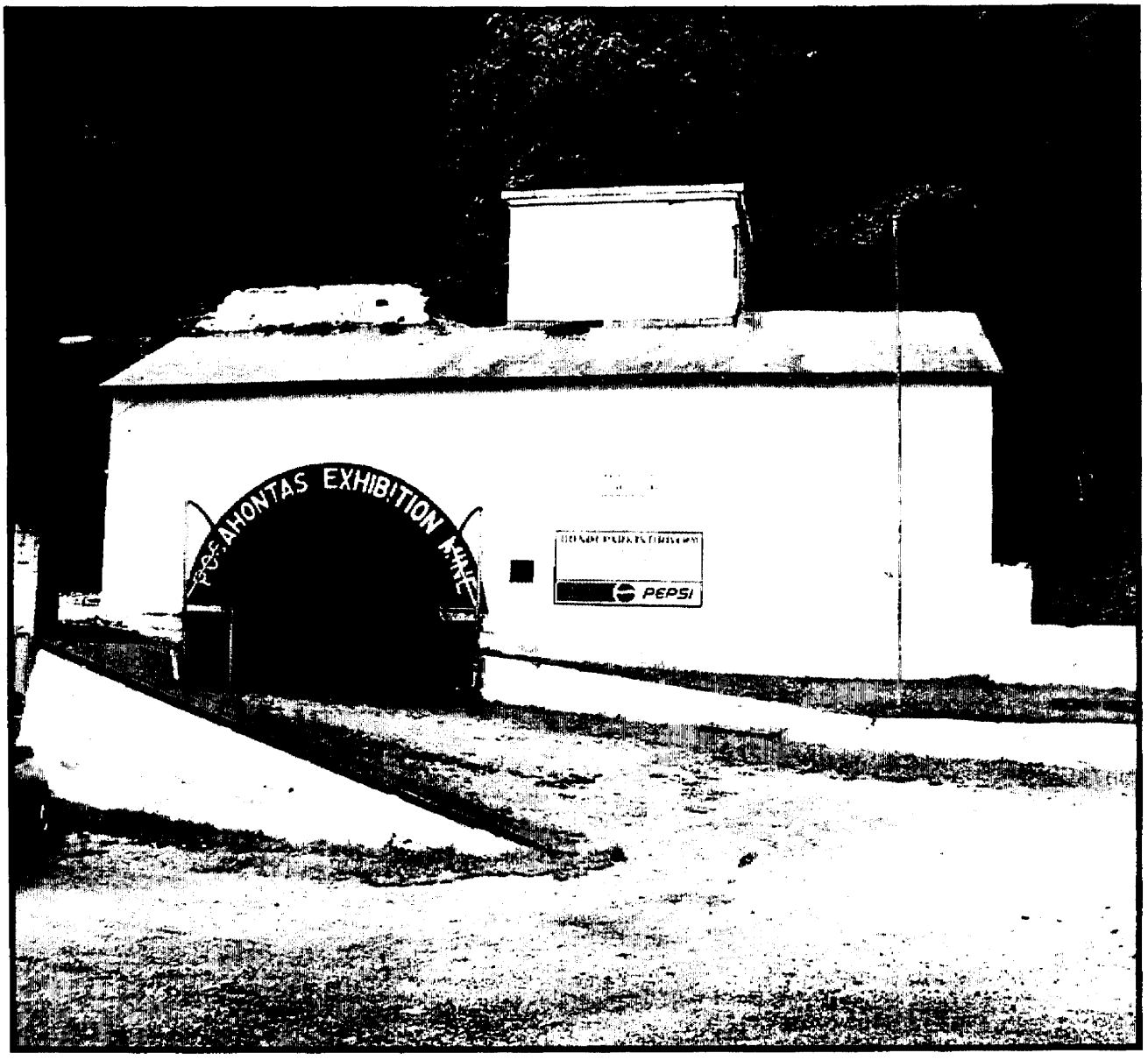
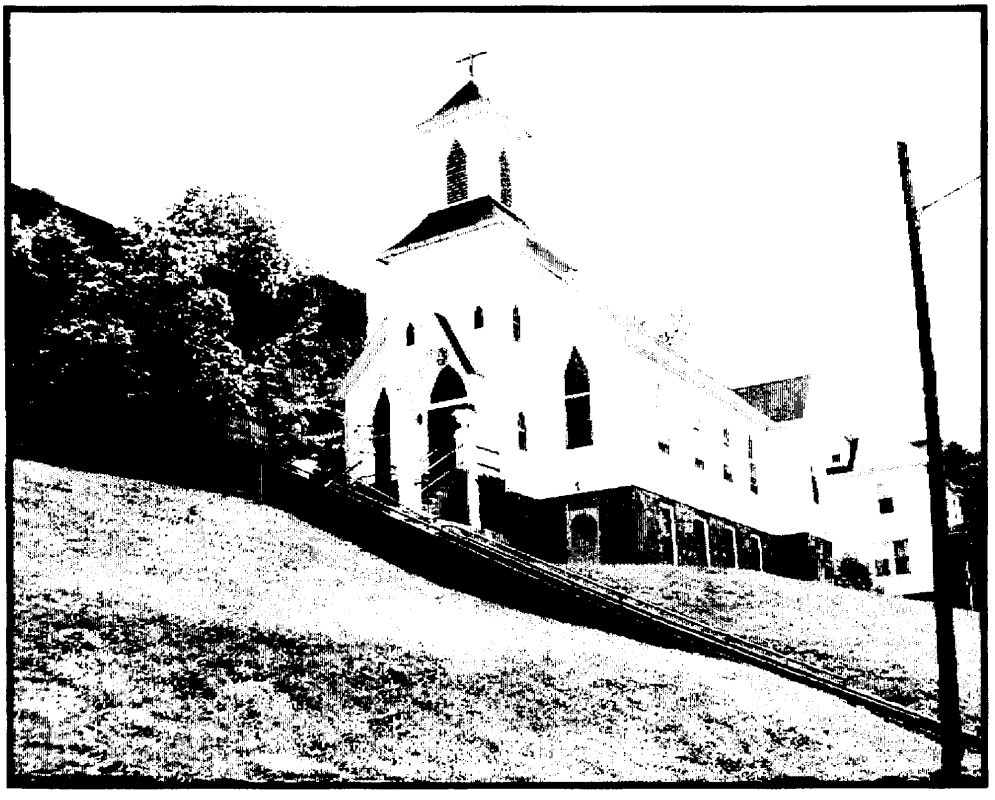


