

Belle Fourche Industrial & Rail Park

Rail Ready for Business!



Belle Fourche **DEVELOPMENT** CORPORATION

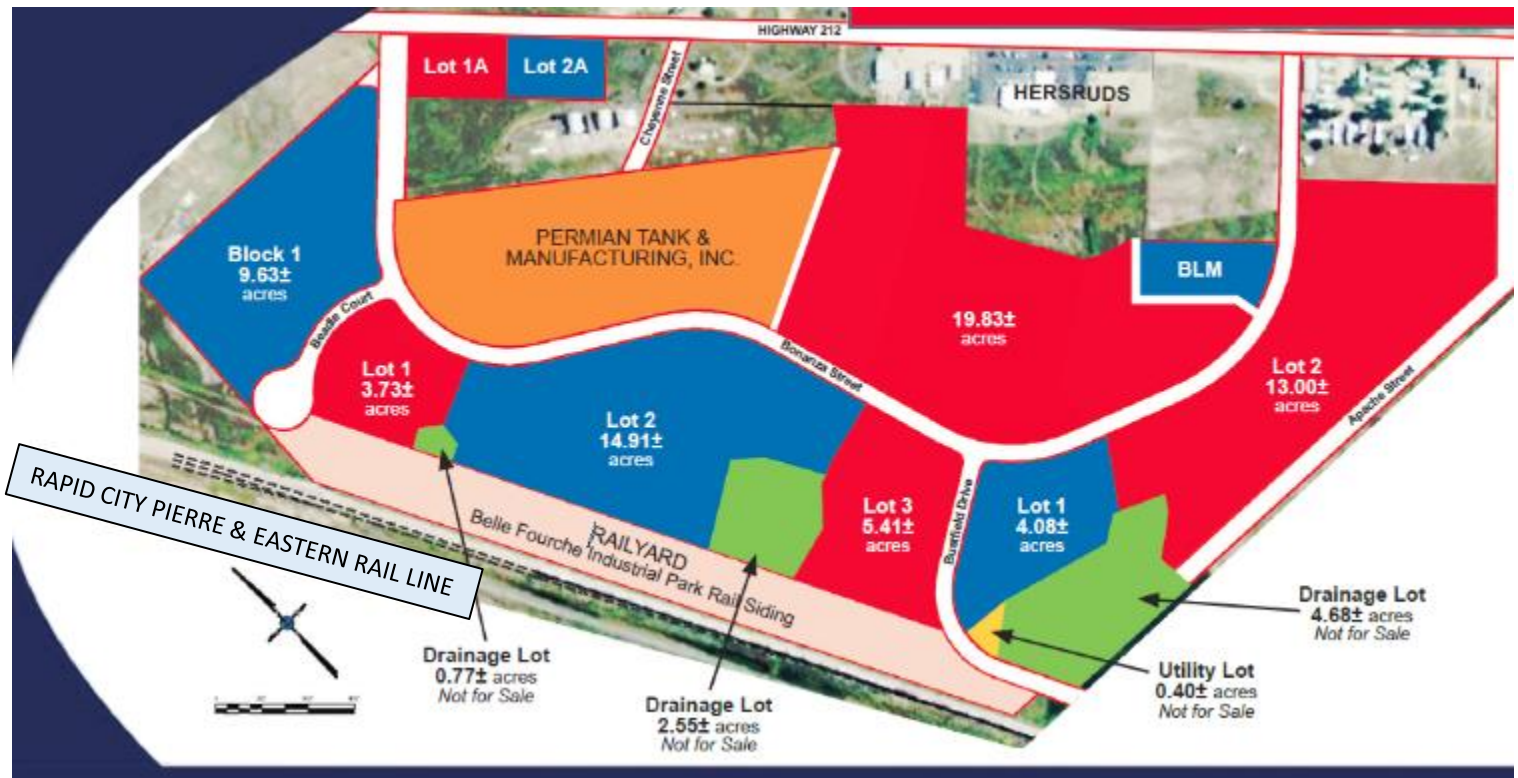
Belle Fourche

Industrial & Rail Park

1. Over \$4 Million dollars invested in infrastructure and rail on 115 acre Industrial & Rail Park; including:
 - a. \$2.6 million for the industrial park
 - b. \$1.45 million for the rail and siding
 - c. additional \$40,000 in 2019 for improved access road and additional siding space for new customer
2. 74 acres remain of varied lot sizes that can be adjusted to fit a project's needs
3. Full utilities in place –
 1. Water – looped 8" water line/ over 900 gals/minute,
 2. Sewer – 8" line
 3. 3 phase power, gas and telecom are at the curb throughout the Park.
 4. Electric provider – Black Hills Energy.
 5. Natural Gas provider – Montana-Dakota Utilities
4. Concrete road, curb & gutter - designed for industrial use, loops through the BFI&RP.
5. **A new 2660 ft. rail siding**
Customers include:
 - a. Local plastics manufacturer
 - b. Steel pipeline operation
6. Belle Fourche is the official geographic center of the nation with a great transportation network:
3 major highways –
 - north/south Hwy 85,
 - east west Hwy 212 and 34
 - within 15 miles of **Interstate-90**

Rail through the center of the community with 5 day a week service to our BFI&RP served by the Rapid City Pierre & Eastern railroad

Within 60 miles there are three airports.



