

You have been sent the ASLRRA newsletter, *Views & News*, in HTML format. If your e-mail viewer will not accept this format, you can view *Views & News* online at:

http://www.aslrra.org/whats_in_the_news/views_and_news/

American Short Line and Regional Railroad
Association

VIEWS & NEWS

VOLUME 73

NUMBER 8

APRIL 17, 2006

**Currently, Railroad
Security Alert Level
2 is in Effect**

Upcoming 2006 Events

(Click on the meeting name for
more information)

2006 Annual Convention
April 23-25
World Center Marriott
Orlando, FL

Railroad Liability
Seminar
July 18-20
Westin Tabor Center
Denver, CO

IN THIS ISSUE

1. [ASLRRA's 2006 Annual Convention Scheduled for Orlando](#)
2. [Congratulations to Our Safety Award Winners](#)
3. [NARS Releases Safety Supervisor Course Schedule](#)
4. [TSA Security Inspector Program Information](#)
5. [TSB Committee Seeking Members](#)
6. [AAR Announces Accountant/Auditor Training](#)
7. [Tips for Drug Testing from Pembroke Occupational Health](#)
8. [A&E Pegged to Run Southern Utah Short Line](#)
9. [Railinc Short Line and Regional Traffic Index](#)
10. [Steelroads Event Reporting – March 2006](#)
11. [RMI Railconnect Index of Short Line Traffic](#)
12. [Railroad Traffic](#)
13. [Embargo Notices and Reroute Orders](#)

Questions? Comments?
E-Mail Us.

ASLRRA'S 2006 ANNUAL CONVENTION SCHEDULED FOR ORLANDO

ASLRRA's Annual Convention will take place April 23-24-25, 2005 at the Marriott World Center in sunny Orlando, Florida. Don't miss out on this opportunity to join hundreds of industry representatives and network at this informative meeting. This year, we have breakout sessions in the following categories: O&M, Legal, Marketing, HR/Administration, Technology and Legislative, as well as a General category. Returning this year is the popular Ask the President session. If you haven't sent in your registrations yet, there's still time to make sure that you don't miss out. For more information on the Annual Convention, or to download registration forms, click [here](#). To register online using our members-only website, click [here](#). The World Center Marriott is sold out, but rooms are available at the nearby Marriott Village at Lake Buena Vista (www.marriottvillage.com). This contains a Courtyard, Springhill Suites and a Fairfield Inn. Call 877-682-8552 to reserve your room.

CONGRATULATIONS TO OUR SAFETY AWARD WINNERS

The ASLRRA would like to offer its sincerest congratulations to the winners of our new and improved safety awards. Amongst the many changes that occurred at your Association in 2005, one of the more visible is the new Safety Award Process.

Beginning with calendar year 2005, the ASLRRA Safety Committee has adopted the following criteria for safety awards:

1. **Jake Award with Distinction** - Awarded to any member railroad that has no reportable injuries and no reportable train accidents.
2. **Jake Award** - Awarded to any member railroad that finished the calendar year with a Frequency/Severity Index (FSI) Rate less than or equal to the industry average.
3. **President's Awards** (one each)
 - Awarded to the member railroad with the most continuous 0.00 FSI years (man hours considered)
 - Awarded to the member railroad with the most hours with a 0.00 FSI
 - Awarded to the member railroad with the most hours below the industry average FSI
 - Awarded to the member railroad in the 250,000+ hours category with the lowest FSI
4. **Most Improved Award**- Awarded to the member railroad with greatest FSI improvement from the previous year. (Must have at least a 50% improvement)

For the 2005 calendar year, there were a record 197 winners of the Jake Award with Distinction, and 45 winners of the Jake Award. Also noteworthy is the fact that four member railroads have gone 31 years without an FRA-reportable accident or an injury. To view a complete list of all winners of ASLRRA safety awards, click [here](#).

NARS RELEASES SAFETY SUPERVISOR COURSE SCHEDULE

The National Academy of Railroad Sciences has released the schedule and other pertinent information for their Safety Supervisor Program. This training program will contain three modules: Operations Testing Excellence, Regulatory Overview and Advanced Safety Concepts. To view detailed descriptions of the modules, click [here](#).