**Figure 4 - Pocahontas Opera House**

**Figure 5 - St. Elizabeth's Catholic Church**



## STUDY FINDINGS

### Demand Estimation

The estimation of the number of people likely to visit the proposed tourist train site is of paramount importance. The demand estimate would determine the quantity of equipment, staffing needs and possible revenue. Attempts were made to contact other tourist train operators and the Virginia Transportation Research Council for information. A review of the study conducted by a consultant for Mercer County was made to assist in the developing a methodology to analyze a potential tourist train operation. The efforts pursued to develop demand estimation and subsequent results are as follows:

At the request of the Bluestone Convention & Visitors Bureau and the Mercer County Tourist Train Authority of Bluefield WV, the consulting firm of Centennial Rail Ltd. a Colorado corporation, conducted a feasibility study for operating a tourist train.

According to the consultants the basic reason for pursuing this project was economic development in the area. The study was started in September of 1996 and completed in January of 1997.

The consultants surveyed many tourist railway sites and developed demand estimates in two different ways. They are:

**Procedure A:** The total outside traffic (those living beyond 150 miles) travelling through the area was obtained. In order to determine the number of these outside travelers that would potentially visit the tourist train, a percentage (%) of the outside traffic, likely to use the tourist train, was established. This percentage was then applied to estimate the number of outside visitors passing through the area. For the proposed Bluefield site, which is currently not in operation, the consultants proposed a figure of 2% of the total outside traffic travelling through the area (4 million) likely to visit the train site.

