



MONTGOMERY COUNTY SELECTED FOR \$ 18 MILLION REGIONAL INTERMODAL RAIL FACILITY

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Montgomery County, Virginia –

Montgomery County officials today publicly acknowledge that Norfolk Southern is working in their County to pursue development of the previously announced Regional Intermodal Rail facility. The new facility will serve the company's planned enhanced "Heartland Corridor" rail service extending from Virginia's ocean ports facilities to the Midwest.

Montgomery County Board of Supervisor's Chairman, Steve Spradlin, noting the significant positive impact on the Regional economy and the eventual reduction of truck traffic on our Interstate highway system, said "the County is extremely pleased to have been contacted by Norfolk Southern in its search for the preferred Site and is anxious to work with Norfolk Southern as they finalize their Site selection in Montgomery County for this project"

As recently as May 9th, the Roanoke Times reported Governor Tim Kaine and Norfolk Southern Railway officials had announced signing an Agreement for a \$22.35 million infusion of financial assistance from the Commonwealth for the "Heartland Corridor and this Regional Intermodal" project. If all goes according to plan, the Intermodal Facility would be completed in 2010.

Over the next three to four years the Railroad, using Railroad funds, financial contributions from the Federal Government and from State funds will improve and enhance the double-stack rail line connecting port terminals in Virginia to the Midwest. All the various project components of the "Heartland Corridor" will involve a capital investment of well over \$200 million.

Norfolk Southern has confirmed to Montgomery County that its "preferred Site" for the facility is property consisting of about 50 Acres within the County, on a site easily accessed via Interstate 81.

The Railroad's Agreement with the Commonwealth means Virginia will underwrite 70% of the projected \$ 18 million cost of the Intermodal facility, with Norfolk Southern paying the balance and providing the rail service. Final selection of the preferred site in Montgomery County will depend on achievement of procurement of the property in question.

Placement into operation of the facility will depend on successful completion of the clearance project associated with the Heartland Corridor allowing for the double-stacking of the rail containers through western Virginia and West Virginia.

Should the County successfully become the "host" community, following the final site selection by Norfolk Southern, pending the property acquisition and a final go-ahead on the tunnel clearances required for the doublestack project, the location of the new facility will benefit the entire New River and Roanoke River Valleys.

A facility of this nature has a "capture" region for containers that can reach out 75 to 100 miles, connecting the broader region to global markets and allowing the region to attract and compete for new types of industries and investors who require Intermodal rail service as a component of their business strategy.

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