For registration, contact Eric Weber, Sr. Mgr. Safety Training Services at Eric.Weber@bnsf.com or 913-319-2611. For information about the many other training options, visit the NARS website at www.railroadtraining.com.

TSA SECURITY INSPECTOR PROGRAM INFORMATION

The Transportation Security Information recently released information about their Surface Transportation Security Inspection Program. (STSIP) To view the different options available under the STSIP, click [here](#).

TSA also issued these pictures of official TSA Inspector certification and badge. This will facilitate identification of TSA inspectors and also reduce the possibility of any impostors gaining access to railroad lines.



TSB COMMITTEE SEEKING MEMBERS

The Transportation Research Board Committee on Local and Regional Rail Transport (AR040) is looking for members from short line and regional railroads. They should talk to Richard Robey or Gary Landrio at the Annual Meeting or contact:

David B. Clarke, Ph.D., P.E.
Chair, Local and Regional Rail Freight Transport (AR040)
Center for Transportation Research
The University of Tennessee
309 Conference Center Building
Knoxville, TN 37996-4133
(865) 974-4625
(865) 974-3889 FAX

The scope of the committee states: The Committee is concerned with the spectrum of issues related to rail freight transportation on a local and regional basis, as provided by Class II and Class III railroads and the feeder lines of Class I railroads. Among the Committee's areas of emphasis are relationships between railroads, including the impacts of mergers; demand for local and regional freight services, including intermodal traffic; maintaining the long term viability of local railroads; integrating rail transport into state and local transportation planning processes; highlighting private and public investment strategies, including public/private partnerships; assessing regulatory issues and impacts; and promoting implementation of new technology.

AAR ANNOUNCES ACCOUNTANT/AUDITOR TRAINING

The Association of American Railroads (AAR) will hold training sessions for railroad accounting and auditing personnel on June 14-16, 2006, at The Venetian in Las Vegas. These one and one-half day programs, which are open to all railroads and to companies that perform accounting work for railroads, are designed to provide attendees with current information on a range of issues affecting rail industry professionals in the accounting and auditing fields and to provide related continuing education credits. Registration, which will open in a few days, will be available through the AAR's Web site (go to www.aar.org and click on Events in the left hand navigation area). For additional information, please call Beth Eagney at 202-639-2327.

TIPS FOR DRUG TESTING FROM PEMBROOKE OCCUPATIONAL HEALTH

This article is the first in a series contributed by Pembroke Occupational Health, a leading provider of employment-screening services. Founded in 1989, Pembroke uses advanced computer technologies to assist railroads in complying with the FRA's drug testing requirements. Pembroke's proprietary database system provides employers with the ability to efficiently manage their random drug testing programs, monitor their programs for compliance with 49 CFR Parts 40 and 219, and generate extensive statistical reports for inspectors. Through its wholly owned subsidiary, the National Association of Drug-Free Employers ("NADE"), Pembroke currently manages the drug testing programs of more than 70 short line railroads. This article highlights some of the issues that arise most frequently in FRA audits.