Belle Fourche DEVELOPMENT CORPORATION

Executive Director-

Hollie Stalder

Board of Directors –

- **Renae Schaeffer,**
President
- **Jim Doolittle,**
Past President
- **Clay Birkeland,**
Vice President
- **Dr. Pam Lange,**
2nd Vice President
- **Wendy Bowers,**
Secretary/Treasurer
- **Derrick Jones**
- **Craig Knapp**
- **Brandon Hatling**
- **Marsha Nichols**

Community

Representatives –

- **Stan Harms,**
*Butte County
Commissioner*
- **Dr. Steve Willard,**
*Superintendent of
Schools for
Belle Fourche*
- **Kelly Milliken,**
*President
Belle Fourche
Chamber of
Commerce*
- **Vern Hintz,**
*Belle Fourche
City Council*

Community Partners –

- City of Belle Fourche
- Butte County
- Butte County Railroad
Authority
- Belle Fourche School
System
- Belle Fourche Chamber
of Commerce

February 12, 2019

Physical address of the Belle Fourche siding:

Belle Fourche Industrial & Rail Park Siding
600 Busfield Drive
Belle Fourche, SD 57717

Mailing address is:

Belle Fourche Industrial & Rail Park Siding
PO Box 344
Belle Fourche, SD 57717

The Belle Fourche Development Corporation is the economic development organization for the community of Belle Fourche and the surrounding area in Butte County. Our oversight of the rail siding is managed through a lease from the Butte County Regional Railroad Authority to the Belle Fourche Development Corporation.

The rail siding is located in our industrial park.



If you have any questions on the material being submitted, I can be reached by email at director@bellefourchedevcorp.com or my cell is 605-892-5065.

Kindest regards,

Hollie Stalder

Hollie Stalder, Executive Director
Belle Fourche Development Corporation

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Belle Fourche Industrial & Rail Park

☐ Support Economic Growth and Development.

The Long-Baseline Neutrino Facility at the Sanford Underground Research Facility will expand the number of people working at Sanford for years to come. This project assists in the effort to build the Neutrino Facility. There will be jobs associated with preparing the steel, unloading the argon, managing the flow of parts and material in and out of the warehouse, transporting steel and argon to Lead. Starting this year is the excavation of two large caverns. After the caverns are excavated two neutrino detectors will be installed. Once they are installed and operating the plans are to install an additional two detectors.

The State Rail Plan includes a \$6 million Belle Fourche Transloading Facility project under the Industrial Park Development category.

☐ Ensure Connectivity for Critical Industries

The Industrial Park, with the added lengths of siding, will support Sanford and area industrial and commercial development.

☐ Maintain State Railroad Assets in a State of Good Repair

The Industrial Park is not a State Railroad asset.

☐ Reduce Highway Impacts

This project will eliminate long truck moves of steel (3400 containers moving 1800 miles) and 140,000 tons of argon being moved from Houston and Chicago. This project will reduce highway maintenance costs by \$1.3 million over 20 years.

Project Information

☐ Project Summary

This project will construct an additional 3975 feet of siding in the Belle Fourche Industrial Park. The project is wholly located in the industrial park. We anticipate construction completion by the fall of 2020. Please see project drawing.

☐ Proposed Project Funding

Total project costs are estimated to be \$2,397,137. We propose a funding split of 20% local and 80% federal dollars.

☐ Project Readiness

The Industrial Park was built with the anticipation of additional track feet of siding. The project is a simple rail project that will require minimal grading.

☐ Environmental Readiness

We anticipate the project will qualify for a Categorical Exclusion. Some environmental work was completed when the Industrial park was first built. We hope that we can still use at least some of that information. We understand that there will be some additional costs in gathering information for the environmental determination. We request that SDDOT submit the environmental documentation and assist in the process. We will pay for the cost of any field work or studies that need to be completed.

