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Who's Who in the Industry

Railroad Industries Incorporated utilizes a broad pool of expertise to meet the goals of our clients. We have assembled an excellent team of Railroad Training professionals to help you meet FRA regulatory standards.

Charles Weart- Senior Associate, Operations and Training

Mr. Weart has over 50 years of rail experience, specializing in intermodal, operations, safety, and training. He is an FRA regulations and compliance guru, as well as master instructor for all areas of railroad safety, locomotive engineering, haz-mat, and operations. He has written procedures, rules, timetables, filings, and FRA compliant regulations for all aspects of rail and intermodal operations. Mr. Weart joined RII in 2000, bringing his vast attention to detail and technical documentation skills to our pool.

Morris "Mac" McManus - Senior Associate, Operations and Training

Mr. McManus has over 50 years of industry experience he employs to provide rail related training and operations expertise to the Railroad Industries team. His experience with rail operations and ideal rail conditions is used to inspect facilities and track to determine maintenance budgets and costs.

William Goldsberry - Associate, Operations and Training

Mr. Goldsberry comes to RII with over 35 years of rail experience and has been utilized by Union Pacific Railroad as Classroom Instructor for Remote Control Operators and Management. He has worked as a Switchman and Yardmaster and also brings with him over 18 years of experience in Heavy Diesel and Machine Shop with a wide range of experience as a Technician, Supervisor and Manager both conceptual and technical.



Richard Mitchell - Associate, Operations and Training

Mr. Mitchell has over 40 years of experience in the rail industry including operations, mechanical and track expertise. He is a certified DSLE and is familiar with all aspects of GCOR, NORAC, CFR, and FRA regulations. He has experience with Class I and short line operations and safety practices.

Milton Burgess - Associate, Operations and Training

Mr. Burgess employs over 30 years of rail operations expertise in projects with RII. He has experience in management of short line railroads, is a certified DSLE and is familiar with all aspects of railroad filings, rules and regulations.

1945 Railroad Slang.
How many do you know? Hint: All are Railroad Personnel

1. AIR MONKEY
2. ASHCAT
3. BIG E
4. BIG O
5. BRASS BUTTONS
6. BUG SLINGER
7. CHAIN GANG
8. CHERRY PICKER
9. DOGCATCHERS
10. GANDY DANCER
11. GROUNDHOG
12. IRON SKULL
13. MOVING SPIRIT
14. MUCKERS
15. MUD CHICKENS
16. RAG-WAVER
17. ROUGHNECK
18. SNAKE
19. SNIPE
20. STINGER
21. SWELLHEAD
22. WHEEL MONKEY
23. ZOO KEEPER

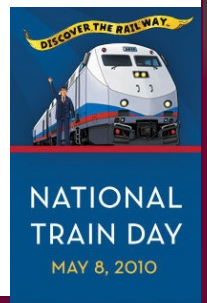
Answers on back page

Safety Corner

Operation Lifesaver

Kids Safety Faire - The month started off on May 1st with a great safety message as RII Operation Lifesaver volunteers supported a booth at the Health and Safety Kids Fair in Sun Valley, NV. The event reached over 200 people at the Community Center, with a special Transportation section featuring OLI's railroad safety, big rig trucking safety, fire departments, law enforcement and emergency response transportation.

Reno Rail Days - The First Annual Reno Railroad Days was held at the Amtrak station in downtown Reno on May 8, 2010 and RII was there to help, giving presentations and talking with the people about rail safety. This event was part of a nationwide event commemorating 141 years of connecting travelers from coast to coast. National Train Day is a celebration of all things rail and aims to educate and excite the public about the benefits of train travel. Next year's event will be held on May 7, 2011, so come out in support of Trains!



The American Short Line Rail Road Association's Annual Convention was May 1-4 in Orlando, FL. The theme was Connections in a spirit of bringing together the diverse network of Class I's, short line railroads, shippers and communities that make the entire rail system work. This was a noble sentiment after a harsh year for everyone, and all parties were please to see traffic starting to slowly pick back up again. The event featured educational workshops and great keynote speeches, as well as safety awards, charity raffles and updates on new regulations and tax credits/funding in the works. Look forward to next year's event in San Antonio!



