

KENTUCKY TRANSPORTATION CABINET Department of Highways DIVISION OF PLANNING

TC 59-114 Rev. 07/2024 Page 1 of 3

KENTUCKY SHORT LINE INFRASTRUCTURE PRESERVATION (KSLIP) APPLICATION

SECTION 1: PROJECT OVERVIEW	N			
RAILROAD NAME			APPLICATION YEAR	
Paducah & Louisville Railway, Inc.			2026	
	PROJEC	CT TITLE		
Continuous Welded Rail Renewa	al Project			
PROJECT L	OCATION (Specify rail milepos	sts, FRA crossing numbers, an	d counties.)	
The Project is located on P&L's r Muhlenberg, Hopkins, Caldwell, specific segments for rail renew service outages and prioritized b	, Lyon, Livingston, Marshall, Narall, Narall, Narall, Narall, Narall	McCracken, and Graves couned on rail wear, existing defect	nties. P&L wil cts, history o	Il determine the of prior defects and
TOTAL PROJECT COST	KSLIP FUNDING REQUESTED	APPLICANT MATCH	APPLICANT MATCH % (50% Minimum)	
\$ 3,997,500	\$ 1,998,750	\$ 1,998,750	50 %	
Will the proposed project be ma	atching <u>awarded</u> federal func	ds? NO YES		
Does applicant plan to use their competitively bid out all work re			(Force Acco	unt) or
DESCRIPTION OF PROPOSED PR limited to the space provided below The Continuous Welded Rail Rei welded rail complying with ARE evaluate and identify rail segme rail installed with a rail producti production tamper. KSLIP fundir	v.) newal Project will replace 11 MA specifications. After hars ents prioritized for replaceme on gang. As new track segme	.2,000 linear feet of rail on P&sh winter conditions impactinent. The new rail will be stage ents are installed, the track s	&L's line with ng rail integri ed, old rail re	h new continuous ity subside, P&L wil emoved, and new
DESCRIPTION OF PUBLIC BENEF	•	·	•	

The Project will replace and renew approximately 112,000 linear feet of rail along P&L's line in western Kentucky. The replacement of the aging and worn track infrastructure is necessary to accommodate expected growth in rail traffic to the expanding industries in western Kentucky. The new continuous welded rail will allow P&L to maintain its current operating class, reduce maintenance requirements and unplanned service interruptions, and provide a safer track, protecting the safety of railroad personnel, commodities, and the surrounding communities. The Project is essential for P&L to fulfill its role of promoting and supporting continued economic develop and job growth throughout western Kentucky.

DESCRIPTION OF CRITICALITY OF PROPOSED PROJECT TO PRESERVING AND ENHANCING EXISTING RAIL LINES AND CORRIDORS (Text is limited to the space provided below.)

Despite P&L's extensive maintenance efforts and capital expenditures, the aging track infrastructure inherited from P&L's predecessor has deteriorated in certain areas, resulting in excessive track wear and higher-than-normal maintenance requirements. It is critical for P&L to rehabilitate these track sections to accommodate current volume and anticipated future traffic increases. P&L provides a critical rail link connecting western Kentucky businesses to four Class I railroads and rail-to-barge transloading facilities. Without this Project, P&L may experience unplanned outages or decreased train speeds, compromising this vital rail line.

DESCRIPTION OF IMPACT OF PROPOSED PROJECT ON RETAINING EXISITING RAIL SERVED INDUSTRIES OR

ATTRACTING NEW RAIL SERVED INDUSTRIES (Text is limited to the space provided below.)

Reliable, safe, and timely rail transportation is critical to retaining existing industries and supporting the continued growth and expansion of the industrial areas in western Kentucky, including the T.J. Patterson Industrial Park in Elizabethtown, the Calvert City industrial complex, and the Ohio River Triple Rail Site in Paducah. The Project will help ensure that P&L's track can continue to operate at high efficiency for the foreseeable future, providing a safe and reliable transportation option that is a requirement for existing industries and new businesses evaluating new development in western Kentucky.



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KENTUCKY SHORT LINE INFRASTRUCTURE PRESERVATION (KSLIP) APPLICATION

SECTION 1: PROJECT OVERVIEW (CONTINUED)

DESCRIPTION OF HOW PROPOSED PROJECT WILL PRESERVE AND MODERNIZE KENTUCKY'S RAIL SYSTEM (Text is limited to the space provided below.)

