
Townline Rail Terminal, LLC

Initial Meeting and Presentation with the Office of Environmental
Analysis (“OEA”)



THURSDAY, DECEMBER 9, 2021

Who we are and what do we do?

- Townline Rail Terminal, LLC (“Townline” or “TRT”) was established in 2021 to become a common carrier railroad.
- TRT is an affiliated entity of CarlsonCorp, Inc. (“Carlson”) - established in 1997.
- Carlson operates a NYSDEC permitted transfer facility on the property for the recycling and processing of RUCARBS (Recognizable Uncontaminated Concrete, Asphalt pavement, Rock, Brick, and Soil), woody yard waste, un-adulterated wood, yard waste, and horse manure.
- Carlson operates a MSW transfer station at the Brookhaven Town Landfill in Yaphank, New York. This MSW is transported to a Covanta Energy waste-to-energy facility.
- Carlson also is the main transporter of incinerator ash for Covanta Energy on Long Island, New York to its final landfill destination at the Brookhaven Town landfill.

Why do we want to construct a line of railroad?

- At the end of 2024, the last remaining landfill that is on Long Island is slated to close. This landfill receives incinerator ash, a byproduct from Covanta Energy's waste-to-energy facilities. It also receives construction and demolition ("C&D") debris from various sources.
- When the landfill closes, there are only two viable options to remove this ash from Long Island – rail or truck (tractor trailer or triaxle trucks).
- The goal of Townline is to help facilitate the movement of this incinerator ash off Long Island while minimizing truck traffic on local roadways.
- Townline also plans to ship goods and commodities via rail which is not readily available in the area.

Switch location

- Central Development Partners, LLC, Southwell Development Partners, LLC, and Short Street Development, LLC (hereby referred to as “Development”) own approximately 82 acres in which Carlson currently operates .
- Townline intends to develop Development’s northern most property boundary line which runs parallel to the LIRR Port Jefferson Line.
- New York & Atlantic Railway runs the short line railroad on this main line and has entered into an agreement for the installation of a new switch and rail spur onto Development’s property.
- See next two slides for engineers drawing of switch location and rail terminal facility. The “common carrier” line will be the rail line closest to the LIRR line. The other tracks will not be common carrier track and are included only for conceptual purposes.

Switch Location (cont'd)



Current Land Use and Town Involvement

- Currently the land owned by Development is being used for the processing and recycling of RUCARBS, woody yard waste, un-adulterated wood, yard waste, and horse manure.
- Development and Carlson have been in constant contact with the Town of Smithtown which has local jurisdiction over the property.
- The Town is currently in process of creating a new master plan for the Township and has included in it the potential for a rail site on Development's property.
- The Town has received engineer generated drawings of the proposed rail site and has provided feedback as to how they would like the rail to be laid out (drawings provided on previous slides are the Town's preferred layout).

Lease and Operation of Rail

- Townline will lease the related property in which the rail is constructed from Development.
- As part of Townline's lease, it will have full access in and out of the property as well as full rights for constructing a rail line and additional tracks if desired.
- Carlson has a preexisting lease with Development for the property for its current operations.
- Townline will operate the rail line.
- Townline will serve the related permitted transfer station(s) and provide loading/unloading operations(s) related to the rail.

Customers

- Carlson and Covanta Energy will be the main customers. Carlson and Covanta plans to use the rail to help facilitate the removal of incinerator ash from Long Island.
- Carlson will also use the rail to help remove C&D debris off Long Island.
- Concrete and asphalt plants can use the rail site for the delivery of aggregates that are essential to their production.
- Lumber yards
- Car dealerships

Summary

- Townline and Carlson understand the need to move certain materials off Long Island that would not be cost effective to truck to different states for proper disposal.
- Using rail to move this material is much cleaner for the environment than adding additional trucks to the road.
- The Town that has jurisdiction over the proposed site understands the need and the benefit of adding a rail site in its Township as the Town owns an incinerator plant that Covanta Energy operates which generates this ash byproduct that must be landfilled.