Public Scoping Meeting

The US Army Corps of Engineers will hold a Public Scoping Meeting to present and discuss the revised proposal to be considered by the Environmental Impact Statement (EIS) being prepared for Palmetto Railway's proposed Intermodal Container Transfer Facility on the former Charleston Naval Complex.

Tuesday, October 27, 2015

Military Magnet Academy Cafeteria 2950 Carner Avenue North Charleston, South Carolina Open House 5:30 to 7:00 p.m. Scoping Meeting 7:00 to 9:00 p.m.

At this meeting, we will be accepting written, electronic, and verbal comments. A court reporter will be present at the meeting and a translator can be provided upon request. You can also submit comments via email at comments@navybaseictf.com, or on-line at www.NavyBaseICTF.com. The deadline for submitting written comments about the revised proposal is Friday, November 27, 2015.



NAVY BASE INTERMODAL FACILITY www.NavyBaselCTF.com

Issue No. 2

To learn more about the proposed Navy Base ICTF project and the EIS, please visit our website:

www.NavyBaselCTF.com

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US Army Corps of Engineers® **Charleston District**

Introduction

The U.S. Army Corps of Engineers Charleston District (Corps) is preparing an Environmental Impact Statement (EIS) to assess the potential impacts associated with the construction and operation of an Intermodal Container Transfer Facility (ICTF), as proposed by Palmetto Railways. The ICTF would be located at the former Charleston Naval Complex (CNC). A public scoping meeting was held on November 14, 2013 to solicit input from adjacent property owners and interested parties about the proposed project. The Corps also held an open house public meeting and several community meetings to provide status updates to nearby residents. In the fall of 2014, the Corps distributed a newsletter that described changes to the proposed project, such as the removal of Viaduct Road and an increase in the overall length of the proposed rail yard.

What's New?

Based on the proposal that was submitted by Palmetto Railways and feedback that was received from the community, the Corps began gathering information about the project site and the surrounding area in 2014. However, as described in the enclosed letter from Palmetto Railways, the proposed project has continued to evolve as opportunities to improve operations and to avoid and minimize potential impacts have presented themselves. Each of the alternatives that have been considered by Palmetto Railways during the past year will be part of the suite of alternatives discussed and evaluated by the Corps in the EIS.

The most obvious change to the proposed project consists of the construction of two new connections to the local rail network. The original route along Spruill Avenue to Bexley Avenue has been replaced by: 1) a northern connection through the Charleston Naval Hospital Historic District, and 2) a southern connection that extends almost one mile south of the rail yard and connects to an out of service rail right-of-way near the intersection of Meeting Street and Milford Street. These changes to the proposed project are substantial because they would result in impacts to roadways, industrial areas, and neighborhoods that were not considered previously in the EIS. As a result, a second scoping meeting is being held on October 27, 2015. The purpose of the upcoming scoping meeting is to provide the public with additional information about the proposed project and to obtain public feedback about the revised proposal. This information will be used to expand the scope of the on-going studies and to help determine whether additional issues need to be evaluated in the EIS.





Navy Base ICTF News

The Proposed Project

According to Palmetto Railways, the purpose of the proposed project is to provide a state-of-the-art intermodal hub to serve the Port of Charleston with equal access to the two Class I rail carriers serving the area (i.e. CSX Transportation (CSX) and Norfolk Southern Railways (NS)). The proposed project includes six major components that are generally described below. Detailed drawings that were included in Palmetto Railways' revised proposal dated September 8, 2015, have been posted on the Documents page of the project website, <u>www.NavyBaselCTF.com</u>.

Northern Rail Connection

A northern track would be constructed through the Charleston Naval Hospital Historic District, and a new railroad bridge would be constructed across Noisette Creek to provide NS access to the proposed ICTF. Properties that are located east of the new rail connection would be accessed from Noisette Boulevard and properties west of the new connection would be accessed from St. Johns Avenue. In addition, St. Johns Avenue would continue to have direct access to Spruill Avenue from the portion of McMillan Avenue that would remain open.