The Continuous Welded Rail Renewal Project will preserve Kentucky's existing rail system by ensuring the long-term viability of P&L's mainline track and key branch lines providing vital rail connections to local industries. The Project will bring P&L's track in the selected areas to an excellent state of repair using modern components and standards and replacing aging and worn rail that is nearing the end of its service life. By replacing the this rail, P&L will be positioned to preserve the operational class of this track and reduce overall maintenance needs so that Kentucky's vital "last-mile" rail connections provide reliable and efficient rail service.

DESCRIPTION OF PROPOSED PROJECT READINESS OR HOW SOON AFTER AWARD CAN CONSTRUCTION BEGIN AND **HOW LONG WILL THE PROJECT TAKE TO COMPLETE** (Text is limited to the space provided below.)

SECTION 2: CONTACT INFORMATION					
APPLICATION PRIMARY CONTACT NAME & TITLE	PHONE	EMAIL			
Blake Poole, Head of Maintenance of Way	(812) 270-2201	bpoole@palrr.com			
MAILING ADDRESS	Cl	ITY STATE ZIP		ZIP	
200 Clark Street	Paducah	KY 42003		42003	
If awarded, will signatory be different from the Primary C	Contact? NO	YES (Provide signatory information.)			
AGREEMENT SIGNATORY NAME & TITLE	PHONE		EMAIL		
MAILING ADDRESS	Cl	TY	STATE	ZIP	
If awarded, will Project Manager be different from the Pr		NO YES (Provid		ation.)	
PROJECT MANAGER NAME & TITLE	PHONE		EMAIL		
SECTION 3: PERMITS AND APPROVALS	1	- 1			
A. Have consultations with state or federal agencies (US). Service, Kentucky Division of Water, Kentucky Heritago Not Applicable					
B. Have all required permits been obtained? Not Applica	ible				
C. Will the proposed project have ANY impacts on a publ	ic road (City, County,	State, US)?	NO [YES	
c. Will the proposed project have Aivi impacts on a publ					



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KENTUCKY SHORT LINE INFRASTRUCTURE PRESERVATION (KSLIP) APPLICATION

SECTION 4: SUBMISSION CHECKLIST (See KSLIP Guidance Document, Section VI, for details.)				
\boxtimes	Kentucky Railroad Crossing Improvement Application (TC 59-114)			
\boxtimes	Statement of Work	Statement of Work		
\boxtimes	Scope of Work			
\boxtimes	Project Schedule/Timeline			
	Detailed engineering assessment report (as	applicable)		
\boxtimes	Aerial Photographs and photographic docum	mentation of crossing location and condition		
	Plans, schematics, details, drawings of the p	roposed project (as applicable)		
	For equipment purchases, a price quote on letterhead from vendor OR for construction projects, a <u>detailed</u> estimate for the project			
	Road authority consultation letters (as appli	cable)		
	Public Interest Finding (as applicable)			
\boxtimes	Required Annual Affidavit for Bidders, Offer	ors and Contractors from applicant.		
ECTION	5: KENTUCKY RAILROAD ANNUAL REPORT (COMPLIANCE CERTIFICATION		
he TC 59-102 Kentucky Railroad Annual Report in compliance with the provisions of 603 KAR 7:090 at the time of this application to be considered an eligible applicant. If it is determined I am not an eligible applicant at the time of this submission, I agree that this application shall be immediately rejected without consideration and returned to me without review.				
RINTED	NAME AND TITLE	SIGNATURE	DATE	
Blake Poo	ole, Head of Maintenance of Way	Boh role	07/11/2025	
	9: APPLICANT CERTIFICATION			
have read the Kentucky Short Line Infrastructure Preservation Projects guidance document, and I understand and agree o abide by what is stated therein. I also hereby certify, subject to the provisions of KRS 523.100 (unsworn falsification to authorities), that the above information is true and correct to the best of my knowledge.				
PRINTED	INTED NAME AND TITLE SIGNATURE DATE			
Blake Poo	ole, Head of Maintenance of Way	[Balo scale	07/11/2025	

Submission Directions: Applicants must combine their completed application and all required attachments into a single PDF and submit it electronically via email to address provided in call for projects. It is the responsibility of the applicant to ensure delivery of the emailed submission.