Based on this information the consultants estimated the annual number of outside people visiting the tourist train to be 80,000 (4M x 2%).

To the estimated outside visitors were added local people who could potentially visit the tourist train site to get the total demand. Local visitors were estimated as 0.5% of the 7 million population living within 150 mile radius of the site.

Therefore, the annual number of local people estimated to visit the tourist train was 35,000 (7M x 0.5%).

Thus according to the consultants, using procedure A, the annual number of people i.e. outside travelers + local, visiting the tourist train, would be 115,000 (80,000 + 35,000). A beginning annual patronage estimate of 30,000 was suggested.

**Procedure B:** The other procedure used by the consultants was to actually look at sites that have similar characteristics as the proposed site. They have identified ten (10) sites. At these ten sites the consultants collected two sets of data. One is total attendance at the sites and the second is percentage (%) of tourists and local visitors to those sites. After reviewing ten sites, three sites Cass, West Virginia, Georgetown Loop Railroad, Colorado and Yosemite Mountain Sugarpine Railroad, California were found to match fairly well with the proposed site. The annual number of people visiting these sites is 65,000, 67,000, 25,000 respectively.

The demand range for procedure B is therefore 25,000 to 67,000

After reviewing the consultants demand estimation procedures for the Bluefield, West Virginia tourist railway project, some modifications were made to apply the demand estimation procedures to the Pocahontas, Virginia - Bramwell, West Virginia site.

**Modified Procedure A:**

There are only three data sets available in the consultant report to derive a likely percentage of the outside people travelling that would visit the train sites. Following are the three sites:

1. **Grand Canyon**: This tourist facility attracts 4 million people out of the 11 million people travelling through that area, yielding 36% attraction to the tourist train.

2. **Cass West Virginia**: There were 89,000 visitors to the tourist train out of 8 million people travelling through the area, thus yielding a percentage of just 1.1%.

3. **Proposed Bluefield Project Area**: There were 4 million people travelling through the area and consultants proposed a 2% figure to use for tourist train site.

Instead of 150 mile radius, 90 miles (Figure 7) was selected for the attraction of local traffic as being more appropriate in our opinion. Ninety miles would cover important areas like Roanoke, Virginia, in the east; Kingsport, Tennessee, Johnson City Tennessee, Bristol, Tennessee/Virginia, Winston-Salem, North Carolina; all in the south; and Charleston, West Virginia, in the north. Total population in the 90 mile radius is equal to 2,575,600. According to the consultants 0.5% of this population is likely to visit the tourist train attraction. Therefore, the local share for the tourist train should be 12,880 (2,575,600 x 0.5%).

The site at Cass West Virginia is more comparable to the project site; its tourist percentage is 1.1% of total travelling people. Using this percentage the number of tourists visiting the proposed train site would be 44,000 (4,000.000 x 1.1%).