Cosgrove McMillan Overpass

Cosgrove Avenue would be moved and made into an overpass from the area of Spruill Avenue, connecting to what is now McMillan Avenue near Noisette Boulevard. This overpass would separate rail traffic from vehicle traffic and provide future access to the northern end of the CNC and the proposed ICTF. McMillan Avenue would be removed from the vicinity of Kephart Street to St. John's Boulevard.

3) Intermodal Container Transfer Facility (ICTF)

The approximately 100-acre ICTF would contain the following components: railroad tracks; wide-span electric gantry cranes; container stacking areas; administrative buildings; an automated gate system; vehicle driving lanes; a sound barrier and security fence along the western border of the site; and stormwater management improvements such as dry detention ponds. The proposed sound barrier includes areas where an earthen berm and a vegetated buffer would be established between the proposed rail yard and the Chicora-Cherokee neighborhood. However, in some areas a noise wall would be the sound barrier because of constructability issues or to avoid and minimize potential impacts to waters of the U.S.

Hobson/Bainbridge Realignment and Viaduct Removal

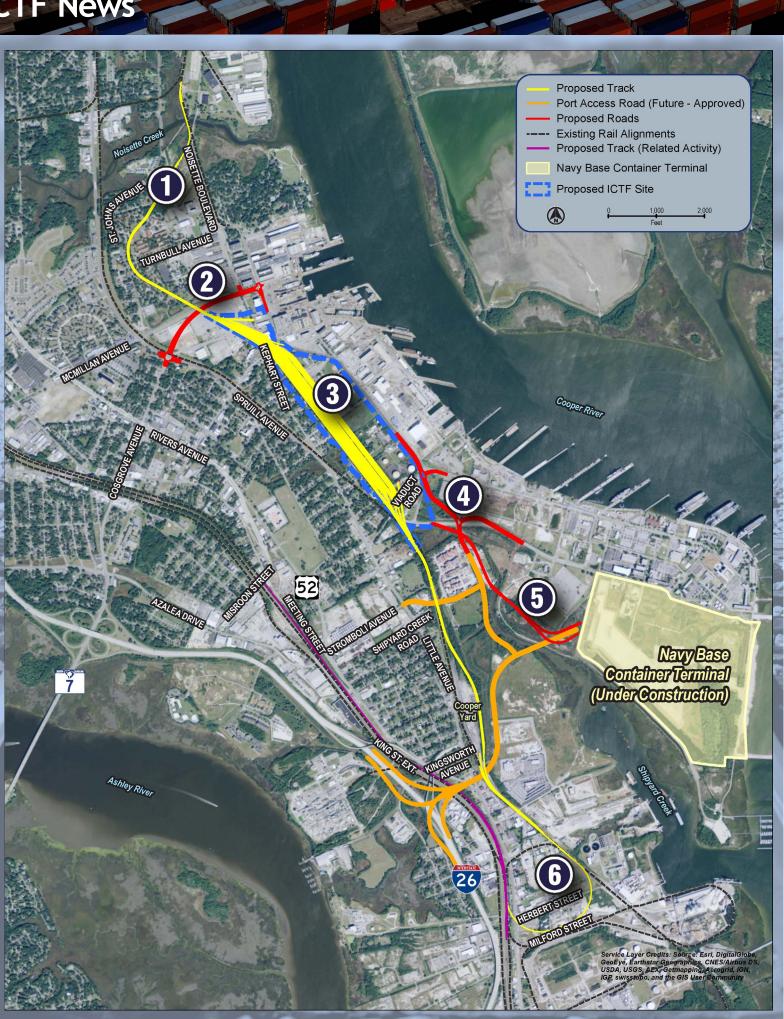
The Viaduct Road overpass would be removed and Hobson Avenue and Bainbridge Avenue would be moved with an improvement of the intersection. These changes would allow trucks to move from the ICTF to I-26 via the Port Access Road. Future access to the southern end of the CNC would be obtained by using Stromboli Avenue or the Port Access Road from I-26, which is scheduled to open in 2019. The construction of the Port Access Road and the new Stromboli Avenue overpass is not part of the proposed project, and would be constructed by the South Carolina Department of Transportation.

