2.12. KENWOOD INTERMODAL YARD EXPANSION

2.12.1. INTRODUCTION
The concept discussed in this section – Kenwood Intermodal Yard Expansion – is focused on the Goods Movement market, and the operations associated with intermodal freight movement. Before the Capital District can see a dramatic increase in intermodal activity it is necessary to develop a facility that is capable of handling future growth. This type of improved freight and commercial development in the region is fully consistent with the Smart Freight goals, and with the I-87 Corridor Study's underlying goal of supporting the long-term economic development goals of communities along the corridor.

2.12.2. PROJECT DESCRIPTION
The Long List of Improvement Concepts report called for a more thorough assessment of the potential need for expanded rail-based intermodal facilities in the Capital District. The two elements of these additional studies were (1) is there sufficient market demand in the Capital District for such a facility, and (2) if so, what would be the most efficient way to provide that expanded capacity. The most favorable options that emerged were either to upgrade the area's existing Kenwood Yard in the Port of Albany, or create a new facility elsewhere in the region.

A preliminary market study, Feasibility Assessment of an Intermodal Terminal in the Capital District, was completed by the I-87 Study Team to evaluate the economic viability and technical feasibility of creating an intermodal terminal in the Capital District. The primary question that the study was addressing was, “Can the intermodal freight transportation market support a larger and more efficient transloading terminal in the Capital District?”

This assessment of market demand used extensive baseline data about commodity flows through the Capital District, provided by NYSDOT. Those data included information about the types of goods being shipped and the shipment distances involved. The assessment then modeled the possibility for diversion of shipments to intermodal operations, based on the commodities and shipment distances involved. The result was a set of estimated flows, by commodity, that might pass through a proposed intermodal terminal.

The results of the assessment indicate that the market potential for intermodal transloading operations in the Capital District, whether at a new regional facility or an enhanced existing facility, was between 31,000 and 43,000 rail-truck transloading movements or “lifts” per year. This range reflected market estimates under “pessimistic” and “optimistic” marketing assumptions, based on how much the market would respond to a new or upgrading existing facility and to expanded marketing of the services.

The market assessment summarized above showed that the projected growth generated by a new facility would not be substantially higher than the current 36,000 lift/year operations at the Kenwood Yard, and that this level of demand did not justify building a new intermodal facility in the Capital District. However, the analysis did reveal that expansion of the existing Kenwood Yard facility could increase intermodal transloading operations, toward the optimistic estimate discussed above. Therefore, the primary objective of the proposed project is to increase the capacity and productivity of the Kenwood Yard terminal to support the continued economic viability of the intermodal freight market in the Capital District.
2.12.2.1. Existing Conditions and Deficiencies

The Canadian Pacific Railway’s (CP Rail) Kenwood Yard near I-787 and the Port of Albany is currently the primary intermodal freight terminal in the Capital District. Kenwood Yard is accessible by both CP Rail and CSX and handles approximately 36,000 lifts per year. Figure 2.12-1 presents the location of that yard in the Capital District while Figure 2.12-2 presents the existing operations at that facility.

In June 2004 Norfolk Southern (NS) and CP Rail announced a strategic alliance that among other things will provide NS with innovative haulage rights along the Delaware & Hudson (D&H) segment of CP's freight network. These agreements, pending regulatory approval, are expected to increase freight traffic along that corridor and reduce costs for both railroads. NS currently handles the intermodal traffic at CP Rail’s Kenwood Yard, which in 2002 was NS’s fastest growing terminal. The majority of the traffic originates or terminates within a 50-mile radius of the yard, with many of the locations being warehouse type facilities.

Some of the key issues that inhibit or prohibit growth of this facility include:
- Lack of trailer parking areas
- Minimal paved areas
- High yard maintenance costs
- Only one entrance / exit point
- Inadequate lighting
- Lack of yard crews
- Inadequate trailer maintenance facilities

Correcting these factors would increase the presently slow speed at which freight can be processed through the facility, which collectively has a negative impact on the yard’s ability to attract new intermodal business.

2.12.2.2. Existing Actions and Programs

There is no capital improvement program scheduled for Kenwood Yard at this time. CP Rail estimates it spends approximately $200,000 per year on maintenance expenses, including track, roadway and building materials and repairs, snow removal, routine maintenance of equipment and infrastructure, etc. CP Rail estimates that a disproportionate amount of their annual maintenance expense, approximately $50,000, is typically spent for snow removal each year. While substantial snow removal costs can be expected in the Albany area, these costs are substantially increased by lack of paved surfaces within the yard, which hinders the ability to efficiently plow the yard. CP Rail suggested that this number could be cut by 50% if more of the terminal were paved.

