

VIRGINIA INLAND PORT STUDY

Q3 2024 GENERAL ASSEMBLY UPDATE

Submitted by:

VIRGINIA PORT AUTHORITY

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SUPPORTING DOCUMENTATION

[Report of the Virginia Economic Development Partnership Authority and Virginia Port Authority. \(2023\). *Inland Port Study: Feasibility Analysis of Locating an Inland Port in the Commonwealth \(2022 Appropriation Act, Item 125.Q.\)*](#)

[Virginia Inland Port Study Q4 2023 General Assembly Update – December 1, 2023](#)

[Virginia Inland Port Study Q1 2024 General Assembly Update – March 1, 2024](#)

[Virginia Inland Port Study Q2 2024 General Assembly Update – June 1, 2024](#)

I. EXECUTIVE SUMMARY

This is the latest quarterly update in accordance with the 2024-2026 Biennial Budget (HB 6001 from the 2024 Special Session I), Item 101 P.4.

This document provides an update to ongoing work associated with the potential for a new inland port facility in the Mount Rogers Planning District and related next steps, for which the Commonwealth allocated additional funds in the 2024-2026 budget to pursue further development.

Readers of this update are encouraged to familiarize themselves with the project's intent by reviewing the initial Inland Port Study ("Inland Port Study: Feasibility Analysis of Locating an Inland Port in the Commonwealth") which was jointly released by the Virginia Economic Development Partnership (VEDP) and previous updates, the most recent of which was released in June 2024.

This fourth update:

- Focuses on work accomplished over the most recent past three months, through September 1, 2024.
- Provides information regarding concept development and related efforts.
- Restates expected progress and milestones that will be achieved in each of the quarterly updates through calendar year 2024.

II. PROGRESS TO DATE

The Virginia Port Authority (VPA) design team (internal VPA Engineering supported by engineering consultants) has been focused on continued development of a preferred facility concept selected by the VPA. The selection was based on evaluation of a range of alternatives for effectiveness in supporting the operational objectives, compatibility with the serving railroad's operations, and potential extent of impacts to the surrounding community. A topographic survey, geophysical study, and geotechnical investigation were performed at the project site concurrent with the ongoing concept development.

A. CONCEPT REFINEMENT

VPA selected the alternative that appeared to be the most compact and cost-efficient as their preferred concept to continue to refine toward a preliminary design.

Design refinements have been focused on better understanding the following elements:

- Overall site grading and rail profiles to support rail lead connections to the existing, adjacent Norfolk Southern (NS) mainline. The dynamic topography of the region is a significant contrast to the design requirements for railroads and port activities that seek a level grade on which to operate.
- Stormwater management strategies and features to reduce pollutants and control runoff leaving the site to comply with Virginia stormwater regulations, as well as integrating the site drainage features with existing drainage systems supporting adjacent properties.
- Operations-related infrastructure planning including gate facilities, operations/administration building, vehicle maintenance facilities, security perimeter, and railyard turnout operations.
- New site utility services and relocation of existing utilities within the site, including water, sewer, power, communications, and compressed air (used for rail operations).
- Mitigation-related improvements to reduce the potential adverse impacts of rail operations at the site on the community.

These refinements will be documented in a concept report update and reflected in a 30% design package of drawings to support environmental studies, permitting, and other reviews which would begin in 2025 should the project move forward.

B. FIELD INVESTIGATIONS

Field investigations of the Oak Park site to collect data needed to support the 30% design have concluded and data from these efforts is under review. Initial work consisted of a topographic survey, geophysical study, and geotechnical investigation. Following the 30% design, additional field investigations will be identified to collect the data needed to complete the design.

Of particular note:

- Subsurface conditions and detection of potentially rocky material are being evaluated against the proposed site elevations, which are constrained by the required rail geometry, to help understand the construction cost impact.
- Existing drainage patterns and potential magnitudes of stormwater runoff are being closely evaluated to minimize the risk of damage to adjacent properties and waterways. As stormwater management regulations and design practices have evolved over the last several decades, many of the existing drainage features adjacent to the site are not sufficient to meet modern design requirements. Reconciling current regulatory requirements and adjacent infrastructure is necessary and in progress.

C. STAKEHOLDER COORDINATION

The VPA continues to meet with potential customers within the region to assess the cargo demand and market needs the inland port is intended to address.

Refinement of the preferred concept has likewise reached a sufficient level to support VPA coordination with County representatives to collect feedback, identify potential issues of concerns, identify opportunities to better integrate the facility into the community, and identify other development efforts that may be needed to realize the project.

III. DEVELOPMENT LOOKAHEAD

For the remainder of the calendar year, the VPA anticipates following milestone updates to the designated legislative and executive oversight entities:

- A 30% preliminary design and an opinion of probable cost will be provided to the VPA at the end of September.
- Calendar Q4 (December 2024) report will include initial stakeholder input on the preliminary design. Earthwork, property, right-of-way, utility, and permitting needs will be identified and confirmed in a separate update. An independent value engineering study will be conducted to ensure a cost-effective design and acceptable cost estimate. Potential shipper commitments should be in process with VPA and NS. A business recruitment strategy will be coordinated with VEDP.