5) Private Drayage Road Elements

An approximately one mile long private drayage road would be constructed from the ICTF to the Charleston Navy Base Container Terminal which is currently under construction and scheduled to open in 2019. This drayage road would be a dedicated private roadway used by trucks to transfer shipping containers to the ICTF. A portion of the drayage road would be elevated above the Port Access Road to avoid delays to local traffic.

6 Southern Rail Connection

A southern track would be constructed adjacent to Cooper Yard and would extend approximately one mile south to provide CSX access to the proposed ICTF. New rail right-of-way would be required in the vicinity of Herbert Street and Milford Street and a new at-grade crossing at Meeting Street would be required to connect to an existing out of service right-of-way that is located between Meeting Street and King Street. New track would be constructed within the out of service CSX right-of-way beginning near Herbert Street and connecting to existing track north of Misroon Street. The construction of this portion of new track is not part of Palmetto Railways' proposed project, but is a related activity.





September 8, 2015

Ms. Tina Hadden Regulatory Chief U.S. Army Corps of Engineers 69-A Hagood Ave. Charleston, S.C. 29403

Re: Improved Proposed Project for the NBIF

Dear Ms. Hadden:

In 2013, Palmetto Railways proposed the construction of an intermodal transfer facility at the former Charleston Naval Complex in North Charleston. A public scoping meeting was held on November 13, 2013 and a community meeting was held on May 6, 2014. Since that time, other opportunities have presented themselves that allow for improvements in operational characteristics and minimization of impacts. The project area remain the same, but one element has been added and several refined to better meet the project need, improve logistics and feasibility, and avoid and minimize overall project impacts.

The purpose of the Proposed Project is, in brief, to provide a state-of-the-art intermodal hub to serve the Port of Charleston with equal access to the two Class I rail carriers serving the area (*i.e.*, CSX Transportation (CSX) and Norfolk Southern Railways (NS)) to meet future demand, as the existing individual CSX and NS intermodal rail yards are reaching capacity. Rail transportation is only economically and logistically viable and feasible within certain operational parameters, and location and proximity to cargo is a crucial factor in that analysis. Another crucial factor is the accessibility for operations from a logistical perspective, such as entry and exit into the facility by each rail line. In light of additional operational considerations and opportunities for an improved project, Palmetto Railways proposes modifications to the Proposed Project. The most notable changes from the prior proposal are the Ms. Tina Hadden September 8, 2015 Page 2 of 2

addition of a Southern Rail Connection and the realignment of the Northern Rail Connection.

The northern rail realignment will provide a connection through an existing interchange point with the North Charleston Terminal Company (NCTC) providing access for NS to the NBIF. This shift provides the benefit of improved accessibility for NS. It has no new at-grade crossings and avoids train movements along Spruill Avenue, north of McMillan Avenue, thus eliminating potential impacts to residential neighborhoods and Chicora Elementary along the western side of Spruill Avenue.

The addition of the southern rail connection provides direct access to the NBIF for CSX. While no southern route was initially proposed, further negotiations have allowed Palmetto Railways this opportunity to extend below the existing CSX Cooper Yard, loop down through and industrial area and connect into the existing CSX line. It will utilize existing CSX right-of-way at the south end of the project site and through the existing CSX Cooper Yard. This alignment travels through an industrial area, creates only one major at-grade rail crossing, and minimizes impacts to current CSX operations in Cooper Yard. It also allows for CSX to make a continuous direct move from the NBIF to its other facilities allowing trains to travel north or south out of Charleston, and could result in the elimination of existing CSX trackage utilization that interferes with certain neighborhoods. There is also an efficiency component with adding the southern connection to the northern connection—having both provides both CSX and NS the opportunity to have an alternate route to and from the facility in case of an emergency.

If you have any questions, please do not hesitate to contact me.

Sincerely,

J-Ky N-hhort

Jeffrey M. McWhorter President and CEO