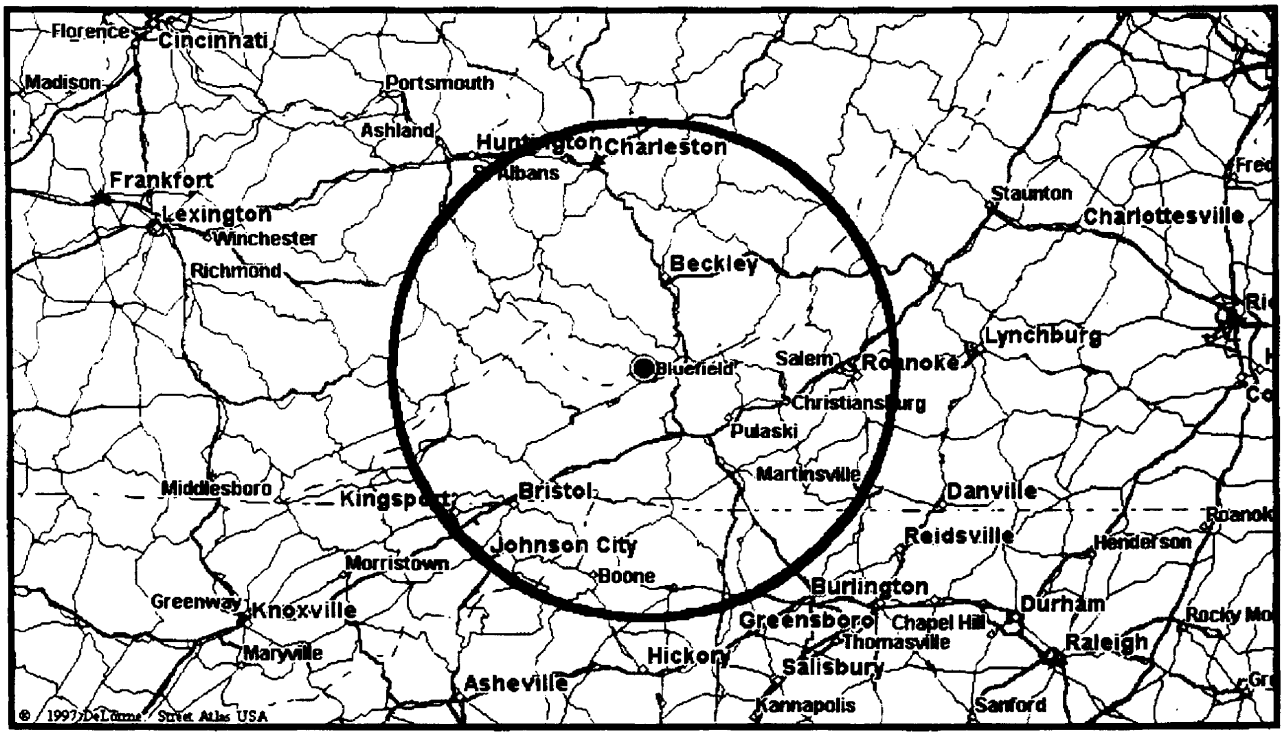
A reasonable demand for the tourist train for the proposed Bluefield project was then determined in the following manner:

The Total Market = Local Market + Outside Market

= 12,880 + 44,000
= 56,880

Thus the estimated demand for the tourist train at the project site 56,880. Assuming the low demand figure of 30,000 as suggested by the consultants, the range for the modified procedure would be 30,000 to 56,880.

## Figure 6 - 90 Mile Radius of Attraction




**Modified Procedure B:**

The consultants in procedure B actually observed the number of total attendance and percentages of outside visitors (tourist) and local visitors. This procedure can not be directly applied to the proposed train site because the total attendance data is not available for the Bluefield site.

However, the local market of 12,880 as developed in the modified procedure A can be used, and then the total market can be calculated. Assuming that the local market percentage in the three comparable sites mentioned earlier would be the same as local market in the Bluefield area, can be projected the total market for the proposed train site under consideration. Table 1 shows developed data.

## Table 1 - Tourist Attraction And Market Share

| SITE | % OUTSIDE VISITORS (A) | % LOCAL VISITORS (B) | ESTIMATED LOCAL MARKET (C) | BLUEFIELD TOTAL MARKET = C/B*100 |
|---|---|---|---|---|
| Cass Scenic Railroad, West Virginia | 65% | 35% | 12,880 | 36,800 |
| Georgetown Loop Railroad, Colorado | 70% | 30% | 12,880 | 42,930 |
| Yosemite Mountain Sugar Pine Railroad, California | 80% | 20% | 12,880 | 64,400 |

Thus the estimated Demand Range with modified procedure B is **36,800 to 64,400**

**Estimated Patronage**

The consultants have recommended that the project should be developed with a projected ridership of 30,000 in the first year of operations. They project that patronage would grow to 115,000 annually in six years.