A number of improvements within the Kenwood Yard and adjacent areas are discussed below. However, other infrastructure investments being made outside of the Kenwood Yard are equally important in determining the marketability of regional intermodal operations at this yard. These include on-going work by CP Rail and NYSDOT on the Canadian Mainline between Albany and Rouses Point. CP Rail and NYSDOT currently have a vertical clearance improvement project on the Canadian Mainline, the principal railroad route north of the terminal providing access to and from Montreal. Several tunnels and overhead bridges with undesirable clearances north of
FIGURE 2.12-1
LOCATION OF KENWOOD YARD IN CAPITAL DISTRICT
FIGURE 2.12-2
EXISTING FACILITIES AT KENWOOD YARD
Whitehall are scheduled to be improved. The vertical clearance project will promote railroad freight traffic on the Canadian Mainline by allowing the movement of second-generation double stack containers in this corridor. The “Maintenance Upgrade” improvements recommended as part of the *High-Speed Rail Pre-Feasibility Study* would include additional improvements along the Canadian Mainline to signals, tracks and related areas, all of which would also increase the efficiency and competitiveness of rail freight.

### 2.12.3. PROPOSED SOLUTION

#### 2.12.3.1. Project Overview

The proposed solution involves a variety of capital infrastructure improvements within the Kenwood Yard, intended to increase the capacity and productivity of this existing facility. The approximate location of these proposed improvements are shown in Figure 2.12-3. The following key components would need to be addressed in order to meet this goal:

- Paved and extended unloading tracks
- Relocate storage tracks (Mobil)
- Expand paved parking / storage capacity
- Relocate maintenance / repair facilities
- Improve site access / security / lighting
- Rehabilitate loading / unloading equipment

The Port of Albany Master Plan identifies a series of improvements to its facilities. These were discussed in the 1-87 Multimodal Corridor Study Tech Memo 2-3 Report. Some of the improvements mentioned here, specifically the clearing and paving of areas for improved circulation and container storage and improved security and lighting, were also called for in the Port’s Master Plan.

#### 2.12.3.2. Project Components

**Paved and Extended Unloading Tracks.** In order to efficiently load and unload longer intermodal trains, it is necessary to have increased train storage capacity. Based on the current configuration of the yard, there are some cost effective options available to add track capacity without reconfiguring the yard.

- Relocating the Mobil storage tracks (see *Relocate Storage Tracks* below) would create approximately 750 feet of prime trackage for intermodal operations.
- Paving the area where the intermodal storage tracks are located would also improve transloading operations. A greater asphalt paved surface area would allow the overhead gantry cranes, primarily used for transloading of containerized cargo between trains and trucks, to more easily maneuver along each of the storage tracks. Paving this area

---

1 The proposed concepts for the Kenwood Yards, and their relative importance to future intermodal operations, were discussed with both CP Rail and Norfolk Southern representatives, including joint field visits with study team members and CP Rail and NS staff in June 2004 to confirm existing problems and identify possible solutions.
(approximately 10 acres) would also reduce maintenance costs including equipment repairs and snow removal.

- Adding additional track to gain storage capacity is not a high priority since (1) the existing facility is capable of handling trains of reasonable length and (2) it is possible to have additional trains access the facility without additional trackage as long as they did not access the yard at the same time.

**Relocate Storage Tracks (Mobil).** Mobil Oil owns land adjacent to the yard that houses a tank farm and Mobil's own transloading facility. However, the access to their transloading facility is from a railroad spur from Kenwood Yard (see Figure 2.12.2). Although the three-track loading facility for fuel tank trains is located on Mobil property, the tank trains are stored in Kenwood Yard. The storage of tank trains within the yard reduces the amount of usable track for intermodal operations in the yard by approximately 750 feet.

Relocating the Mobil storage tracks would create additional rail capacity in the yard. As the photos below demonstrate, there are few obstructions that would prohibit this relocation to the right of the facility. The main components of this relocation would include a new switch tied into the spur leading to the loading facility and approximately 500 feet of track. This improvement would allow more seamless yard operations, and free critical yard space.

**Expand Paved Parking/Storage Capacity/Drainage Issues.** Another factor limiting growth and productivity in the yard is the insufficient amount of paved trailer parking areas. The existing lots are currently at capacity and cannot sustain any additional growth. The lack of well-defined space for trailers results in somewhat random and disorderly parking or staging of
the trailers. This situation also contributes to higher maintenance expenses resulting from the lack of paved areas.