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February 12, 2019

Belle Fourche Industrial & Rail Park

☐ **Overall Benefit**

- ☐ Even though we used only movements associated with inbound material for Sanford over 6 years, we still show a benefit of over \$13 million, with a benefit of \$9.3 million at 7% NPV and \$11.3 million at 3% NPV. The benefit cost ratio at 7% NPV is 3.9:1 and at 3% NPV is 4.7:1.
- ☐ The benefits were calculated assuming the material needed for the Long-Baseline Neutrino Facility at the Sanford Underground Research Facility will come in by rail. The major components are steel and insulation from Europe – likely shipped to an east coast port and liquid Argon from both Chicago and Houston. Cost savings afforded by rail will help the overall economics of the Neutrino Facility. The movement by rail will support a business that plans to prepare the structural steel for use and warehousing the steel, insulation and electronics for Sanford. There is not a lot of room at Sanford and a nearby location that warehouses material for just in time use is a necessity.
- ☐ In addition to the quantified benefits there are other possible projects and uses for an upgraded facility. For example, there is interest in moving 300+ rail cars of pipe into Belle Fourche. The additional trackage will make Belle Fourche an attractive offload and transload location for the entire area.

☐ **Proposed Party Developing the Application**

- ☐ We will develop the application for submission to USDOT. We request that SDDOT submit and manage the project payments.

☐ **Funding the Application**

- ☐ We will pay for the development of the application.

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Kindest regards,

Hollie Stalder

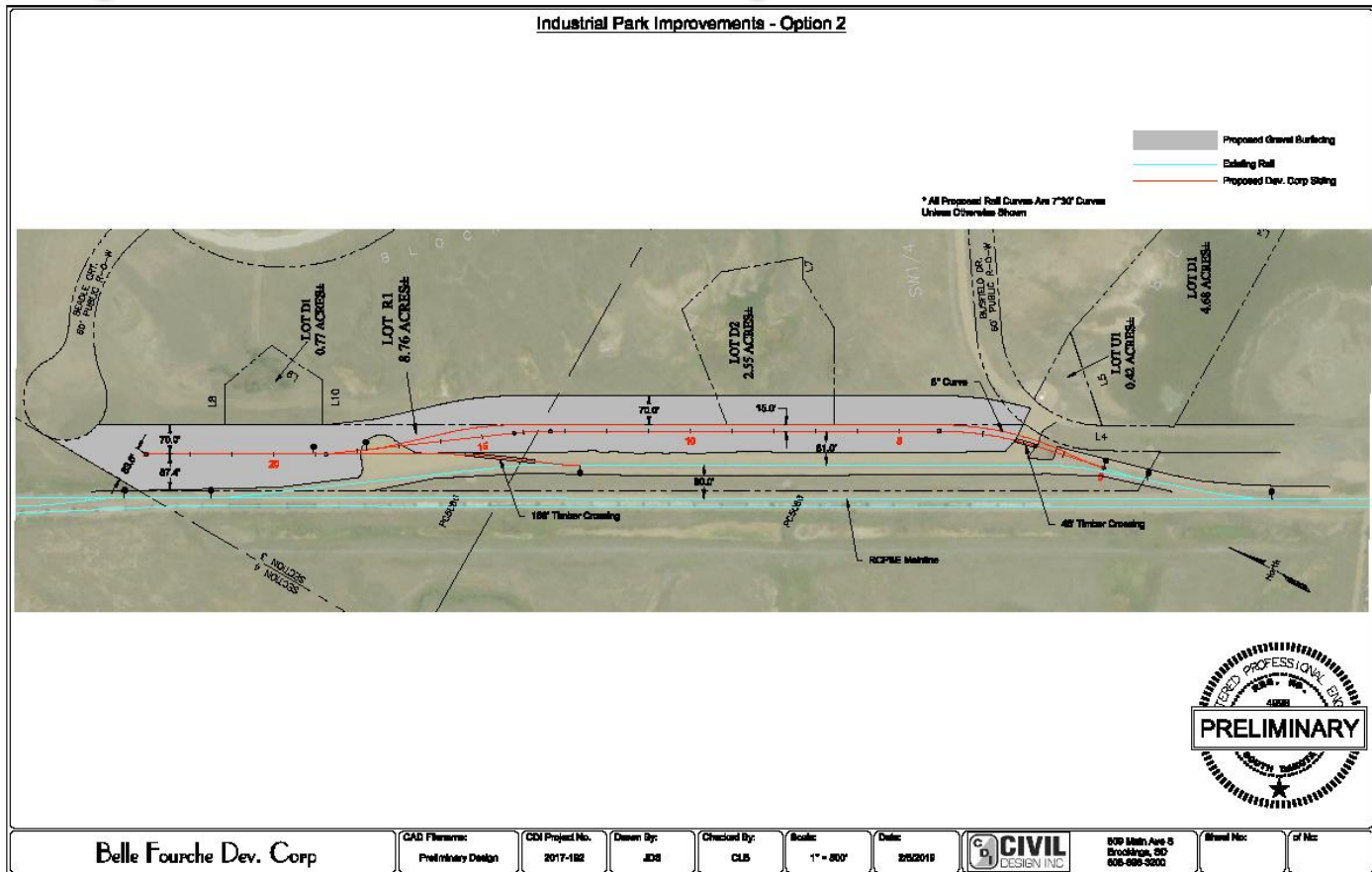
Hollie Stalder,
Executive Director
Belle Fourche
Development Corporation