After reviewing the consultant report, it is felt that their starting figure of 30,000 seems reasonable. However, the future figure of 115,000 appears to be high. Depending on level of marketing, promotional efforts and who operates, private or non-profit organization the numbers can be in the range from low number of 25,000 in the start and to a high number of 67,000 in 5 to 6 years time.

Table 2 shows a comparison of the estimated demand ranges for all of the procedures and the recommended range.

## Table 2 - Comparison 0f Estimated Demand Ranges

| Method Of Obtaining The Range | Estimated Range of Riders |
|---|---|
| Procedure A | 30,000 To 115,000 |
| Procedure B | 25,000 To 67,000 |
| Modified Procedure A | 30,000 To 56,880 |
| Modified Procedure B | 36,800 To 64,400 |
| Recommended Range (Procedure B) | 25,000 To 67,000 |

**Inventory**

An on site inspection of the line was made. The line from Pocahontas, VA to Bramwell, WV is single track and covers a distance of five miles. Due to the configuration of the tracks, trains would have to operate over the Norfolk Southern main line at Bluestone Junction and the Norfolk Southern does not desire to have tourist trains operating on their main line because of liability and operational conflicts. Therefore, a new bridge would have to be built over the Bluestone River connecting the Pocahontas and Bramwell branches. The 1990 estimated cost of building this bridge was $680,000.

Service has been discontinued on the line from Pocahontas, VA to Bluestone Jct., WV for more than five years and the track has not been maintained. Much of the track has been overgrown and is in need of ties, ballast and brush cutting. The estimated cost of upgrading the track structure is approximately $170,000 a mile. For the portion from Pocahontas, VA to Bluestone Junction, WV (2 miles) the cost would amount to $340,000 and from Bluestone Junction to Bramwell, WV (3 miles) it would be $510,000.

In addition to the new bridge required across the Bluestone River connecting the two branches, there are a number of bridges on the line which are in need of rehabilitation and painting. Several tunnels are on the line which have been neglected and must be upgraded before they can be used. Based on the estimates given in previous studies, the cost to repair the bridges and tunnels would be approximately $116,470.

Several buildings would be needed for service if the tourist train service were to begin operation on the line. These buildings could either be leased or purchased if available. If none were available for the specific purpose at the time, then new facilities would have to be built. Platforms must be provided for passengers to entrain and detrain. These platforms are estimated to cost approximately $20,000 each. Maintenance facilities must be available for both locomotive and passenger car maintenance and daily upkeep. It was estimated that a maintenance facility with the appropriate equipment for locomotives would cost $100,000.

It has been recommended that for a tourist train operation, steam power should be utilized because of the attraction of the steam locomotive. The other choice is to use diesel power. Either way, a method must be determined as to the most efficient operation. Whether steam, diesel or a combination of power is used, the reverse trip will require either a push-pull operation or have a way of turning the locomotives around at the end termini.

The largest attraction, the exhibition mine, needs to be made more attractive for tourists. The tracks to the mine from Pocahontas are on the far side of the road and stream. Provisions must be made to get the tourists off of the train onto a platform, across the stream and across the highway to the mine.

Advertising for the mine was found only at the mine. In order to attract tourists to the mine, an extensive advertising campaign must be carried out. Brochures should be placed in surrounding motels, hotels and restaurants as well as in the Visitors Center. As the mine will be attracting tourists from a radius of 90 miles, the advertising must also cover the same area. Although the people now working at the mine are doing a good job, they need help from a professional marketing firm.

## OPERATIONS AND COSTS

### Administration

Although the tourist train may not operate twelve months a year, someone must oversee the property and equipment and make sure that the necessary maintenance is performed. For this, a general manager and an assistant general manager should be retained. The General Manager would be responsible for overseeing the train crews, the maintenance workers and the station personnel. In addition, he must interact with those businesses, which deal with the tourist trade and may have an effect on the viability of the railroad. These would include such places as the exhibition mine, the homes that are open to the public and historic places in the vicinity of the railroad.

