



The Florida Senate

Local Funding Initiative Request

Fiscal Year 2021-2022

LFIR # 2045

1. Project Title

2. Senate Sponsor

3. Date of Request

4. Project/Program Description

The project improves safety and rail transportation reliability along the railroad which serves 16 counties in the panhandle, from Escambia to Duval paralleling Interstate 10. The project is to install 12,750 railroad ties and resurface the track, increasing speed along the 40-mile segment of track to 40 mph (from as low as 10 mph). The project upgrades 31 road crossings improving safety for local residents and railroad employees. Safe, timely freight transportation is key to industrial development (and job creation) in the panhandle. The project is in Holmes and Washington Counties, but traffic along the entire 400 mile railroad benefits from increased speed and safety improvements in that 40-mile segment. The railroad moves approximately 29,000 cars per year and serves over 30 industrial shippers who employ approximately 1,600 employees.

5. State Agency to receive requested funds

State Agency contacted?

6. Amount of the Nonrecurring Request for Fiscal Year 2021-2022

Type of Funding	Amount
Operations	0
Fixed Capital Outlay	740,000
Total State Funds Requested	740,000

7. Total Project Cost for Fiscal Year 2021-2022 (including matching funds available for this project)

Type of Funding	Amount	Percentage
Total State Funds Requested (from question #6)	740,000	32%
Matching Funds		
Federal	0	0%
State (excluding the amount of this request)	0	0%
Local	0	0%
Other	1,600,000	68%
Total Project Costs for Fiscal Year 2021-2022	2,340,000	100%

8. Has this project previously received state funding?

Fiscal Year (yyyy-yy)	Amount		Specific Appropriation #	Vetoed
	Recurring	Nonrecurring		

9. Is future funding likely to be requested?

a. If yes, indicate nonrecurring amount per year.

b. Describe the source of funding that can be used in lieu of state funding.



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10. Has the entity requesting this project received any federal assistance related to the COVID-19 pandemic?

No

If yes, indicate the amount of funds received and what the funds were used for.

11. Details on how the requested state funds will be expended

Spending Category	Description	Amount
Administrative Costs:		
Executive Director/Project Head Salary and Benefits		0
Other Salary and Benefits		0
Expense/Equipment/Travel/Supplies/Other		0
Consultants/Contracted Services/Study		0
Operational Costs: Other		
Salary and Benefits		0
Expense/Equipment/Travel/Supplies/Other		0
Consultants/Contracted Services/Study		0
Fixed Capital Construction/Major Renovation:		
Construction/Renovation/Land/Planning Engineering	The railroad track rehabilitation plan from milepost OOK 735.0 to OOK 775.0 (total of 40 miles from Ponce De Leon (Holmes) to Cottondale (Washington)) includes hiring a contractor to install 12,750 railroad ties, repair 31 road crossings, repair 10,400 feet of track gaging, and resurface 40 miles of track. The railroad has committed \$1.6 million in funding to the project.	740,000
Total State Funds Requested (must equal total from question #6)		740,000

12. Program Performance

a. What specific purpose or goal will be achieved by the funds requested?

Project will ensure that freight in and out of the panhandle region remains on the safest, most efficient, and environmentally sound transportation mode available. The improvement of 31 road crossings will improve safety for train crews and the general public.
The investment in the railroad will reduce shipment delivery times, improving rail transportation economics. This will take trucks off local roads and the interstate.
The increased track speed and improved safety will help make the panhandle region attractive for new industrial development and job creation, since cost and availability of efficient rail transportation plays a role in many significant industrial development projects.

b. What activities and services will be provided to meet the intended purpose of these funds?

Improvements will increase the speed on the rail line, thereby improving the service to shippers and the efficiency of the railroad. This increased speed increases the capacity of the rail line, allowing more freight to move along the line. Investment in the road crossings improves the safety of the region in 31 discrete locations.

c. What direct services will be provided to citizens by the appropriation project?



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Improved freight rail service in the panhandle will allow today's industrial shippers that use rail to remain competitive in the global economy, directly benefitting their approximately 1,600 employees. Inconsistent/slow rail transit times lead to freight moving from rail to truck. Virtually all FGA's freight is subject to truck competition. This includes chemicals, fertilizer, rock, sand, ethanol, and lumber. Reductions in track speed will cause freight to move to truck, creating road congestion, safety issues, and increased wear and tear on Florida's roads. Rail transportation reduces greenhouse gas emissions by 75% when compared to truck transportation, so competitive rail service benefits all residents of the region.

d. Who is the target population served by this project? How many individuals are expected to be served?

The target population that will benefit from increased train speeds is industrial shippers. Presently the railroad has over 30 companies that ship freight over its line. The second target populations is the general public. The general public will benefit from the safety improvements at the 31 road crossings. Also, the railroad is working to attract new business to the region at 6 industrial parks in several counties on the railroad including Santa Rosa Industrial (Santa Rosa), Shoal River Ranch (Okaloosa), Suwanee County Catalyst (Suwanee), Woodstock Industrial Park (Baker), North Florida Mega Industrial Park (Columbia), and Mid Point Business Park (Baker). Those industrial sites will be able to offer more competitive rail service and will benefit from this investment.

e. What is the expected benefit or outcome of this project? What is the methodology by which this outcome will be measured?

Increased train speed improves the railroad's efficiency and safety and will result in more freight moving by rail instead of truck. Industrial shippers require safe efficient rail service. Annual rail carload shipment count is a good measure of economic activity along the line. In 2020 FGA moved approximately 29,000 carloads of freight, so carload volume will be a good measure of increased rail traffic.

f. What are the suggested penalties that the contracting agency may consider in addition to its standard penalties for failing to meet deliverables or performance measures provided for the contract?

Failure to meet deliverables will result in return of funds to the administering agency. Standard contract penalties are sufficient.

13. The owners of the facility to receive, directly or indirectly, any fixed capital outlay funding. Include the relationship between the owners of the facility and the entity.

Florida Gulf and Atlantic Railroad owns the rail that will be repaired and upgraded. Local governments or the state may own the 31 crossings in Holmes and Washington Counties that will be improved.



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14. Requestor Contact Information

a. First Name Last Name

b. Organization

c. E-mail Address

d. Phone Number Ext.

15. Recipient Contact Information

a. Organization

b. Municipality and County

c. Organization Type

- ☒ For Profit Entity
- ☐ Non Profit 501(c)(3)
- ☐ Non Profit 501(c)(4)
- ☐ Local Entity
- ☐ University or College
- ☐ Other (please specify)

d. First Name Last Name

e. E-mail Address

f. Phone Number

16. Lobbyist Contact Information

a. Name

b. Firm Name

c. E-mail Address

d. Phone Number