



Northeastern Nevada Regional Development Authority
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Railport to create a new plan, fresh marketing

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After two years of slow growth at Northeastern Nevada Regional Railport & Industrial Park, Elko County business officials have hired two outside consultants to develop a master plan and shore up marketing efforts for the property 4.5 miles east of Elko.

The 60-acre Northeastern Nevada Regional Railport has gained just three tenants since its much-ballyhooed grand opening in spring of 2010. Those tenants, Pacific Steel and Recycling, SAS Global Corporation and National Oilwell Varco, as well as Liebherr Mining Equipment, which is located immediately adjacent to the railport, have spent no small amount of money adding basic services such as fire suppression to their sites, says Pam Borda, executive director of the Northeastern Nevada Regional Development Authority.

And without the extensive infrastructure development typically found at industrial parks, adding new businesses to the railport has proven extremely difficult, Borda admits.

“We have learned some very difficult lessons – it was just raw land and was not shovel-ready,” she says.

The first step for Jack Gilmore, principal with Gilmore Parsons Land Design Group of Phoenix, and Ross Graves, partner with ASW Realty Partners of Vail, Colo., is to develop a plan for shared services that could defer costs to new users and help pay back exiting tenants for money they’ve already spent on fire suppression, Graves says.

“The railport is kind of floundering,” he says. “It is kind of stuck.”

“When it opened, railport users were buying land as-is. There is nothing wrong with that, but water, sewer, power, and gas – these are all things normally provided when someone buys property in an industrial park.”

Graves, who specializes in development of industrial parks, says costs for adding fire suppression to each existing business has run into the \$700,000 to \$800,000 range, a huge expense that’s been holding up further development of the railport. The two consultants plan to form a property management group so that new users can tap into existing infrastructure already paid for by current tenants and pay back those tenants for a portion of the development.

“With some engineering design, we can upsize a few of those systems to take care of the entire railport,” he says. “That way all the landowners can benefit from the original investment. With shared infrastructure, we may be able to lure more smaller light-industrial tenants.”



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Graves and Ross currently are working on aspects of financial feasibility at the railport and will present their plans for advancing development opportunities at the site to the Elko County Board of Commissioners in late June or July, Graves says.

Enhancing the plan for the Northeastern Nevada Regional Railport also will allow development on both sides of the Union Pacific railroad tracks at the site, though a rail crossing would have to be built.

There are about 140 acres within the existing railport north of main Union Pacific line, Graves says. Of that acreage, NOV has about 20, SAS Global has 30 acres, and Pacific Steel has roughly 44. Savage Services provides shortline rail service to connect users with the Union Pacific mainline.

Borda say that property at the railport will be much easier to market if there's greater infrastructure development.

"It will give us a lot more property that is marketable and will be marketed under one person instead of individuals." She says. "We will know exactly what we can market and what the prices are."