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American Short Line and Regional Railroad Association

# VIEWS & NEWS

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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

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Questions? Comments?  
E-Mail Us.

## **STB ANNOUNCES SECOND QUARTER, 2006 RCAF**

The Surface Transportation Board has released its three Rail Cost Adjustment Factors (RCAF) for the Second Quarter, 2006.

The Second Quarter, 2006 RCAF-Unadjusted is 1.178, an increase of .1% from the First Quarter, 2006 RCAF of 1.177. The RCAF-Adjusted is 0.562, a decrease of .4% from the First Quarter, 2006 RCAF-Adjusted of 0.564. And the RCAF-5 is 0.537, a decrease of .7% from the First Quarter, 2006 RCAF-5 of 0.541.

Additional information about the Second Quarter, 2006 RCAF may be found on the STB website [here](#).

## **OVERCHARGE CONFERENCE SET FOR ATLANTA**

Norfolk Southern and RMI will host a Rail Industry Overcharge Claim Conference April 20 and 21 in Atlanta, GA. The two-day conference will cover industry issues related to misroutes, deprived revenue, Interline Settlement System (ISS) adjustments and customer claims. Discussions are planned such as will help resolve issues, review interpretations, improve communications and help reduce claim handling. The conference organizers encourage key Class 1, regional and short line personnel involved with these matters to attend.

The conference will be held on Thursday, April 20 from 8:00AM until 5:00PM and Friday, April 21 from 8:00AM until 2:00PM. For further information, please email RMI's Cheri Denton at [cherid@railcarmgt.com](mailto:cherid@railcarmgt.com) or NS's Michael Harwell at [mdharwel@nscorp.com](mailto:mdharwel@nscorp.com).

## **ASLRRRA ADVISORS HONORED**

ASLRRRA's financial advisors, Mike Hudson and Mark Medlin, have been nominated as financial advisors of the year by PlanSponsor Magazine in the small business asset range. Mark and Mike work for CapTrust Financial Advisors of Raleigh, NC and manage the association's 401K program.

CapTrust's leading financial services are available to ASLRRRA members.

For more information, click [here](#).

## **NARS PROVIDES AVENUE FOR NEW CAREERS**

Robert Wagner still wears his hair in a tight military cut, but he recently retired from the Air Force to pursue a new career: railroading. So Wagner, 38, from Clovis, New Mexico, paid his way here to the National Academy of Railroad Sciences (NARS). It is one of the few schools in the nation dedicated to teaching life on the rails. The academy, part of Johnson County Community College, in Overland Park, Kansas, offers courses for conductors, signalmen, welders, and even an associate's degree in railroading. Wagner wants to be a conductor – the No. 2 person on a locomotive, the one who handles the paperwork and unhooks boxcars. A father of two, he was attracted by a starting salary that can top \$60,000 a year.

The job might seem like a relic from a different era, back when railroads were shaping the American West and transforming dusty spots on the Prairie into boomtowns. But railroads such as BNSF and CSX have been hiring at a frenzied pace. The industry estimates it needs to fill 80,000 railway jobs – mostly conductors – in the next few years due to growth in freight hauling and recently relaxed retirement rules.

Yet finding new hires, even for these good-paying, blue-collar jobs, hasn't been easy. Perhaps the biggest obstacle is people's perception on the railroad. "People think of Amtrak. And they hear Amtrak is going out of business," said Jeffrey Abbott, director of training services at NARS. "They don't think of the railroad as being an industry that's a viable career."

To lure workers, railroads have resorted to unfamiliar recruiting tactics. NARS runs ads in movie theaters. They send out direct-mail fliers, including a blanketing of the Saint Louis region in recent months. They target high school counselors and workers at shuttered factories, such as the Ford plant in Hazelwood, north of Saint Louis. Staff members were there last month and plan to return in April.

NARS hopes to attract workers who never considered railroads or never thought they could get hired on. Wagner was one of them. "I thought you had to have a father or brother working on the railroad to get a job," he said.

The results are changing the face of railroads. That was on display recently in Classroom 106, where Wagner took note on the day's lesson: how to stop a locomotive. Instructor Mark Williams threw a heavy black lever on an old locomotive control stand sitting in the corner. "That's how you set the emergency brake," he told his 24 students. When that happens, a burst of air escapes from the brake line. "All of you who live in railroad towns have heard that before – the psoooshhh."

A couple of years ago, most of Williams' students were in their early 20s. Now he sees more gray hair – students like Steve Burrus, 43, who lives in Amarillo, Texas, and used to work for Phillips Petroleum. And there are more students looking for second careers. Gary Reid, 47, came to NARS after his employer, an Oklahoma plastics plant, closed its doors in November and he lost his machinist's job.

There are more women and minorities entering an industry still dominated by white men. In Williams' class, there were five minority students and one woman, a 17-year-old from Olathe, Kansas. Williams said his classes usually have two or three women.

