

SPECIAL EDITION INSIDER CITIZEN NEWSLETTER

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On Track with CSX in Winter Haven

Planned Rail Hub Important for City's Future



Plans for a modern intermodal and automotive terminal facility designed to move containers, automobiles and other consumer goods for distribution to and from trucks and rail quickly is an exceptional and responsible economic development opportunity for Winter Haven.

The City of Winter Haven expects the development of the terminal facility, along with the potential for the future development of an adjacent warehouse and distribution center, all planned in Southeast Winter Haven, to inject about \$400 million in state and local tax revenues and add nearly 8,500 jobs to the local economy in the first 10 years after the facility's development.

To make way for the intermodal and automotive terminal, CSX plans to acquire about 300 acres later in 2007. CSX has the opportunity to acquire the remaining 900-plus acres before 2010 once a conceptual plan for warehouse and distribution facilities related to the terminal facility is developed and approved. The total proceeds to the City from the sale would be \$21.8 million. The City will retain 450 acres to continue Wastewater Treatment Plant No. 3 operations and develop a recreation park. One element of current wastewater treatment, the City's overland-flow process, will be replaced by a new environmentally-friendly Advanced Wastewater Treatment facility, currently under construction.

The project will contribute favorably to the economic future of our beautiful City. Understandably, area residents may still have questions. To provide accurate information about possible impacts the development of the terminal facility and future Integrated Logistic Center may have, we developed this newsletter to address important issues and frequently asked questions regarding location, construction and operations, as well as traffic, economic benefits and environmental concerns.

Questions, Answers & Facts

ECONOMIC DEVELOPMENT Points of Interest

More than 1,000 people a day move to Florida creating an enormous demand for consumer products.

In 10 years, the ILC is expected to contain more than 3 million-square-foot of warehouse, 1.5 million-square-foot of industrial and .5 million-square-foot of office space.

Expected annual employment at the ILC will be near 2,000 people.

Average benefits and salaries are expected to be approximately \$45,000.

About 6,500 secondary jobs will be generated by this project.

Florida may expect \$400 million in tax revenues over a 10 year build-out period.

Q: What is an Integrated Logistics Center (ILC)?

A: For the Winter Haven site, the ILC will be a centralized transportation hub, logistics and goods distribution anchored by a new rail-based intermodal and automotive terminal. Containers will be transferred from rail to truck and truck to rail. In addition, vehicles arriving by rail will be unloaded and transferred by truck to retail sales locations throughout Florida. Another important element of the ILC concept is the planned development of nearby distribution centers, warehouses and offices. The proximity of these operations to the rail yard enhances freight movements to a final destination and reduces shipping time and costs.

Q. Why is the City of Winter Haven a good location for the rail terminal, along with the ability to develop an Integrated Logistics Center?

A: An intermodal and automotive terminal facility site needs to be as close to the center of the state as possible and offer other transportation benefits. Winter Haven is geographically suited to meet the needs of customers in major market areas (including Tampa and Orlando). The Winter Haven site offers the opportunity to acquire large acreage with 12,000 feet of rail frontage along CSX Transportation's mainline; and has convenient access to State Road 60, a major east/west artery, US Highway 27 and Interstate 4 that will allow traffic flow without interfering with nearby residential traffic. Once the intermodal and automotive operations are established, distribution, warehouse/office and other development opportunities will exist on additional undeveloped large sites near the terminal.

Q: Will Eloise Loop Road see additional truck traffic as a result of the project?

A: Access to the ILC will be via a public roadway that will be built from SR 60 to the site's southern boundary. The facility was intentionally designed with access to SR 60 to direct truck traffic away from Eloise Loop Road and other similar residential areas in Winter Haven.

Questions, Answers & Facts, Continued

Q: When will project traffic increase in the area?

A: During construction some increase in traffic will become apparent. As the facility becomes operational, truck traffic will increase on SR 60. This is a result of the terminal design that directs trucks to SR 60, which has capacity for increased traffic volume.

Q: Has CSX prepared a traffic study on the ILC impact?

A: A formal traffic study has not been conducted. As part of the permitting process, CSX will work with the Florida Department of Transportation and other governing agencies to comply with all requirements to accommodate growth.

Q: Will trains block nearby roads as they enter and depart the ILC?

A: Trains should only block nearby roads as they travel at safe speeds into and out of the facility. The terminal has been designed to accommodate trains up to 10,000 feet long, allowing trains to pull into the terminal without stopping along the mainline track and blocking existing grade crossings.