STATEMENT OF WORK Continuous Welded Rail Renewal Project

Applicant Eligibility

Paducah & Louisville Railway, Inc. ("P&L") is a Class II rail carrier and has submitted its completed Kentucky Railroad Annual Report (TC 59-102). P&L is an eligible applicant under Section 2 of the Kentucky Shortline Infrastructure Preservation ("KSLIP") Project Guidance and Specifications ("KSLIP Guidance"). *See also* 2024 Ky. Acts 173, Sec. 1(229) ("HB 1").

Project Eligibility

P&L seeks KSLIP funding assistance to purchase the materials necessary to replace and renew 112,000 linear feet of continuous welded rail. This Project is eligible for KSLIP awards pursuant to Section III(1) of the KSLIP Guidance and subsection 229 of HB 1 because the funds will be used for the construction, reconstruction, improvement, and rehabilitation of rail facilities. As described below, this Project will preserve and enhance P&L's rail corridor, retain existing and attract new industries, and preserve and modernize Kentucky's rail system.

Expense Eligibility

KSLIP funding for the Continuous Welded Rail Renewal Project is requested for materials only; all installation/construction costs will be paid by P&L. The expenses for which funding is sought are eligible pursuant to Section IV(2)(a) of the KSLIP Guidance. The Project is a capital project on track that actively serves rail customers located in Kentucky. P&L serves numerous local ninety-two (92) customers directly from its line.

Project Description and Purpose

The Paducah & Louisville Railway is a Class II regional railroad providing service over 280 miles of track between Paducah and Louisville, with branch lines serving Mayfield and Elizabethtown. P&L provides a vital rail link for western Kentucky, connecting 92 customers to the national rail system and international markets through direct connections with four (4) Class I carriers and several transloading facilities on the inland waterways. P&L transports a broad range of commodities, including coal, chemicals, auto frames, limestone, lumber, food, and agricultural products, originating or terminating 99% of the 150,000 carloads handled annually.

Since acquiring the line from the Illinois Central Gulf Railroad in 1986, P&L has implemented an aggressive capital improvement program to rehabilitate an aging, neglected line that was on the verge of total embargo. The continued maintenance costs attributable to P&L are not sustainable in the long term, and the Project must be undertaken immediately so that P&L can continue to provide safe, reliable, and efficient rail transportation to industries in western Kentucky.

The Continuous Welded Rail Renewal Project will replace 112,000 linear feet of worn and aging rail with new continuous welded rail complying with current AREMA standards. P&L is seeking an award of KSLIP funds solely to assist in the purchase of the materials needed for the Project. P&L will use its own funds to install the new rail and resurface the renewed track segments with its own forces or by a leading railroad industry contractor.

The Project is critical to the long-term viability of P&L's rail operations from Paducah to Louisville and throughout western Kentucky. Without KSLIP funding to assist with these much-needed improvements, P&L's line would be placed in a vulnerable state of operations that could result in speed restrictions, increased transit times and delays, and potential embargoes severing P&L's link to Class I railroad interchanges and transloading facilities that connect western Kentucky industries to the national rail system and international markets. The absence of safe, reliable, and timely rail service would cause the numerous shippers, communities, and customers served by P&L to divert their freight to trucks or, in certain cases involving hazardous freight, shut down operations. The additional trucks would increase road congestion, traffic-related injuries, and emissions, straining Kentucky's highway infrastructure.

The completion of the Project will yield significant, long-term operational improvements and reduced maintenance, ensuring that P&L continues to provide high-quality rail transportation to businesses and industries on its line. Reliable, safe, and timely rail service will not only preserve P&L's line by returning it to a state of excellent repair exceeding modern standards, but it also will provide a positive impact in Kentucky's determined efforts to retain existing industries and attract new industries to western Kentucky. The availability of reliable rail transportation provides businesses with an alternative to inefficient over-the-road trucks congesting local and regional highways and support more sustainable freight movement. With an award of KSLIP funding, P&L and Kentucky will secure a true public-private partnership that will enable the preservation and modernization of the rail system and serve as a critical driver of economic growth yielding goodpaying jobs, enhanced tax revenue, and more business opportunities.



