

**EXPLANATION OF CONSENT AGENDA ITEM E.1.c.(17) – April 15, 2015**

**ITEM:**

Consideration of authorizing staff to negotiate with Norfolk Southern for a lease of the Titusville rail facility for auto and container interim yard use.

**EXPLANATION:**

CPA has a need for a Rail Yard Intermodal Facility. The current EIS process and following construction will delay an on-port facility for several years. With the container facility ready to open, car business in discussion, and bulk product options being explored, CPA could benefit from a large paved rail intermodal facility. Staff has discussed a conceptual lease with Norfolk Southern staff and has prepared a letter of intent. We seek permission to enter into negotiations for lease of this facility. A final lease/use agreement will be brought back to the Commission for approval. This intermodal yard would allow CPA to be a competitive container and RoRo, and bulk player, well up into the Southeast and Mid-west and allow us to advertise a connection far beyond our current capacity.

**STAFF RECOMMENDS APPROVAL**

Prepared by John Walsh