Q: How many trains will come through the ILC each day? How long will each train be?

A: It is expected 3 to 4 trains per day will enter and exit the terminal facility that will be a 24-hour, seven-day a week operation. Trains will vary in size from a maximum length of 10,000 feet, to a majority today being about 7,500 feet.

Q: What is a realistic daily truck count?

A: Initially, it is anticipated 150 trucks will enter and depart the terminal operation each day. It is also estimated another 240 vehicle carriers will leave the terminal and 160 will return. All told, fewer than 1,000 truck-trips are expected to be spread out over a 24-hour period.

Q: What is the timeline for the facility's construction?

A: The intermodal/automobile terminal is targeted to be operational at the beginning of 2009, which means construction would begin early next year. Under the CSX contract with the City, sale of the first 318 acres will occur by the end of 2007, and purchase of the remaining 930 acres would occur by December 2010. Development of the larger parcel will not occur until required local, county and state approvals are in place.

Q: Has CSX built other ILC facilities in Florida or the U.S.?

A: There are no other ILC's anywhere in the eastern United States. CSX has individual intermodal and automotive facilities throughout its system, including terminals in Orlando, Tampa, Jacksonville, West Palm Beach and Miami. Combining the receiving warehouse and terminal, the ILC will reduce "cross-town" traffic where a terminal is built without adjacent warehouse development.

Q: When will the public get a look at a site plan for the intermodal/automotive terminal?

A: A conceptual site plan has been developed and shared in public forums. A formal terminal design for the facility is underway and should be completed in about four months. We will share additional information as the process continues.

Q: What type of products will be loaded and unloaded at the terminal facility?

A: Consumer goods in containers and automobiles bound for Central Florida will be transported on trucks and delivered to retail outlets. The ability to transport large volumes of goods to one central location will be more efficient for everyone, lowering shipping costs and reducing truck congestion on state highways.

Q: What are some of the economic benefits the ILC facility will bring to Polk County and Winter Haven?

A: Based on an independent comparative analysis of other, similar developments, \$173 million in direct and value-added economic output could be generated during construction. Over a projected 10-year build-out of the ILC, more than \$10 billion in economic output could be created, boosting state and local tax revenues by nearly \$400 million.

Q: How many jobs will the ILC bring to Polk County?

A: About 900 new construction-related jobs are expected during the project's first year. Another 200 positions will be filled to operate the ILC after it opens. Upon build out, the ILC project may create as many as 8,500 jobs, including companies inside and outside the terminal that will do business with the facility and its employees.

Q: What type of security will be in place at the facility?

A: Security and safety are high priorities for CSX. The facility would have state-of-the-art inspection, security and surveillance equipment. It will be fully enclosed, fenced and equipped with security-monitoring equipment. Visitors will need proper authorization to enter. Local law enforcement will have the same access to the CSX facility as they have at any other location.

Q: What type of lighting will be used at the facility during operating hours?

A: CSX will work closely with the City to develop standards that reduce public impacts, including the use of the latest lighting technology.

Q: What type of noise can be expected from ILC operations?

A: An independent noise analysis was performed to study projected increases above current background noise levels. Buffers and whistle-free quiet zones are a few things CSX has implemented in other communities. Noise abatement will be discussed during the site development process.

Q: How will the ILC affect our environment including air quality, fuel runoff and debris near the facility?

A: CSX is committed to meeting all environmental standards. ILC operations move freight in and out of the facility quickly to reduce idling. Only equipment fully compliant with all emission control standards is allowed on CSX premises.

Q: How will CSX address drainage concerns and potential effects on nearby well water?

A: CSX will comply with all state and federal regulations with respect to design and construction of drainage facilities.

Q: Will tank cars filled with hazardous materials be handled at the Winter Haven facility?

A: Typical public concerns over hazardous materials most often relate to large volumes of industrial materials shipped in tank cars. Tank cars will not be loaded and unloaded at this facility. CSX will serve a different market through the intermodal and automobile terminal. This terminal is specifically designed as a receiving spot for consumer goods delivered in standard containers for distribution to the Central Florida area, and consumer motor vehicles for delivery to local dealerships.

CSX is a good neighbor and will work with residents, the business community and government officials to answer all questions and concerns regarding the new intermodal facility. To facilitate communication among all groups, please send questions to Dan Murphy, CSX Director Public Projects, at dan_murphy@csx.com.