SCOPE OF WORK Continuous Welded Rail Renewal Project

The Continuous Welded Rail Renewal Project will replace 112,000 linear feet of rail on P&L's line with new continuous welded rail complying with AREMA specifications. P&L has not yet identified the precise track segments selected for the renewals, but this will be determined by rail wear, existing defects, history of prior defects and service outages, and prioritized based on factors including tonnage, bridges, and turnouts. P&L's evaluation will be assisted by data collected from routine ultrasonic inspections that detect hidden internal rail defects. Rail traffic demands, developing track issues, weather events, and the winter season can significantly impact the areas of greatest need, which makes it difficult to precisely identify particular segments for renewal. For example, an unanticipated event (e.g., a washout, broken rail, track geometry) could require P&L to immediately repair track, which would result in grant administration problems if the segment was awarded KSLIP funding.

As described above, the specific track segments selected for renewal have not yet been determined, but the renewals will be on mainline track or industrial leads owned by P&L in Kentucky. The Project will be in Jefferson, Hardin, Meade, Grayson, Ohio, Muhlenberg, Hopkins, Caldwell, Lyon, Livingston, Marshall, McCracken, and Graves counties.

KSLIP funds would only be used to purchase the materials necessary for the Project, including 112,00 linear feet of rail, 156,000 cut spikes, 10,000 tie plates, and 133,500 rail anchors. P&L will independently fund the installation of the Project materials using its own forces or through an industry-leading contractor. After selection of track segments and delivery and staging of the materials via specialized rail train, the old rail will be removed. A production rail gang will be mobilized and begin installation of the new continuous welded rail. All renewed track will comply with P&L's standards for spiking pattern, tie plates, and rail anchors. As new track sections are installed, these sections will have surface renewal by a production tamper.

Please see the attached chart describing the estimated quantities and costs of materials needed for completion of the Project.



Paducah & Louisville Railway

Continuous Welded Rail Renewal Proposal

Scope:

Various Locations on the Paducah & Louisville Railway

The P&L shall select various locations throughout the system to renew with continuous welded rail. Selection of track segments will be determined by rail wear, existing defects, reports of previous defects repaired, and then prioritized based on annual MGT, bridges, crossings, and turnouts. New continuous welded rail shall be procured via rail train in long strings and unloaded on the RR ROW at the selected renewal track segments. A production rail gang will mobilize onto RR property & begin the installation of continuous welded rail. All renewed tracks shall comply with P&L standards for spiking pattern, tie plates, & rail anchors. All track segments affected by the rail renewal shall receive a surface renewal with a production tamper.

Material	Units	Unit Cost	Total
New AREMA Spec Rail	112,000 LF	\$30.00	\$3,360,000.00
Cut Spikes	156,000 EA	0.75	\$117,000.00
Tie Plates	10,000 EA	\$12.00	120,000.00
Unit V Drive-on Rail Anchors	133,500 EA	\$3.00	\$400,500.00
	ı	Material Total	\$3,997,500.00
Construction	Units	Unit Cost	Total
Unloading of Rail	1 FA	\$0.00	\$0.00
Mobilization of Production Rail Gang	1 EA	\$0.00	\$0.00
CWR Installation	112,000 LF	\$0.00	\$0.00
Renewing Track Surface Post-Production	40 days	\$0.00	\$0.00
-	Cons	truction Total	\$0.00

Project Total:

\$3,997,500.00

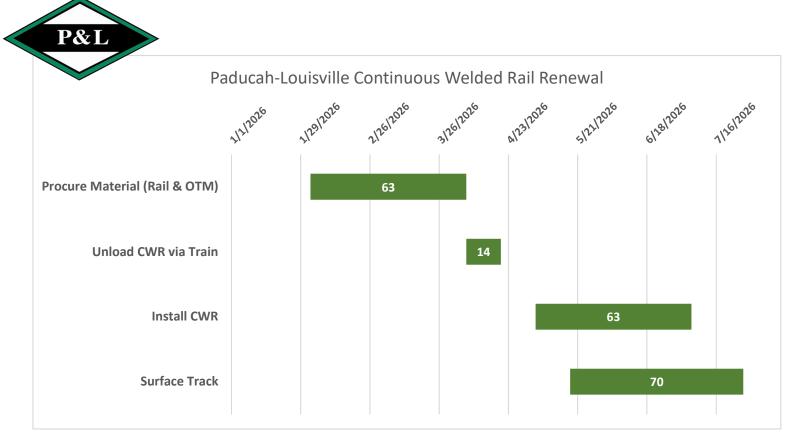
PROJECT SCHEDULE/TIMELINE Continuous Welded Rail Renewal Project