Belle Fourche Industrial & Rail Park

Rail Siding

Proposed additional rail and pad



Engineer's Opinion of Probable Cost Belle Fourche Preliminary Rail 2/11/2019

Track Construction

Bid Item Number	Items	Approximate Quantity	Unit	Unit Cost	Total Cost
1	Mobilization	1	LS	\$ 85,000.00	\$ 85,000.00
2	Grading	1	LS	\$ 200,000.00	\$ 200,000.00
3	Geotextile Fabric	32,800	SqYd	\$ 2.50	\$ 82,000.00
4	Base Course	27,000	Ton	\$ 14.00	\$ 378,000.00
5	New Track Construction	3,975	Tr-Ft	\$ 175.00	\$ 695,625.00
6	New Switch Construction	4	Each	\$ 65,000.00	\$ 260,000.00
7	Timber Crossing Panels	216	Tr-Ft	\$ 280.00	\$ 60,480.00
8	Bumping Post	1	Each	\$ 5,000.00	\$ 5,000.00
9	Drainage Structures	1	LS	\$ 50,000.00	\$ 50,000.00
10	Site Lighting	1	LS	\$ 160,000.00	\$ 160,000.00
11	Railroad Protective Insurance	1	LS	\$ 5,000.00	\$ 5,000.00
Subtotal					\$ 1,981,105.00
10% Contingency					\$ 198,110.50
Construction Cost:					\$ 2,179,215.50

Estimated Engineering Design & Construction Administration \$ 217,921.55
 Total Project Costs \$ 2,397,137.05

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BCA for Belle Fourche Industrial Park/Sanford Lab Project

General Approach

- ☐ The overall goal is to add additional capacity to support the movement of steel and argon for the Long-Baseline Neutrino Facility (LBNF) in Lead. The LBNF project is a reality – the excavation of the caverns is starting this summer. The logistics of the material doming for the project (namely structural steel and argon) haven't been determined. The short-term goal of this project is to help support the LBNF project. We do know the steel is coming from Europe and the argon will likely originate in Chicago and Houston.
- ☐ We know there will likely be other uses of the new sidings, but the proposals thus far are either confidential or not certain enough to use in the benefit calculation. We are confident additional infrastructure in our Industrial Park will see additional usage.
- ☐ We assumed steel would come from Europe and be off loaded at a port on the east coast – all the ports are approximately 1800 miles away. We used that 1800 miles as avoided truck miles and added train miles. The distance of argon shipments was averaged between Houston and Chicago (1145 miles) assuming there would be a 50/50 origin from each location. We subtracted out rail fuel usage from truck fuel usage, so the fuel cost savings is a net number.
- ☐ We used \$2.90 per gallon for diesel fuel. We used the cost of VOC, NOx, SO2 and PM as described in the FRA BCA document (Table 9). We used the rate of fatalities, injury, and property damage as described in the latest SDDOT crash reporting. We used the cost of those crashes from Table 4 of the BCA guidance. Because SDDOT doesn't report crash statistics in as many categories as presented in the BCA guidance, I used values of \$9,600,000 for a fatality, \$125,000 for minor injury and \$4552 for property damage only. The guidance has a value for major injury that is much higher, but SDDOT does not report that category. We used the value in the table for minor injury – a much more conservative number. These dollar amounts as shown in the KABCO Level part of the table – the MAIS Level table had values that were much higher (except for the fatality) – so the use of the KABCO is conservative.
- ☐ We used emission rates for a 2013 model truck as described in a report entitled "Updated Emission Factors of Air Pollutants from Vehicle Operations in GREET using MOVES" done by Argonne National Labs in September 2013.
- ☐ We calculated the benefits with both 7% NPV and 3% NPV.

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Kindest regards,

Hollie Stalder

Hollie Stalder, Executive Director
Belle Fourche Development Corporation

Belle Fourche

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Belle Fourche Industrial & Rail Park

Google Earth ariel view of park and rail siding.



Belle Fourche Industrial & Rail Park



**74 acre
South Dakota
Certified Ready Site**