The National Association of Rail Shippers held its Annual Convention May 25-27 in Washington, DC. Titled "Route to Recovery," the event focused on new regulatory changes, economic situation and new funding incentives for the upcoming year. Activities included presentations from a wide array of shippers and rail industry organizations, including a railroad session for shippers owning their own railroads. A special highlight included numerous annual awards and recognitions in the industry, including Person of the Year Award to Ms. Jenny Krueger of Plum Creek, shown here with Mr. Alan Roach, NARS President.



Upcoming Events

- June 3rd - 4th - Second Annual Geothermal Energy Managing Technical & Financial Risk in Project Management
- June 6th - 8th - IEDC "How You Build It" 2010 Conference in Oklahoma City, OK
- June 6th - 9th - American Railway Development Association (ARDA) 2010 Annual Meeting Savannah, GA
- June 9th - 10th - Commercial Marine Expo (formally Fish Expo Atlantic) in New Bedford, MA
- June 14th - 16th - Bus Rapid Transit World USA in Boston, MA
- June 17th - 18th - High Speed Rail 2010, Los Angeles, CA
- June 21st - 23rd - 8th Annual 3PL Summit and Chief Supply Chain Officer Forum in Atlanta, GA
- June 27th - 29th - American Association of Railroad Superintendents (AARS) 114th Annual Meeting in Alexandria, VA
- July 11th - 13th - 24th Annual Midwest Regional and Short Line Railroad Conference in Brainerd, MN
- July 12th - 13th - Midwest Association of Rail Shippers Meeting in Lake Geneva, WI
- Aug. 29th - Sept. 1st - American Railway Engineering and Maintenance-of-Way Association 2010 Annual Conference & Exposition in Orlando, FL

CLIENT SPOTLIGHT

DRAKE CEMENT LLC



Welcome to a new railroad!

Drake Cement LLC has recently opened its new plant in Paulden, AZ. This facility includes a segment of track serving the Drake facility, and there are plans to develop additional industries in the near future. Therefore, the company has just created the Drake Switching Company (DSC) to serve Drake Cement and future customers. This railroad will interchange with BNSF Railway.

Currently, RII is assisting Drake with the training of its new rail operating personnel, filing of all railroad start up paperwork with STB, FRA and AAR, and developing the agreements with connecting railroads. The segment of line also connects with Arizona Central Railroad (AZRC), but AZRC will continue to interchange with BNSF directly for now through a trackage rights agreement.



MaineDOT

DOT Junction

The Maine Department of Transportation is currently completing its due diligence and is in negotiations to acquire over 233 miles of rail line currently petitioned for abandonment by the Montreal, Maine & Atlantic Railway (MMA). The MMA line runs along the Bangor & Aroostook Trade Corridor along Interstate-95 and is considered the most important north/south logistical link in this region of Northern Maine. The rail line runs through two counties, from Millinocket to Madawaska, and serves over 20 active shippers. Maine DOT is concerned that the loss of this rail asset will harm the economic viability of this portion the state with the possible loss of roughly 1,700 jobs.

Maine DOT hired RII to complete the due diligence necessary for the State to determine if the operation could be a viable business if acquired. To date, RII has run numerous economic scenarios based on in-depth shipper interviews and financial reviews of current and proposed operations, has developed a profitable operation plan, has completed a track inspection and Net Liquidation Valuation and is assisting the State during the STB filing and negotiation processes to acquire the line.

RII looks forward to the creation of yet another new railroad in the near future, and is assisting Maine with the development of an operator RFP.



SwitchPoint SwitchPoint

Last issue's Topic:

Private Equipment on the Railroads - Some railroads are charging extra fees for using private equipment on rail lines now that so many cars are in storage. This covers the railroads' equipment costs for the non-utilized equipment by charging the extra fees only to customers not using that equipment.

Comment 1: Railroad rates are based on recapturing their costs of operation. If they have costs associated with equipment, they will be incorporated into the rates. If they have unutilized equipment, this is a cost that will be incorporated. By charging the extra fee only to customers who do not use their equipment (creating the extra costs for railroads), it keeps the rates lower for customers who do use the equipment. Otherwise, everyone would be paying the higher rates.