It anticipated that work on the Continuous Welded Rail Renewal Project can begin on or about April 6, 2026, after the risk of prolonged temperatures below freezing and winter weather subside. Based on this anticipated start date, the new rail, spikes, tie plates, and rail anchors would be ordered on February 2, 2026, with anticipated delivery on P&L's property on or before April 6, 2026. Upon receipt (via rail train in long strings), the rail will be unloaded on P&L's right-of-way at the track segments selected for renewal. It is anticipated that unloading will be completed in fourteen (14) days (April 20, 2026).

After the materials are unloaded and staged, a production gang will be mobilized and begin installing the continuous welded rail. All renewed track will meet or exceed P&L's standards for spiking pattern, tie plates, and anchors. It is anticipated that installation of the new rail will require sixty-three (63) days, with completion by July 6, 2026. As new track sections are installed, these sections will have surface renewal by a production tamper. It is anticipated that resurfacing will require fifty (50) days and will be completed by July 27, 2026.

Based on the foregoing anticipated project timeline, the Project will take a total of seventeen (17) weeks or one hundred nineteen (119) days to complete, with expected completion by July 27, 2026.

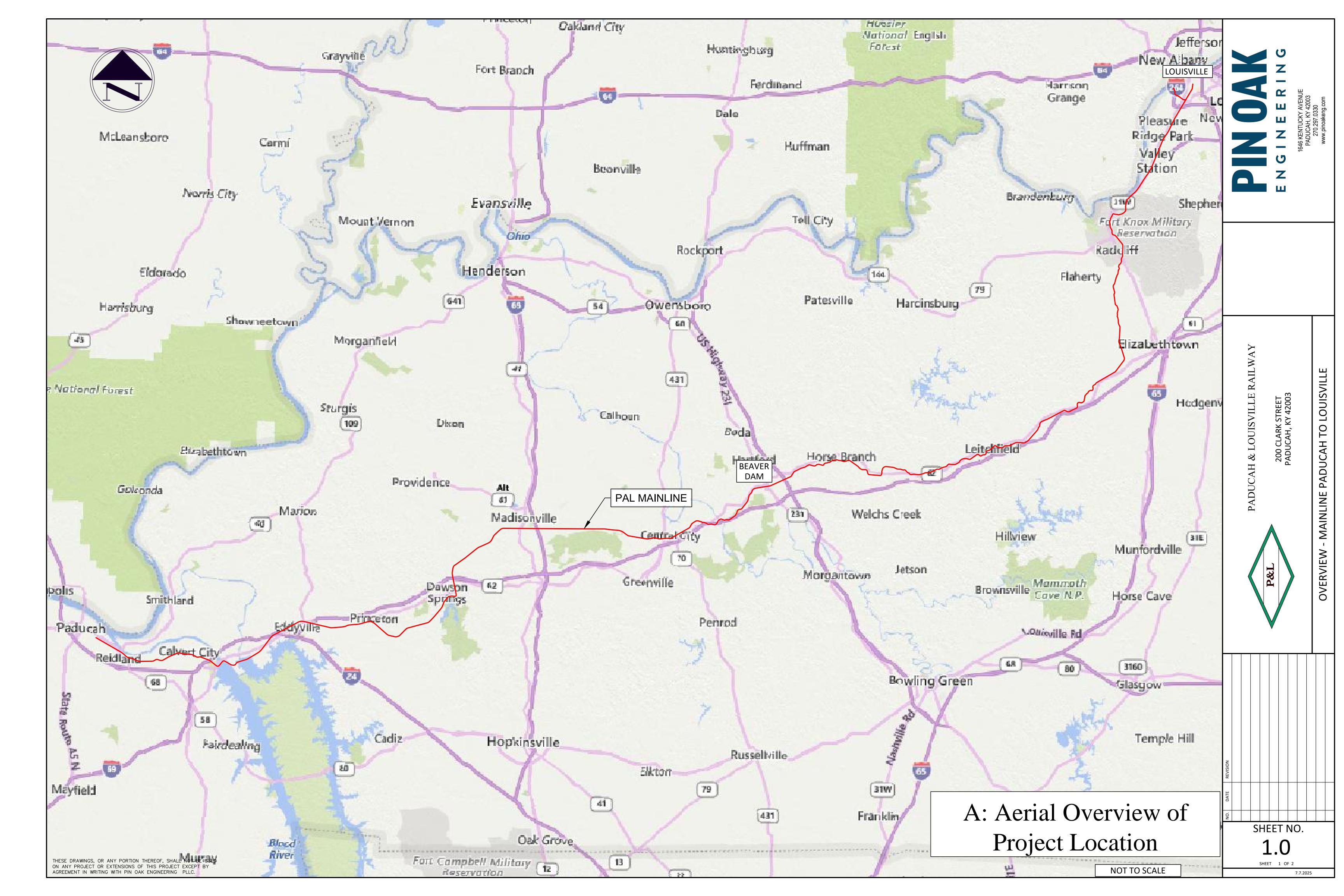
Please see the attached Gannt chart outlining the Project schedule and timeline.

