

GEOGRAPHIC SPOTLIGHT

RAIL

Proposed rail line from Port Freeport eyes public-private partnerships

BY LADAWN FLETCHER

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The Brazoria Fort Bend Rail District has hired Freese and Nichols Inc. as project manager for a proposed rail line to run from Port Freeport to southern Fort Bend County.

The six-member Brazoria-Fort Bend Rail District board, made up of two representatives each appointed by Port Freeport, Brazoria and Fort Bend county commissioner courts, was formed in January 2015 to create a system to move freight between Port Freeport and Rosenberg, which is in Fort Bend County. The counties and the port collaborated in response to the anticipated boon to the area when the channel at Port Freeport is deepened and begins to accept New Panamax vessels. Construction, which is expected to begin in 2018, will take between 18 and 24 months.

“Our goal is to provide a trade corridor that will benefit everybody along the route.”

MIKE SIWIERKA,
board member for the Brazoria-Fort Bend Rail District



The New Panamax vessels that will use Port Freeport can carry up to 13,000 container units instead of the 5,000 currently transported on the standard Panamax ships.

Port Freeport will be the only Houston-area port capable of receiving the new, larger ships. Although Port of Houston is one of the busiest ports in the nation, its channel is only 45 feet deep and has not received permission to dredge deeper. The New Panamax vessels require a depth of at least 51 feet. Port Freeport has received congressional approval to deep-

en its channel to 55 feet and will split the projected \$240 million price tag with the federal government.

Channel depth is only one part of the equation. The infrastructure of the port is also expanding. Approximately 500 of the 8,000 acres Port Freeport owns is ready for development and there are \$25 billion in construction projects underway in Brazoria County, around \$19 billion of it at the port.

All of the cargo coming in through the port must have a cost-efficient way to be moved away from the port to inland desti-

nations. Rail is the logical solution, and at around 60 miles, the relatively short distance from Port Freeport to an existing rail hub in Rosenberg makes it an ideal route to build out. Rosenberg already hosts three Class 1 railroads: Union Pacific, Burlington Northern Santa Fe and Kansas City Southern. UP and BNSF also connect with Dallas-Fort Worth, a key logistics hub.

Still, Brazoria-Fort Bend Rail District Chair Upendra Sahu is cautious on the timing.

“We are in the preplanning stages,” he emphasizes.

Sahu said Fort Worth-based Freese and Nichols has been hired to help them begin the process but no timeline has been established.

“It could take three years or 10 years. It depends on funding and what happens next. I can’t give a proper timeline,” said Sahu.

Funding is a big challenge. The Brazoria-Fort Bend Rail District does not have taxing authority. Preliminary estimates indicate building the rail line could cost as much as \$14 million per mile.

“We are looking at public-private partnerships,” said Sahu.

While there are no formal agreements, he says there has been some interest expressed. Legislation – House Bill 2557 – passed and is waiting to be signed by Gov. Greg Abbott that would authorize counties to issue bonds for rail facilities if secured by a pledge of the revenue.

That revenue could be more than \$750 million per year should the project come to fruition, according to a 2014 report conducted on behalf of Port Freeport and Brazoria and Fort Bend counties by Transportation Economics and Management Systems. Maryland-based Transportation Economics and Management Systems estimates at least 15,000 jobs could be created at the port and in Fort Bend as a result of rail line.

Mike Siwierka, a Fort Bend County appointee for the district, says economic development is at the heart of their interest in the project.

“I haven’t seen financials that indicate a real clear answer, but the economic impact will be substantial,” said Siwierka. “We are talking about a port that is being deepened to handle New Panamax ships, so those will be offloaded in or near this port and the goods will be shipped by rail around the underside of Houston.

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Port Freeport will be the only Houston-area port capable of receiving the larger New Panamax ships.



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