

CHS highlights benefits of making PC rail accessible

Written by Kyle Arnoldy

Representatives from the City of Holyoke and Phillips County gathered at the Phillips County Event Center to discuss possible rail opportunities Tuesday, Jan. 14.

Richard Payne, rail business development manager at CHS Inc., led the discussion. He proposed that a variation of a public-private partnership between CHS Grainland and Phillips County and local governments to develop rail services would be mutually beneficial.

Payne noted that Phillips County has the advantage of utilizing existing CHS assets in the area to develop additional business opportunities within the county. Tracks are already being placed northeast of Holyoke off Highway 23 on County Road 41 because of Grainland's shuttle loader project. Phillips County has the benefit of possibly starting a rail project with much of the work already completed at no cost to the county.

"The investment by our stockholders is a big boost to the county," said Rick Unrein, Grainland Co-op general manager, of the steps already taken by the company.

Phillips County Economic Development board president Nici Bishop expressed her excitement with the proposed project.

"It's like someone built a brand new park and said, 'Hey, who wants to play?'" Bishop explained. "There is a benefit to a lot of people. As a community development tool, this is not something that in our wildest dreams we could have built on our own."

Specifically, Payne highlighted the perks of private "team tracks," industrial parks and transloading opportunities. Businesses could rail in supplies as opposed to trucking long distances as rail cars can hold the capacity of three to five trucks.

Private tracks could attract outside businesses to relocate nearby because of the rail access. Using or adding rail is much cheaper than building new rail. There are few of these types of open rail spurs. The tracks would be open to the public to load and unload product.

CHS highlights benefits of making PC rail accessible

Written by Kyle Arnoldy

Possible examples of use include railing in farm equipment to Phillips County as opposed to larger cities and trucking them the rest of the way. Railing wind tower components if any wind farm development were to take place nearby is also an option.

An industrial park is also an option as 90 percent of the rail infrastructure is already in place because of Grainland's shuttle loader project.

"Grainland Co-op put in an \$18 million rail facility right here and we're open and willing to find other ways to use it and invite other industries and companies to utilize it," Payne said. "That puts you three to four years ahead of anyone else trying to build something new. I think that in itself is a huge selling point."

One of the primary focuses when looking into benefits to the county was the possibility of increased employment and growth opportunities.

Bishop, looking at the broad range of positive effects, noted that the benefits of utilizing rail services to the community would have a ripple effect. Even if just a few families were drawn to the area because of the business opportunities associated with increased rail services, the foot traffic at local businesses would increase, adding to the economic well-being of the county.

Housing needs could increase if more people were to move to the county, which could directly impact companies associated with housing needs such as lumber yards and construction businesses. The tax base would also increase.

City superintendent Mark Brown stated his belief that the proposed loop track could be a wonderful addition to the city, but expressed concern with how the bill would be funded. The cost to establish the infrastructure is one obstacle that could potentially turn off many to the development of rail services. To get water and sewer services to the location would be costly due to having to bore underneath the creek and highway.

CHS highlights benefits of making PC rail accessible

Written by Kyle Arnoldy

Bishop also brought up the importance of the marketability of what is being offered. How would the county get in touch with those who could utilize the tracks and what businesses would be targeted?

The process of establishing an industrial park or other rail options could possibly take years as the city, county and CHS Grainland would have to iron out all details of the project.

Holyoke Enterprise January 30, 2014