1. **Prohibited Conduct** - The FRA is concerned that supervisors often fail to take adequate steps to observe all instances of prohibited conduct. Therefore, carriers should ensure that supervisors are trained to recognize the signs and symptoms of drug and alcohol use and that supervisory observations cover all safety sensitive employees. The "FRA Model Policy for Compliance with Alcohol/Drug Use Regulations" offers useful guidance for smaller railroads concerning what constitutes prohibited conduct under Part 219. It can be found at: <http://www.fra.dot.gov/us/content/504>. Carriers must make employees aware of these prohibitions by providing covered employees with educational materials explaining: (1) the FRA's drug testing requirements, and (2) the railroad's policies and procedures with respect to meeting those requirements.
2. **Pre-Employment Testing** - Carriers with 16 or more covered employees are required to conduct pre-employment drug tests and are authorized (but not required) to perform pre-employment alcohol tests. Carriers who are required to perform pre-employment drug tests under Federal authority must receive a negative test result on every applicant or transfer employee before permitting the employee to perform covered service. Carriers with 15 or fewer covered employees are exempt from federal pre-employment testing requirements, but can do pre-employment testing under company authority.
3. **Post-Accident Testing** - Post-accident testing is required of all railroads. The FRA's post-accident testing requirements include, but are not limited to, ensuring that: (1) required training is accomplished and documented, (2) FRA post-accident kits are up to date and available, and (3) selected collection sites are ready to perform if called upon.
4. **Random Testing** - Carriers with 16 or more covered employees are required to conduct random testing, and must have FRA approved drug and alcohol random plans on file with the FRA. Carriers with 15 or fewer covered employees are exempt from Federal random testing, but can do random testing under company authority.
5. **Reasonable Suspicion Testing** - Reasonable suspicion testing is required of all railroads, and supervisors should be mindful that reasonable suspicion mandates a Federal test.
6. **Identification of Troubled Employees** - Railroads with 16 or more covered employees must have a general policy for identifying troubled employees, a voluntary referral policy, and a co-worker referral policy. FRA inspectors will make these topics an area of emphasis during carrier audits.

7. Use of Correct Forms - Carriers should ensure that Federal forms are used to document Federal tests, and non-Federal forms are use to document tests done under company authority.

Questions about any of these topics may be directed to: Heather M. Harvey, Compliance Director, Pembroke Occupational Health, 2307 N. Parham Road, Richmond, VA 23233, (800) 733-1676, ext. 124, hharvey@pembroke.com.

A&E PEGGED TO RUN SOUTHERN UTAH SHORT LINE

The Albany and Eastern Railroad Company of Lebanon, Oregon, has been selected by Palladon Ventures Ltd. to operate Palladon's short line railroad serving the Iron Mountain project near Cedar City, Utah.

Palladon and A&E will independently operate the 14.4-mile short line railway, which runs from the mouth of the Comstock / Mountain Lion iron mine to Iron Springs where it connects with the Union Pacific Railroad's main line. Palladon is currently building interchange tracks at Iron Springs, where unit trains from the mine will be interchanged with empty trains returning to the mine for re-loading. A&E will also perform ongoing maintenance and rehabilitation of the short line in anticipation of new railcar deliveries commencing in the summer of 2006. Palladon is currently assembling iron ore processing equipment and is preparing for construction of plant facilities.

Mike Root, President and owner of A&E, will delegate management of his 67-mile Oregon railroad to experienced A&E personnel, and will relocate and establish permanent residence in Cedar City from where he will personally manage administrative functions for both the Palladon and A&E Railroads. Mr. Root began his railroad experience with the Union Pacific Railroad while a college student and has 26 years' experience in the short line business as an owner-operator.

Don Foot, President and COO of Palladon Ventures stated, "Our goal for this project is to engage experienced, professional individuals and organizations in whom we have confidence and with whom we can form a close partnership. Mike Root and Albany and Eastern railroad will be that kind of partnership. Their experience will assure the successful implementation of our short line."

Palladon Ventures Ltd. is a junior resource company focused on the exploration and development of mineral resource projects worldwide. Development stage projects include the Western Utah Copper Project near Milford, Utah, the Iron Mountain project near Cedar City, Utah, in addition to gold exploration projects in Nevada and Argentina.

RAILINC SHORT LINE AND REGIONAL TRAFFIC INDEX

In March, the number of carloads moved on short line and regional railroads increased by 3.8% in comparison to March of 2005. The fastest growing commodity was Petroleum Products at 38.6%, followed closely by Coal at 36.9% and Waste and Scrap Materials at 33.3%. This index is compiled by Railinc as a service to the industry.

For more information on Railinc, please visit www.railinc.com.