### Operation

It is assumed that the train would operate for six months of the year between April 15 and October 15. The train would start at Bramwell, WV and go to Pocahontas, VA in the morning and return to Bramwell at 12:00. The train would then make a second round trip in the afternoon. Excursions could be made available in the evenings for special groups.

### Rolling Stock

The purpose of this section is to give some pros and cons about the alternate types of equipment that may be available for use on this line. Either the steam or diesel locomotive would be adequate to pull the train. When the train reaches the end of the line, it must return to its original starting point. Therefore, it must either push the train back or have a method of getting the locomotive to the other end of the train. The steam locomotive must be turned around either on a turntable or at a "wye" and brought back to pull the train. The cost of a wye is estimated to be approximately $1,000,000. The diesel locomotive does not have to be turned but may be switched at crossovers, put at the head of the train and pull the train back. For either of these methods, there must be a run a round track to allow the locomotive to get around the train. Should the push-pull operation be utilized, then three locomotives will be needed, one on either

end of the train and one as a spare. Passenger coaches will be needed to accommodate the initial projection of 25,000 tourists per year. The suggested number of coaches was eight plus a baggage car to be used as an exhibit / concession car. Additional passenger cars could be added to the consist as the demand increases. In addition to the locomotives necessary for the daily operation, an additional locomotive should be maintained as a spare.

Contacts with other tourist railroads indicate that the steam locomotive attracted more tourists than the diesel but was more expensive to both maintain and operate. The steam locomotive must have facilities to take on both coal and water. The track structure must be heavier to support the weight of the steam locomotive. Both the steam and the diesel locomotive should have both a pit and a shed for routine maintenance.

## Operating Costs and Revenues

The following calculations are based on an operating time of 185 days per year. The operating costs include items such as crew costs, fuel, equipment and building maintenance, office supplies and insurance. According to the West Virginia report, these costs would amount to approximately $350,000 for the six-month period. Our estimate including additional maintenance and a factor for inflation of 4% for one year is $381,000.

Assuming there would be different fees charged school children, adults, elderly and group rates, the average fee should be approximately $9.00. After reviewing the consultant's demand estimation procedures for the tourist train project, some modifications were made and the recommended demand range is 25,000 to 67,000 visitors. This would yield revenue of from $225,000 to $603,000 a year. This would yield an annual net loss of $156,000 the first year to $121,000 after six years of operation given the estimated cost of operation of $381,000. Break even would occur after year three.

## Operating Subsidy

It is anticipated that for the first three years of operation, the project will have to be subsidized, as the revenue will not equal the cost of operation. After the third year, the revenue/costs should achieve a break even point and a positive cash flow will be achieved. At this time net income could be applied to the continuing maintenance and rehabilitation expenses which may not have been covered by other sources.

## Rehabilitation and Capital

West Virginia's report indicates that funds are available from both state and Federal sources for purchase and rehabilitation purposes. Virginia does not have funds designated for purchase or rehabilitation of tourist train lines. West Virginia's Authority has sought funding from various State Agencies but yet have not been successful. The original project that ran from Pocahontas, VA to Giatto, WV was anticipated to cost $10,500,000 and ran for a total of 20 miles. The West Virginia estimate for the purchase of the 20 miles was $1,430,000. The current project being considered runs five miles from Pocahontas, VA to Bramwell, WV. A more realistic estimate for 5 miles should be less than $500,000. The actual cost of the property and track facilities will ultimately be determined through negotiations with the Norfolk Southern Corporation.

In addition to the land and track structure, the rehabilitation of the track, tunnels and bridges (including a new bridge to connect Pocahontas and Bluestone) the estimated cost in 1990 was $4,741,000 for 20 miles. The 1998 estimate for this work for five miles is $1,700,000. Rolling stock that includes three locomotives and eight passenger coaches will cost approximately $850,000. (Table 3). this cost will increase if steam locomotives are used.