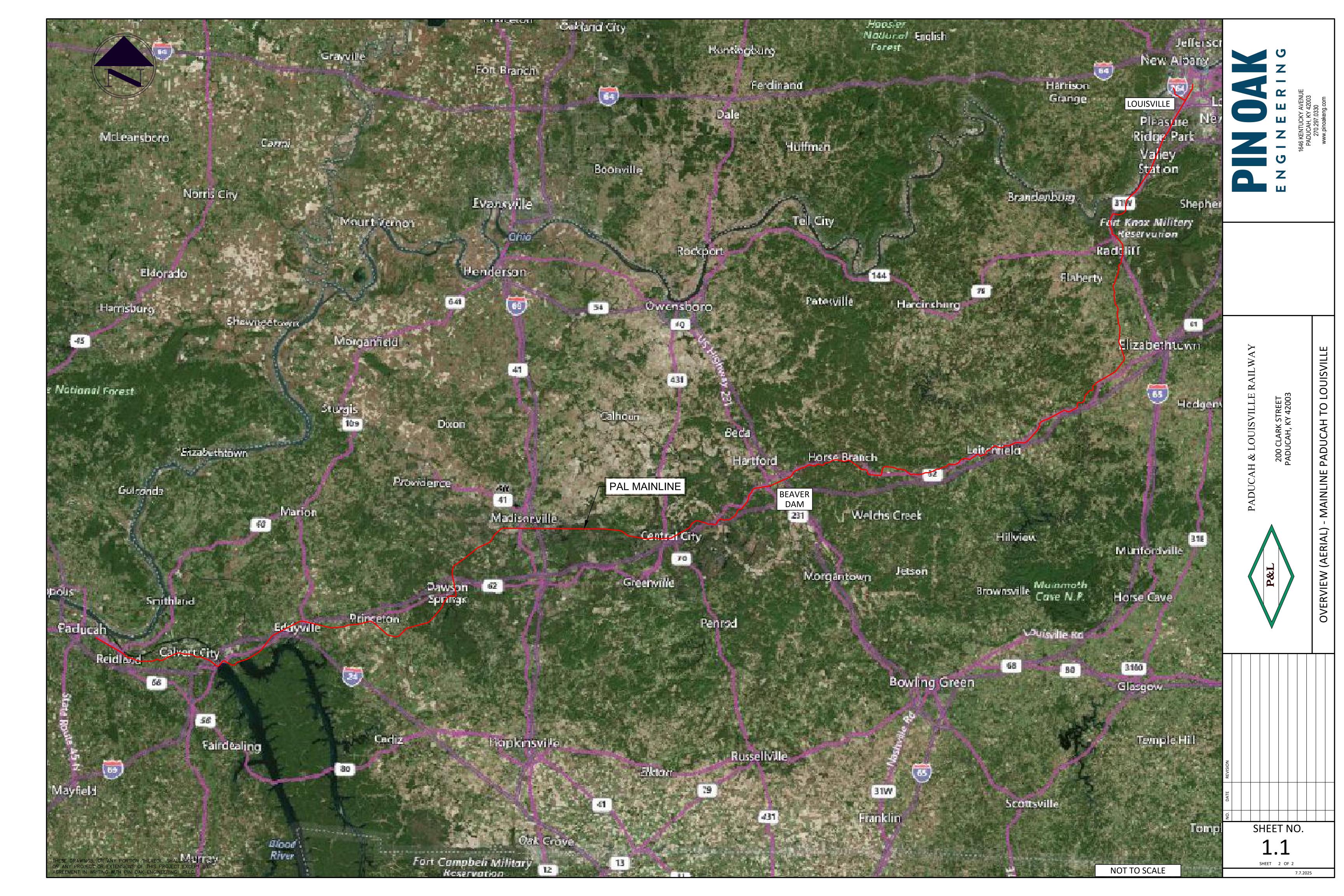


Paducah-Louisville Continuous Welded Rail Renewal				
Task	Start Date	Days Required	Completion	Adjusted Length
Procure Material (Rail & OTM)	2/2/2026	45	4/6/2026	63
Unload CWR via Train	4/6/2026	10	4/20/2026	14
Install CWR	5/4/2026	45	7/6/2026	63
Surface Track	5/18/2026	50	7/27/2026	70

PHOTOGRAPHIC DOCUMENTATION Continuous Welded Rail Renewal Project

- A. Aerial Photograph Depicting Project Location
- B. Photographs of Current Conditions
 - 1. Rail, MP 209
 - 2. Rail, MP 210.8
 - 3. Rail, MP 219











PROJECT ESTIMATE Continuous Welded Rail Renewal Project

Material	Units	Unit Cost	Total	
New AREMA Spec Rail	112,000 LF	\$30.00	\$3,360,000.00	
Cut Spikes	156,000 EA	0.75	\$117,000.00	
Tie Plates	10,000 EA	\$12.00	120,000.00	
Unit V Drive-on Rail Anchors	133,500 EA	\$3.00	\$400,500.00	
	ı	Material Total	\$3,99 <i>7</i> ,500.00	
Construction	Units	Unit Cost	Total	
Unloading of Rail	1 EA	\$0.00	\$0.00	
Mobilization of Production Rail Gang	1 EA	\$0.00	\$0.00	
CWR Installation	112,000 LF	\$0.00	\$0.00	
Renewing Track Surface Post-Production	40 days	\$0.00	\$0.00	
, and the second	Cons	truction Total	\$0.00	
Project Total: \$3,997,500.00				

^{*} This application requests an award of KSLIP funds for <u>materials only</u>. All construction costs will be paid by P&L without KSLIP funding assistance.

REQUIRED ANNUAL AFFIDAVIT FOR BIDDERS, OFFERORS, AND CONTRACTORS Continuous Welded Rail Renewal Project

Please see attached affidavit.



Required Affidavit for Bidders, Offerors and Contractors (KRS 45A.110 & 45A.115)

Affidavit Effective for One (1) Year from Date of Execution