Carloads, by commodity	Carloads Originated March '06	Carloads Originated March '05	% Change
	(Based on 499 railroads)	(Based on 477 railroads)	
Chemicals	40,199	33,991	18.3%
Coal	26,529	19,380	36.9%
Crushed Stone, Sand and Gravel	21,779	17,392	25.5%
Food and Kindred Products	14,822	13,016	13.9%
Grain	35,974	25,511	41.0%
Grain Mill Products	8,894	7,981	11.4%
Lumber and Wood Products	21,959	24,217	-9.3%
Metallic Ores	4,045	10,303	-60.7%
Metals and Products	33,818	27,867	21.4%
Motor Vehicles and Equipment	11,313	9,578	18.1%
Nonmetallic Minerals	3,827	3,355	14.1%
Petroleum Products	2,275	1,641	38.6%
Pulp, Paper, and Allied Products	29,108	26,641	9.3%
Stone, Clay and Glass Products	17,662	16,693	5.8%
Trailer or Container	47,666	50,095	-4.8%
Waste and Scrap Materials	14,644	10,988	33.3%
All Other Carloads	103,612	123,631	-16.2%
Total	438,126	422,280	3.8%

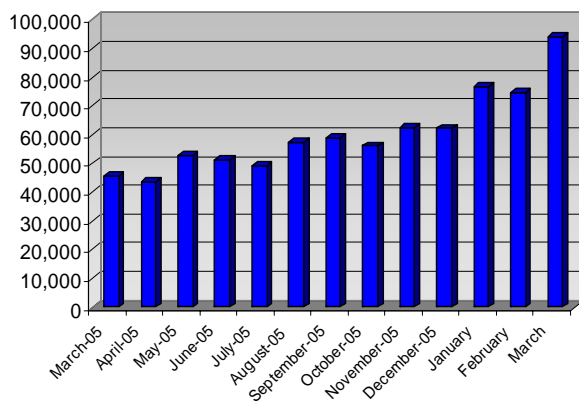
STEELROADS EVENT REPORTING – MARCH 2006

Steelroads Event Reporting continues to grow as one of the industry’s preferred methods of reporting rail events and providing shipment visibility. This March, Short Line and Regional Railroads reported over 94,000 events, well over double the number of events reported in March of 2005!

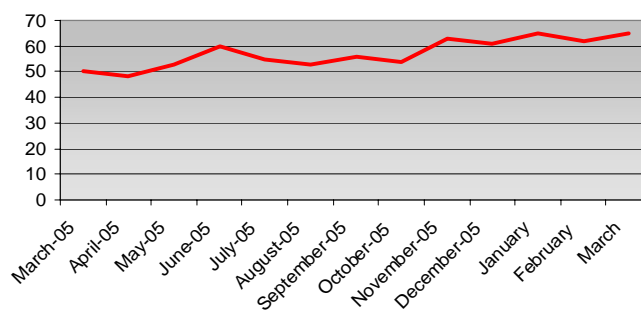
The Steelroads Event Reporting system provides a simple method for users to record rail events such as interchanges and placements. Reporting these critical events helps to keep your records current and provides enhanced satisfaction to your customers by offering additional shipment visibility.

Get started today by logging onto www.steelroads.com and clicking on Become a Member.