## Table 3 - Estimated Capital Costs

| Item | | Estimated Cost |
|---|---|---|
| **Rehabilitation -** | Pocahontas- Bluestone (2 mi.) | $350,000 |
| **Track** | Bluestone - Bramwell (3 mi.) | 530,000 |
| | | $880,000 |
| **Rehabilitation -** | Pocahontas- Bluestone | 70,000 |
| **Bridges & Tunnels** | Bluestone - Bramwell | 50,000 |
| | | $120,000 |
| **New Bridge** | Bluestone River | $700,000 |
| **Sub-Total - Track and Structure Improvements** | | $1,700,000 |
| **Purchase of Land and Structures** | | $500,000 |
| **Buildings and Platforms** | | $150,000 |
| **Diesel Locomotives** | 3 @ $150,000 each | $450,000 |
| **Passenger Cars** | 8 @ $50,000 each | $400,000 |
| **TOTAL *** | | $3,200,000 |

* If steam locomotives are used additional cost would be incurred due to the locomotives and the facilities, such as a wye and a turntable needed to accommodate them. This could increase the cost by more than $3.0 million.

## ISSUES

**General Work** - Buildings, streets and areas surrounding the historic areas would have to be made attractive to entice the visitors and tourists to want to visit the particular site. This would include painting and lighting to bring out the best attributes of the area. No cost is estimated for this work.

**Operating** – Consideration must be given to the levels of management that will be required to make the program a smooth running operation. The type of locomotive power must also be determined in order to rebuild the track and track structure to the proper load handling capability. A mechanism must be in place between Virginia and West Virginia to identify interstate interest, ownership, and operation.

**Logistics** – Logistics play an important part in getting the visitors from the train to the attraction and back to the train. Some arrangements must be made and coordinated for this movement. No cost has been estimated for this work.

**Legal** – The question was raised about the train running between two states and being governed by the rules and regulations of interstate commerce. This will have to be examined thoroughly before beginning the operation. Another question was as to who would own the line. Would Virginia own the portion in Virginia and West Virginia own the portion in West Virginia or would it be owned by an authority or leased to a private company?

**Funding** – The Mercer County Tourist Train Authority (agent for the State of West Virginia) has sought funding from several different sources since the inception of the project and has not been successful. Currently they believe the project could be funded through grants and/or bonds. Presently no funds are designated by the Commonwealth for projects of this type.

# CONCLUSION

The directive from the Virginia General Assembly to conduct a feasibility study of the old Norfolk and Western line from Pocahontas, Virginia to Bramwell, West Virginia has been completed with assistance from the West Virginia State Rail. The study indicates that the five miles of track must be rehabilitated and two tunnels and nine bridges have to be restored. The estimated cost of these improvements is $1,000,000. In addition to the track, tunnels and bridges, a new bridge must be built across the Bluestone River at a cost of $710,000 to ensure that the tourist train does not have to use the NS main line.

The termini from Pocahontas, Virginia to Bramwell, West Virginia were selected by the General Assembly directive which shortened the distance and reduces both the capital and operation costs. To entice visitors to the area, many buildings need to be painted and lighting needs to be added. The painting and lighting have not been included in the capital cost estimate. Once the tourist or visitors arrive in either Bramwell or Pocahontas, provisions must be made to transport them from the stations to the historic sites. This will be something that the Towns should address before beginning service.

There have been legal questions about the mechanism which should be set up to own and operate the line. Both the operation of the railroad and the purchase of the line must be resolved. The involvement of each state and how much each will be required to participate will also have to be resolved. The railroad could be operated by either state, an authority, or by another party contracted to do the job.

The capital start up cost has been estimated between $3.2 and $6.2 million and the annual subsidy is $156,000. The higher capital cost estimate would be incurred if it is decided to use steam locomotives. In order to implement the project approximately $3.68 to $6.68 million would be required over the first three years of operation.

A method of funding not been determined. Not only is there an initial start up cost, there will be a subsidy required for the first three years which must be absorbed by some party. A sponsor or sponsors must contractually agree to support the railroad and subsidize the operation

until it becomes self-supporting. The mechanism by which the project would be undertaken will also have to be determined.