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Rosenberg Intermodal Center *Huge complex near Kendleton is gaining speed each month*

By Don Munsch

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The center opened in June.

Much has happened for Kansas City Southern Railway in the last year since it opened its intermodal center near Kendleton.

And much is expected from the center in the years to come.

Kansas City Southern celebrated its one-year anniversary of the official opening of the Victoria to Rosenberg line in June.

The intermodal facility was announced by KCS in Rosenberg in 2008.

KCS joined CenterPoint Properties, a Chicago developer specializing in transportation and logistics, to develop the facility. The companies announced their partnership in April 2008.

At that time, a KCS official said he thought the development would bring more than \$1 billion in economic impact to the area immediately west of Rosenberg.

Officials with KCS and CenterPoint Properties told the Fort Bend Herald in April 2008 that the \$300 million development, known as an intermodal center, would be built on 800 acres north of Kendleton, on the west side of US 59.

The center was to include a 636-acre industrial park that could have more than 7.5 million square feet of industrial warehouse space.

A little over a year ago, at the intermodal shipper facility at CenterPoint Intermodal Center-Houston Metro near Kendleton and in Wharton, El Campo, Edna and Victoria, Kansas City Southern officials allowed the media to photograph the inaugural train and to hear about the associated Operation Lifesaver public safety campaign, according to a release from KCS.

Just one year ago today, KCS hosted customers in a tour of the line and announced it had reached an agreement with Wallenius Wilhelmsen Logistics to establish a finished vehicle distribution center adjacent to the CIC-Houston Metro for WWL's regional automotive distribution services.

The next day on July 17, 2009, KCS held a trip for public officials across the line that concluded with a ribbon cutting ceremony at the intermodal shipper facility.

KCS said major truckload and international carriers are now using the lane and the intermodal shipper facility.

"As a result, intermodal traffic has increased from 80 loads into and out of the facility in June 2009 to 812 so far in June 2010," rail line officials said. "The average train volume on the trackage rights increased by 16 percent from 181 in May 2008 to 213 in May 2010, while the average transit time decreased from 25.5 hours in May 2008 to 20.4 hours in May 2010."

As far as the number of carriers the facility could expand to, Brian P. Sheehan, project manager of CenterPoint Properties, and Brian McKiernan, vice president of development with CenterPoint Properties, said the Rosenberg Intermodal Facility is operated independently by the Kansas City Southern Railroad and any specific container volume figures should be provided by the KCS.

“However, the facility is equipped with two 5,000-foot intermodal tracks with enough capacity to hold 160 intermodal rail cars at a given time,” the CenterPoint officials said in an e-mail response to questions.

“With the increase in container volumes across the country and the anticipated build-out of the project, the number of container lifts at this facility, should see an increase as well,” they said. “When the existing facility reaches full capacity, the footprint of the intermodal allows room for future expansion and additional tracks.”

KCS said the rehabilitated line restored rail service to communities along the line and brought needed rail capacity to south Texas to reduce highway congestion and the number of trucks on Texas Highways.

The rail company said the transcontinental main line “connects the heartland of the United States with the heartland of Mexico and as an important part of a rail network that connects with every other major rail carrier in North America, the restoration of the main line makes this part of the state more economically competitive, leading to future economic opportunity and jobs.”

The economic impact of the center has yet to be determined.

Since the opening of the line and intermodal shipper facility, the rail line has added 10 jobs to area.

Kansas City Southern continues to work with economic development agencies along the corridor to develop new business and is “currently pursuing leads with the Greater Fort Bend County Economic Development Council, Wharton Economic Development Corporation and Victoria Economic Development Corporation,” officials said.

Sheehan and McKiernan said they could not provide specific information now, but “we are discussing multiple business opportunities that we hope will initiate construction of the park very soon. Activity in the marketplace has been increasing as of late.”

According to Sheehan and McKiernan, seven million square feet of industrial building and warehouse space are projected to be built-out in the next 10 to 15 years at the facility, and as many as 2,000 permanent jobs will be created as a result.

In addition to the permanent jobs, numerous construction and trucking jobs will also be created, Sheehan and McKiernan said.

They said total investment in the project “is upwards of \$300 million,” and tax dollars have certainly been created from jobs and construction to-date, among other sources.

But the dollar amount of economic impact is unknown at this time, they said.

The KCS release said the rebuilt line diverted the rail line’s operations from “157 miles of UP lines to a more direct route. Because the line is a more direct route between Robstown and Rosenberg, KCSR was able to reduce the one-way and round-trip mileage between Laredo and Houston/Beaumont by 67 and 134 miles, respectively.”

Before the start of rail operations, KCS did some traffic sign and traffic flow work, such as cooperating with Texas Department of Transportation on a corridor plan that included the installation of 52 sets of flashers/gates and KCS emergency notification signs at public at-grade crossings, and one more set of flashers/gates at the intermodal shipper facility, the release said.

Since the opening of the line, KCS said it has introduced the fastest cross border intermodal service between the southeast U.S. and Mexico to key markets, including Atlanta, Ga., Charlotte, N.C., Laredo, Texas, and Monterrey, San Luis Potosi, Toluca and Mexico City.

“For the first time, shippers have a truck-competitive service option, providing a seamless shift from over-the-road transportation with truck-like transit times and the ease of crossing the border via rail,”KCS said.

Sheehan and McKiernan have high hopes for the intermodal center.

“It’s difficult to say given the economic climate of the last couple of years, but our expectations for this project have not been diminished,” they said. “We hope to commence construction during the current quarter and look forward to being a part of the local community for many years to come.”