Events Reported via Steelroads
2005-2006



Number of Active Railroads

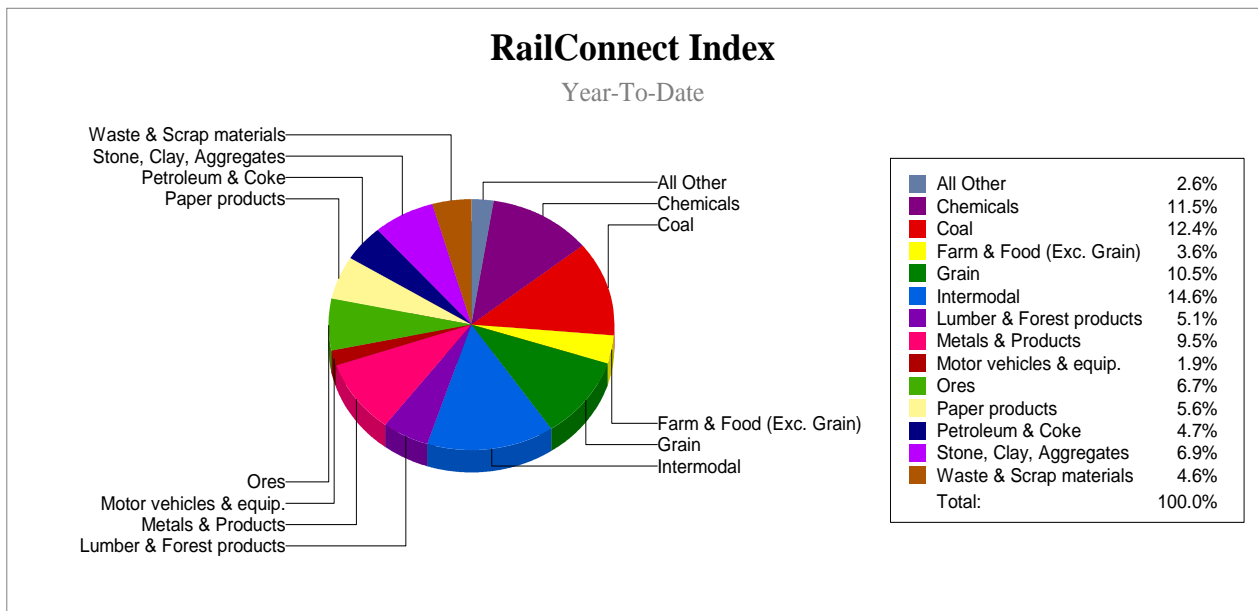


RMI RAILCONNECT INDEX OF SHORT LINE TRAFFIC

For the week ending: 4/01/2006

Number of Railroads: 256

	Current Week			Year-To-Date		
	2006	2005	% Change	2006	2005	% Change
Carloads Handled						
Coal	15,728	14,340	9.68%	189,184	180,298	4.93%
Grain	13,192	11,903	10.83%	159,939	151,467	5.59%
Farm & Food (Exc. Grain)	4,325	4,123	4.90%	55,326	50,441	9.68%
Ores	8,591	9,073	-5.31%	102,491	116,489	-12.02%
Stone, Clay, Aggregates	8,775	8,885	-1.24%	106,254	95,985	10.70%
Lumber/Forest Prods.	6,653	6,486	2.57%	77,963	75,233	3.63%
Paper Products	7,121	7,368	-3.35%	85,405	86,408	-1.16%
Waste & Scrap Materials	5,682	5,131	10.74%	70,016	67,738	3.36%
Chemicals	14,090	14,488	-2.75%	175,305	177,760	-1.38%
Petroleum & Coke	6,019	5,364	12.21%	71,202	70,524	0.96%
Metals & Products	12,525	11,314	10.70%	145,828	145,294	0.37%
Motor Vehicles & Equip.	2,717	2,002	35.71%	28,612	28,339	0.96%
Intermodal	18,601	15,513	19.91%	222,958	206,469	7.99%
All Other	3,320	3,119	6.44%	39,579	40,926	-3.29%
Total	127,339	119,109	6.91%	1,530,062	1,493,371	2.46%



RAILROAD TRAFFIC

According to the AAR, U.S. carloads were down 0.1 percent in the week ending April 8 2006, with 335,145 cars originated, compared to 335,600 cars originated in 2005. Carloads for U.S. non-Class I's that submit data to the AAR were down 12.6 percent for the week and 5.3 percent for the year to date. U.S. intermodal traffic was up 8.7 percent for the week and 5.8 percent for the year to date. U.S. and Canadian intermodal traffic is up 5.7 percent for the year. Total volume is up 1.8 percent for the year, with an estimated total of 462.5 billion ton-miles.

For just the week ending April 1, 2006, U.S. carloads were up 0.6 percent and carloads for U.S. non-Class I's that submit data to the AAR were up 1.5 percent. Carloads were up 16.8 percent in the East and 1.5 percent in the West. U.S. intermodal traffic was up 11.0 percent for the week.

EMBARGO NOTICES & REROUTE ORDERS

A complete listing of embargo notices is available at embargo.railinc.com.

American Short Line and Regional Railroad Association
50 F Street, N.W., Suite 7020, Washington, DC 20001
(202) 628-4500 FAX (202) 628-6430 aslrra@aslrra.org