



Transportation Infrastructure in Support of Development

Gro-WA Work Component B



Introduction

Washington County is geographically large and sparsely populated. A well-planned, well-maintained, multi-modal transportation system is a critical element in the economic development strategy for this region. Transportation infrastructure investments often translate directly into improved opportunities for economic development, which in turn help to create new jobs in a region with historically high unemployment rates.

GROWashington-Aroostook funding was used to assemble and review all previous studies and plans related to transportation infrastructure improvements and policy recommendations for Washington County over the past decade. While many of the recommendations from previous plans were successfully implemented, others were put on hold due to insufficient funding, lack of political support, or both. The synthesis provided by this study allowed task force members to efficiently review and prioritize as-yet unimplemented recommendations, and possibly discard or update a few that have become irrelevant or less strategically important over time.

<http://www.gro-wa.org/transp-infrastr-econdevel-existing-plans>

GROWashington-Aroostook also funded a conceptual study for restoring rail or rail-to-truck service to close the gap between the active rail lines of the Canadian-owned New Brunswick Southern Railway (NBSR) and Pan Am Railways, which currently serve Calais and the mill complex in Baileyville, and Maine's deep-water seaport at Eastport. Expanded rail service would be a major economic driver for the port facility, as it would make Eastport much more cost-effective as an import-export destination for heavy freight shippers worldwide.

<http://www.gro-wa.org/rail-port-connectivity>.

The State of Maine still owns an inactive rail corridor between Calais and Ayers Junction, and a previous transportation study (HNTB, 2009) identified a preferred alternative location for a rail-to-truck transloading facility east of Ayers Junction along the abandoned rail line in Perry. The GROWashington-Aroostook study confirmed the site recommended by HNTB as the most appropriate location for the facility. It also provided geographic information systems (GIS) mapping to support engineering analysis of route alternatives for State Route 190 (SR-190) to provide safer and more efficient rail-to-truck service to the port, possibly with sufficient right-of-way to permit a parallel future new rail corridor as demand for Eastport shipping increases.

<http://www.gro-wa.org/rail-to-port-alternatives-analysis>.

Any alternative route would require significant additional investment in geotechnical and environmental studies, right-of-way purchases, and new road and bridge construction, but it would completely remove heavy truck traffic from the current route that bisects the Passamaquoddy Indian Reservation at Sipayik (also known as Pleasant Point). It would also permit the removal of the highway causeway between the mainland and Carlow Island that hinders natural flushing action within the tidal basin. Passamaquoddy tribal leaders have long sought remedies for both of these ongoing problems.



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Findings

The preferred location identified by HNTB for a rail-to-truck transloading facility is in Perry, Maine, adjacent to an abandoned section of the old Eastern Maine Railway line, and approximately seven miles from the port facility in Eastport. Three other sites in Perry were also evaluated by HNTB in 2009, but they were eliminated from further consideration due to increased distance from Eastport and Ayers Junction, increased safety concerns due to the number and location of at-grade road and railroad crossings, significant environmental impacts that would complicate site permitting, and limited potential for future expansion as compared to the preferred alternative. As noted on the GROWashington-Aroostook web site in several locations any final siting decision would be subject to landowner and regulatory approval.

The current study included an on-the-ground peer review of all four locations, and confirmed the site closest to Ayers Junction as the most cost-effective and feasible site for a transloading facility. GIS mapping of the entire Eastport peninsula and islands (<http://www.gro-wa.org/rail-to-port-alternatives-analysis>) provided additional data: aerial mapping, surface soil drainage, soil suitability for development (a proxy measure to determine construction feasibility and estimate potential environmental impacts on wetlands), onshore and offshore topography and critical environmental features requiring protection, and general descriptions of substrate soils. These maps facilitated a preliminary feasibility analysis of potential new routes for SR-190 that could support heavy trucking from the transloading facility (and possibly a future new corridor for direct rail service to the port) while bypassing the Passamaquoddy Indian Reservation at Sipayik.

The State of Maine estimated in 2009 that 5,206 jobs generating almost \$188 million in wages could be generated between 2009 and 2030 through the direct and indirect impacts of increased freight traffic at Eastport, assuming significant investments in railroad and road infrastructure and construction of the proposed rail-to-truck transloading facility at the Perry site. This number includes a prediction of 326 new permanent jobs by 2030, generating \$12 million in wages and \$19 million in gross state product. Coupled with an estimated \$5.6 million in emissions reductions by 2030, this project was estimated to have a positive benefit-to-cost ratio of 2.39 to 3.45 (using discount assumptions of 7% and 3% respectively) despite its high price tag of \$62.2 million dollars. Unfortunately the project was not selected for Transportation Grants Funding Economic Recovery (TIGER) federal funding, so as of 2014, state and regional planners continue to look for funding sources that can help to move this initiative forward.

A public-private consortium, possibly in partnership with the Passamaquoddy Tribe that has direct access to federal funding for major transportation projects, may prove to be the best way to restore freight rail service to Eastport.

Numerous other worthy transportation investments in Washington County have also been shelved due to lack of funding, as shown in the table summarizing recommendations from existing transportation plans (<http://www.gro-wa.org/transp-infrastr-econdevl-existing-plans>). A task force of regional stakeholders reviewed and prioritized these outstanding investments from previous transportation studies, so they will not be forgotten or overlooked as new funding opportunities for infrastructure improvement arise. (<http://www.gro-wa.org/washington-county-strategic-investments>).



