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Construction underway to open new economic development opportunities

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With the objective of providing an alternative rail line for the movement and delivery of freight to area businesses while alleviating congestion on the existing main rail line servicing the Maine Intermodal Transportation Facility, moving rail cars full of merchandise through the Auburn facility will become more efficient as the official commencement of the Rangeley Branch rail line restoration project occurred at a groundbreaking ceremony.

Providing direct rail access to approximately 400 acres of land in the City of Auburn and Town of Poland while opening new economic development opportunities for business growth, the Androscoggin Valley Council of Governments (AVCOG), the Lewiston-Auburn Economic Growth Council (LAEGC), the City of Auburn, representatives of the Lewiston and Auburn Railroad Company (LARC), and the St. Lawrence & Atlantic Railroad Company (SLR), worked closely with members of the Lewiston/Auburn area delegation to secure \$3 million in general obligation bond funds for the reconstruction of the former Rangeley Branch rail line running from Auburn to Poland. The Lewiston/Auburn area delegation was instrumental in securing access to the legislative process and ultimately for inclusion of this project in the 2010 bond package. Representative Peggy Rotundo and representative Mike Beaulieu were key players in this process, with strong support from the entire Lewiston/Auburn area delegation.

The project consists of restoring approximately 6,600 linear feet of the former line between the Lewiston-Auburn Railroad at West Hardscrabble Road and the existing siding of the St. Lawrence and Atlantic Railroad near Lewiston Junction Road; the construction of approximately 400 linear feet of new track for a spur line leading from the midpoint of the mainline to an abutting commercial property owned and operated by MB Bark, LLC; and the addition of 1,500 linear feet of double-ended siding ultimately adding capacity and reducing delays on the route caused by heavy usage of the Maine Intermodal Transportation Facility.

"After working on this project for over 10 years, to see the re-establishment of this rail line serves as welcomed news due to the long term strategic transportation benefits for the State of Maine," said Bob Thompson, executive director of the AVCOG.

As rail cars full of freight are brought into the Port of Auburn, LLC and the Maine Intermodal Transportation Facility, the cars are unloaded during the day and the empty rail cars are removed at night. In addition to providing direct rail access for delivering freight to these two facilities, the main rail line that runs through the facilities is also used to assemble and disassemble trains at various times during the day as needed. As those activities are occurring, approaching trains must wait until the assembly and/or disassembly process is completed before they can proceed through these facilities thereby incurring delays in freight deliveries.

The restoration project will provide an alternate route for waiting trains that will allow them to

circumvent the main line while trains are being assembled and/or disassembled.

"The investment into our regional transportation infrastructure represents a key economic priority for our community," said Gerald Berube, president of the LARC.

The project is expected to create new growth opportunities as much of the land surrounding the line is zoned for commercial and industrial development. Companies looking for vacant industrial land with rail access will have the ability to locate their facilities in this area and take advantage of rail-to-truck cross-loading opportunities, further enhancing the City of Auburn's role as a major transportation hub in the State of Maine.

City of Auburn officials anticipate an increased interest in the area by owners of manufacturing operations and warehouse and distribution facilities due to the proximity of the Maine Intermodal Transportation Facility, Auburn-Lewiston Municipal Airport, Maine Turnpike, and recently permitted Phase II of the Auburn Industrial Park.

"While technology continues to advance at an incredible pace, we often forget how important the railroad system is for our economy," said Clinton Deschene, manager for the City of Auburn. "We are a recognized transportation hub for the State of Maine and this project will provide an enhanced and reliable transportation infrastructure system, ultimately adding significant value and benefit to our area businesses by strengthening their capability for global competitiveness advantages."

In addition to the logistical benefits, economic incentives are available for prospective businesses including the Pine Tree Development Zone and proximity to Foreign-Trade Zone #263.

Created by Congress in the 1930s, the Foreign-Trade Zone program facilitates trade and increases the global competitiveness of U.S. based companies. Designed to level the global playing field, a Foreign-Trade Zone (FTZ) is an area within the United States that the government considers outside U.S. Customs territory. Companies that conduct manufacturing, assembly, fabrication and value-added activities within a FTZ are also eligible for additional benefits including inverted tariff savings, weekly Customs entry savings, duty deferral, duty elimination on waste and scrap, duty elimination on rejected or defective parts, duty elimination on re-exports, and duty elimination on domestic content or value added including labor, overhead and profits.

The AVCOG began advertising for bid proposals in November of 2012 and local developer, Gendron & Gendron of Lewiston, was awarded the lowest bid contract in February of this year.

"We are excited to officially break ground and begin construction on this project," said John Gendron, vice president of Gendron & Gendron. "This project will provide opportunities for direct rail access to future industrial and commercial facilities along the restored rail line, similar to the dual rail spur we constructed at our warehouse and distribution facility located at 55 Logistics Dr. in Auburn."

"The St. Lawrence and Atlantic Railroad strives daily to be the safest, most reliable, and most efficient mode of bulk freight transportation in New England. The Auburn/Lewiston railway corridor has experienced steady freight rail traffic over the years and we continue to look for opportunities to grow and diversify our customer base," said Blake Jones, general manager for St. Lawrence & Atlantic Railroad.

Construction of Phase 1 is anticipated to be completed in November .