Instructions: Pursuant to KRS 45A.110 and 45A.115, a bidder, offeror, or contractor ("Contractor") is required to submit a Required Affidavit for Bidders, Offerors, and Contractors to be awarded a contract, or for the renewal of a contract. An authorized representative of the contracting party must complete the attestation below, have the attestation notarized, and return the completed affidavit to the Commonwealth.

Attestation

As a duly authorized representative for the Contractor, I swear and affirm under penalty of perjury, that that the Contractor has not knowingly violated campaign finance laws of the Commonwealth of Kentucky and that the award of a contract will not violate any provision of the campaign finance laws of the Commonwealth. For purposes of this attestation, "Knowingly" means that the bidder or offeror is aware or should have been aware of the existence of a violation. The bidder or offer understands that the Commonwealth retains the right to request an updated affidavit at any time.

understands that the Commonwealth retains the right to request an updated arridavit at any time.					
del (.	Pasty	Floyd C. Bishop, IV			
Signature		Printed Name			
SVP - Chief Operating	ng Officer	July 11, 2025			
Title		Date			
Bidder or Offeror Name:	Paducah & Loui	sville Railway, Inc.			
Address:	200 Clark Stre	et			
	Paducah, KY 42	2003			
	80				
Commonwealth of Kentucky V	endor Code (If kno	wn):			
·	•	,			
Subscribed and sworn to before	ore me this	day of July , 2025.			
State of: KYNP87396					
County of: McCrackeen My Commission Expires: 04-09-2028					
GI Dt. Fl					
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