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Analysis and Basic Conclusions

The site closest to Ayers Junction, located on undeveloped land to the east of Mahar Lane and Davis Road (identified as Site #4 in the HNTB 2009 study) was confirmed as the preferred alternative for several reasons. Please refer to the GIS maps for more detailed pictorial information to accompany this narrative.

- It is located on higher ground, and only one corner of the lot contains soils of very low suitability for development. The other three sites are significantly smaller, with over 50 percent of their total acreage in soils of low to very low suitability for development; one site contains a waterbody that would require environmental setbacks, further reducing the area that could be used for building construction and paved lots. Therefore, site permitting and construction are expected to be easier and less costly on the preferred alternative site, relative to the other three.
- The other three sites, in addition to being smaller in size to start with, all feature significant natural or developed constraints along their borders. There is barely enough room to construct even a modest transloading facility on the available land on these sites, and it would be difficult (if not impossible) to expand the facility in the future as demand increases for freight shipments to and from Eastport. The preferred alternative site offers plenty of space to build and expand.
- Two of the non-preferred sites are farther away from Eastport, all three are farther from Ayers Junction and thus would require more rail reconstruction and rehabilitation work prior to opening, and all three would require more at-grade road and railroad crossings for freight vehicles moving to and from the port, creating additional transportation safety concerns.

The GIS maps were also used to develop several alternatives for a rerouted SR-190 that could provide more direct access to the port from the preferred alternative site for the transloading facility, while bypassing the Passamaquoddy Indian Reservation at Sipayik. SR-190 currently bisects the reservation, and tribal leaders are already troubled by the amount of tourist and freight traffic using the road (average annual daily traffic of 3860 in 2009, and 3670 in 2012).

Construction of a new transloading facility is likely to greatly increase through traffic and the percentage of heavy trucks traveling to and from Eastport each day, so it makes sense to start thinking now about a new route for SR-190 that will actually reduce rather than increase motorized traffic impacts in Sipayik, where many residents travel by bicycle or on foot. Tribal leaders and marine scientists are also concerned about the decreased productivity in tidal flats and fishing waters near the reservation, due to the loss of natural tidal flushing action since the construction of the SR-190 causeway.

Rerouting the highway to bypass the reservation would allow for faster and more direct movement of freight vehicles to the port; it would allow the causeway to be removed, greatly improving the marine environment in the coastal waters adjacent to the reservation; and the resulting dead-end of the existing SR-190 highway at the Carlow Island strait would limit vehicular traffic on the reservation to just residents, employees, delivery trucks, and visitors – a win-win-win for all concerned.



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Suggested Actions

Washington County has an overwhelming need for more transportation infrastructure investment than it currently receives through state and federal funding. However, recent efforts to fund the freight rail restoration project offer an excellent example of the problem with the traditional transportation funding mechanisms. There is not enough current demand for rail-to-port service to justify a huge up-front investment in a rail-to-truck transloading facility, particularly when the project must compete against funding requests in regions with very high demand for improved rail service, due to a more robust economy and denser, wealthier population base.

However, without that up-front investment in transportation infrastructure in Washington County, manufacturers have no economic incentive to prefer shipment via Eastport over other available options – which continues to reduce demand for improved facilities in Washington County. In short: if we don't build it, it's no surprise that they will not come.

A tax increment financing (TIF) initiative for windpower projects has generated significant funding for economic development projects in the unorganized territories of Washington County, and perhaps a similar initiative could be used to generate funding for major transportation projects. Public-private partnerships may be able to fund projects with direct economic benefits for the private investor(s). Partnership agreements between the State of Maine and the Passamaquoddy Tribe have leveraged funding for major transportation projects of mutual benefit, such as the replacement of the Princeton-Indian Township bridge on US Route 1, and tribal leaders are likely to support an initiative to reroute SR-190 away from the Sipayik reservation.

The synthesis of unimplemented and partially implemented initiatives from previous transportation studies allowed regional stakeholders to review and prioritize these recommendations. See Washington County Strategic Investments here: <http://www.gro-wa.org/washington-county-strategic-investments>. Items rated as “high priority” should be placed on a fast track for implementation, along with a capital improvement plan to accumulate funding for these projects over a period of 5-10 years if necessary. Local, state and federal politicians can and should advocate for increased funding support to implement transportation projects that can boost economic development in Washington County.

Implementation already occurring

This synthesis (<http://www.gro-wa.org/transp-infrastr-econdev-el-existing-plans>) summarizes all of the transportation infrastructure projects and policy initiatives that have been fully or partially implemented as of January 2014.

Additional resource needs

There are still many unimplemented and partially implemented transportation infrastructure projects that would greatly contribute to workforce development in Washington County. As previously mentioned, the single largest resource need is a funding source, or more likely a combination of traditional and non-traditional funding sources. Significant funds are needed to support up-front investment in major transportation upgrades and targeted new-construction projects. Such investment will help generate greater demand for existing Washington County



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products and services, while attracting additional in-migration of residents and businesses with a modernized, efficient multi-modal transportation system.

A great deal of thought, and hundreds of paid and volunteer hours by steering committee and task force members, have been invested to produce a series of studies and plans over the last decade that contain concrete, realistic recommendations for major transportation improvements in Washington County.

The GROWashington-Aroostook project synthesis will help to further refine the list of high-priority projects that are most likely to produce long-term, sustainable economic development throughout the region.

All that is lacking is the financial wherewithal to realize them.