At the southeast portion of the site there is a vacant piece of property that is currently owned by Mobil. The parcel is substantially larger than the existing parking area and provides an alternate entrance and exit point between the site and the local road system. This section could be used to provide a more efficient trailer storage area.

Other issues within the trailer parking area include the lack of paved areas and inadequate drainage. The current gravel surfaces in these parking areas are susceptible to rutting and potholes, which create drainage and maneuverability problems, resulting in higher maintenance and operating costs. This is a significant issue in the main trailer storage lot.

The proposed solution is to purchase adjacent land and expand the existing parking area. With the additional land, which could be acquired, it is possible to more efficiently and systematically park trailers to maximize the parking capacity. This would be in addition to paving the primary parking areas to provide adequate drainage.

**Relocate Maintenance/Repair Facilities.** The existing equipment maintenance facilities in the yard are set up to repair trailers and containers that are damaged while in transit or while off loading (bent doors, flat tires, bent frames, etc). The primary storage and repair facility is located in the trailer storage area and repairs are typically made outside without the convenience of an enclosed facility. The lack of an enclosed structure or building makes it impractical to do repairs during the winter months. Since repair operations are not as efficient as they could be, the damaged equipment ends up occupying a significant amount of storage area in the terminal.
The proposed solution is to build a small, dedicated and fully enclosed repair facility at the northeast corner of the site. A small garage capable of housing several trailers for staging of repairs and short-term storage of materials should also be constructed.

**Improve Site Access/Security/Lighting.** For an intermodal freight terminal to be productive and cost effective, it is critical to have easy highway and rail access to the site, ample security and sufficient lighting for night operations. Each of these issues plays an important role in promoting efficient and secure operations.

Site access can play a key role in the amount of time it takes to deliver goods. Currently there is only one site access point to the yard, and it is almost directly across the street from a busy truck stop. This limitation can cause problems for trucks entering and exiting the intermodal yard, especially given the often-high volume of outbound tractor-trailers at this location. It is suggested that if the property currently owned by Mobil Oil Company were purchased for additional trailer storage, a secondary access point to Church Street could be added.

In order to maximize the operational hours of the yard and improve security, it is recommended that improved lighting be installed so that the trailer parking and the railcar unloading areas are sufficiently illuminated, and a security fence be installed around the perimeter of the site.

**Rehabilitate Loading/Unloading Equipment.** The other productivity improvement that should be considered at this terminal is the reconditioning of the gantry cranes that are used for transloading at this site. One of the cranes was recently rebuilt, but the other is in need of an overhaul in order to provide greater reliability and productivity.

**2.12.4. PROJECT IMPLEMENTATION**

The proposed project includes a number of needed capital construction improvements to the existing Kenwood Yard, which collectively would substantially enhance its operational efficiency and effective capacity. However, the phased implementation of any of the recommended improvements will, on their own merit, provide some incremental benefit to the intermodal operations. However, the greatest benefit to the efficiency and expanded capability of the Kenwood Yard would be recognized through the implementation of all of the recommended strategies.

Property acquisitions, environmental screening and possible mitigation would be required in order to implement these improvements in Kenwood Yard.

**2.12.4.1. Regulatory, Environmental, and Agency Coordination Issues**

Depending on the funding source NEPA and/or SEQRA environmental review would be required prior to implementation.

**2.12.4.2. Project Costs**

The total cost of completing all of the proposed improvements is approximately $7.2 million.

The following are the projected costs for the proposed system:
## Expansion of Kenwood Yard:
### Project Implementation Cost

<table>
<thead>
<tr>
<th>Element</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Engineering/ Design</strong></td>
<td>$150,000</td>
</tr>
<tr>
<td><strong>Construction/ Installation</strong></td>
<td></td>
</tr>
<tr>
<td>- Paved/Ext. Unloading Tracks</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>- Relocate Storage Tracks</td>
<td>$750,000</td>
</tr>
<tr>
<td>- Expand Paved Parking</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>- Maintenance/Repair Shop</td>
<td>$750,000</td>
</tr>
<tr>
<td>- Access/Security/Lighting</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>- Rehabilitate Equipment</td>
<td>$250,000</td>
</tr>
<tr>
<td><strong>Sub-Total: Construction</strong></td>
<td>$6,400,000</td>
</tr>
<tr>
<td><strong>Misc. (Including Contingency)</strong></td>
<td>$750,000</td>
</tr>
<tr>
<td><strong>Project Total</strong></td>
<td>$7,150,000</td>
</tr>
</tbody>
</table>