Comment 2: Railroads charging additional fees when shippers use their own equipment! This could only happen in an industry where there is not enough healthy competition to keep railroads improving service rather than continually reducing it for the average shipper. Their customers are no less than hostages.

Comment 3: The railroads spent a lot of money to supply the equipment for the shippers to use and now that traffic is down, no one wants to use it. It's totally fair and only makes business sense for them to charge a little extra for private cars being used on their lines. Remember this freight is moving on private property, not public roadways.

Comment 4: The railroads will find any reason to add on extra charges.

Comment 5: I see the railroads getting as much as they can - any way they can - before some regulations inhibit their ability to do so. The time is coming for at least some moderate regulation, so why would the railroads not maximize profits and revenue while they still can?

Comment 6: Railroads should not be charging customers to make up for their own non-utilized equipment. Too many shippers were forced to purchase their own equipment when the railroads did not have enough cars available a few years ago. Why should these same shippers now pay again for what was supposed to be the railroad's responsibility?

(Comments are posted on behalf of respondents, and do not represent the position or opinions of RII or its officers, employees or associates. Comments are edited for appropriateness and selected by the editor. Not all comments can be posted in the print issue.)

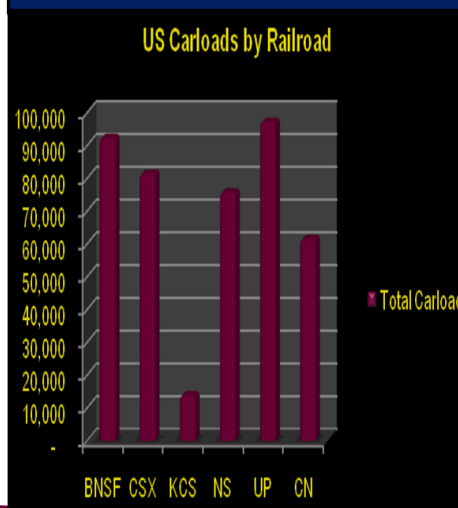
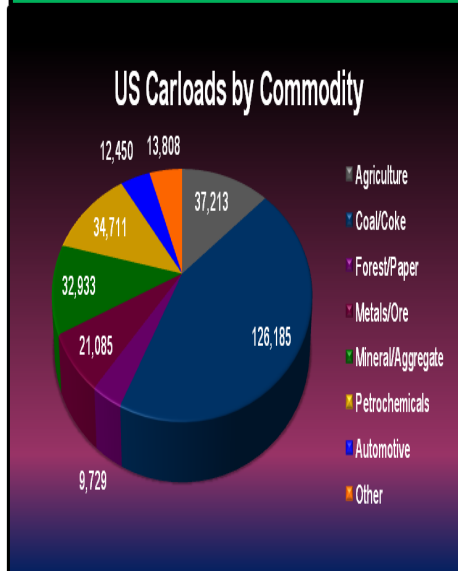
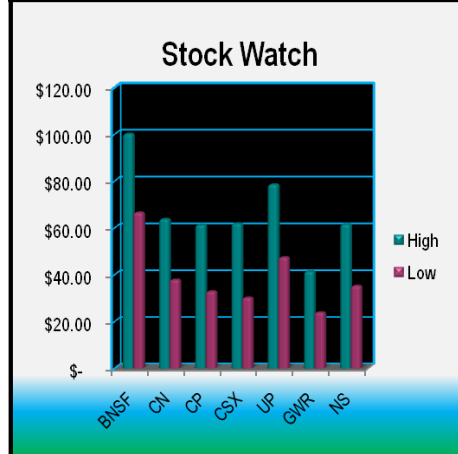
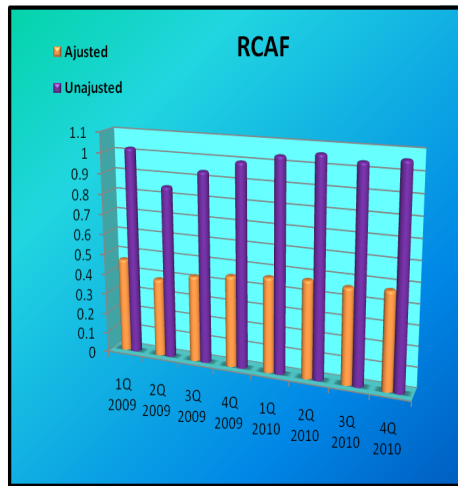
This Month's Topic

Passenger trains on freight rail tracks

There is a growing push to allow shared passenger and freight operations on the same tracks. As transportation needs for people increase, communities are looking at existing rail assets as a way to expand transportation/transit services rather build anew. However, passenger and freight transportation each have very different types of operations. Developing operating plans that allow efficiency for both groups is challenging to say the least, and flatly opposed in many circumstances.

What do you think about this growing trend?

Please send Responses to hah@railroadindustries.com.



Service Highlight

Logistics Services

RII has helped shippers solve their transportation issues quickly and efficiently for over 26 years by providing rate negotiations, set up with new carriers, rate comparisons between carriers, alternative routing, location of sidings and transloads, transportation costing and planning, equipment issues, tracing and in transit exception solutions. Let us put our experience to work for you so you can focus on your industry. RII is able to study and access problem areas to develop cost savings strategies and negotiate win-win savings for you, your customers and the railroads.



Railroad Industries Incorporated
Full Service Transportation Consulting



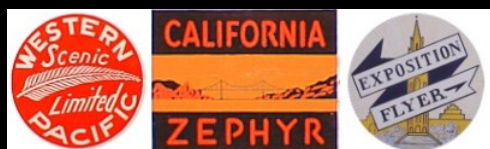
I ♥ Rails

1945 Rail Slang Answers!

1. AIR MONKEY - Air-brake repairman
2. ASHCAT - Locomotive fireman
3. BIG E - Engineer, so called from the large initial on membership buttons of the Brotherhood of Locomotive Engineers
4. BIG O - Conductor; so named from first initial in Order of Railway Conductors.
5. BRASS BUTTONS - Passenger conductor on railroad or streetcar line
6. BUG SLINGER - Switchman or brakeman
7. CHAIN GANG - Crew assigned to pool service, working first in, first out
8. CHERRY PICKER - Switchman, so called because of red lights on switch stands
9. DOGCATCHERS - Crew sent to relieve another that went over allowed Hours of Service
10. GANDY DANCER - Track/maintenance of way worker
11. GROUNDHOG - Brakeman, yardmaster, or switch engine
12. IRON SKULL - Boilermaker
13. MOVING SPIRIT - Train dispatcher
14. MUCKERS - Excavators in construction work
15. MUD CHICKENS - Surveyor. Mudhop is yard clerk, mudshop his/her office
16. RAG-WAVER - Flagman
17. ROUGHNECK - Freight brakeman
18. SNAKE - Switchman, so named from the large serpentine letter S on membership pins of the Switchman's Union of North America.
19. SNIPE - Track laborer. His boss is a king snipe.
20. STINGER - Brakeman. Derived from initial B(ee) of Brotherhood of Railroad Trainmen
21. SWELLHEAD - Conductor or locomotive engineer
22. WHEEL MONKEY - Car inspector
23. ZOO KEEPER - Gate tender at passenger station

Source: 1945 Railroad Avenue by Freeman H. Hubbard

Western Pacific Reunion



On May 22nd in Stockton, CA, Western Pacific Railroad held its annual reunion. RII's WP veteran, Gary V. Hunter attended and was pleased to see so many old friends. The festivities included old WP stories, a raffle, luncheon, social gatherings and a tribute to all those WP friends lost during the year but never forgotten. RII would like to give a special tribute to Ken Meeker, son of WP veteran Harold Meeker, who has been a long time Consultant Associate of RII. The event boasted approximately 100 people. The special speaker for the event was Earl T. Roider, who is an avid Operation Lifesaver Presenter and supporter, which everyone knows is close to RII's heart. Cheer to all of our WP and OLI compatriots, and to a very successful annual reunion!