Before coming to NARS, Mark Brimall, 29, was studying to be an architect and helping build houses near his home in Chandler, Arizona. But business was dying, and he decided to try railroading. "But a lot of my co-workers thought I was crazy," Brimall said.

Mike Nunnick, 27, ended up in Williams' class after leaving the Army in January and returning to find few job prospects near his home in Shawnee, Kansas. "There are no jobs to be had, unless you want to make \$6 an hour flipping hamburgers," Nunnick said.

In addition to class instruction, NARS has a training rail yard with three locomotives and 16 boxcars. It is operated by BNSF Railroad. But students in the six-week conductors class receive no job guarantees and pay tuition, ranging from \$4,400 to \$5,400. Other railroads hire from their ranks. BNSF just gets first dibs. Although the community college offers a two-year railroading degree, not many people stick around to earn it. They take their 16 credit hours and land a job, said Andy Burton, academy director and assistant dean at Johnson County Community College.

Until recently, the nation's railroads were mired in a hiring lull that began with industry deregulation in 1980, when the largest railroads employed a total of 460,000. That was followed by decades of shrinking payrolls due to new technology and company consolidation. By last year, those seven largest railroads employed 165,000, accounting for about 90 percent of all railroad workers.

Now railroads need to hire, thanks to increased demand for coal and overseas goods. Last year, U.S. railroads moved a record-breaking 28.9 million units of freight. And in 2002, new federal railroad pension rules took effect, lowering the retirement age to 60 from 62 for rail workers with 30 years experience, causing older workers to leave the ranks earlier.

While the pay is good, the life of a conductor can be tough. Conductors are on call 24 hours a day and 365 days a year. To drive the point home, NARS does not recognize most holidays. The first day of class for the current group of conductors was Feb. 20 – President's Day. "But the thing is, no one ever quits. No one ever quits the railroad," Williams told his students.

The pay is good, he told them, but the money is not so good that you do it for that alone. You've got to love it too, he said. Because there's nothing worse than getting home after a long day of work, pulling two hours of sleep and being called back in. There are complaints to life on the railroad – the odd hours, working in the harshest weather conditions, Williams said. "But every time I get a class of 30 people in here who want the job I have – who want to be conductors – I feel pretty pleased about that," he said.

## **RAILROAD BUSINESS ON RISE IN PACIFIC NORTHWEST**

Business was up in 2005 for the Portland & Western Railroad line and continues to grow so far this year, according to Bruce Carswell, company president. He said the railroad carried more than 100,000 carloads last year. That's up from 2004, but Carswell would not divulge further business information.

"Lumber movement is up as housing starts nationwide have climbed," Carswell said. "The Northwest is experiencing a healthy growth and we're growing with it."

Lumber hauls are a mainstay for the railroad, whose 520 miles of track run from Astoria to Eugene, as well as spur lines east and west. Wood chips are also hauled in and out of area mills, and Carswell added, "Log movements into southern Oregon have been more active." Other products carried by the railroad include consumer goods, grain, chemicals, aggregates and fertilizers.

The railroad's main switching and sorting site is Albany, where two-thirds of its nearly 200 employees are based. Owned by Genesee & Wyoming, a holding company in Greenwich, Connecticut, the railroad's Oregon business office is in Salem.

Carswell was named president of the railroad in December 2005. He previously worked out of the Salem office in the 1990s. Later, Carswell spent four years with a railroad in Perth, Australia, which is also owned by Genesee & Wyoming.

The railroad has partnerships with the Union Pacific and the Burlington Northern Santa Fe. Loads are sorted in Albany and then distributed to more than 135 customers along the route. "We run 24/7," Carswell said. "If the mills are up and running, we're up and running."

## **MMA ANNOUNCES PERSONNEL CHANGES**

Montreal, Maine & Atlantic Railway has promoted Melody A. Sheahan from director engineering administration to vice president Engineering, effective March 15, at the railway's headquarters in Hermon, Maine. She succeeds Thomas R. Klemm, who resigned to join another railroad.

Stephen C. Arnold has been named director roadway maintenance, a newly created position, effective April 1.

Ms. Sheahan has served as director engineering administration since January 1, 2005, when she joined MMA. Her previous rail experience was in the Engineering departments at CSX Transportation and Amtrak, where she was senior manager, maintenance, planning and integration and director of special projects from 1997 to 2001. She subsequently was general manager at On Track-On Line--a railroad consulting firm based in McMurray, Pa.

Ms. Sheahan earned her undergraduate degree in business administration at Marshall University, Huntington, W. Va. and an MBA in Finance and Statistics from Temple University, Philadelphia, Pa. She also has an A.S. in Mechanical Engineering Technology from the University of Cincinnati. Ms. Sheahan was elected twice as president of the American Council of Railroad Women and was Railroad Woman of the Year in 2001 and 1992.

Mr. Arnold joins MMA from the New Hampshire Northcoast Railroad, where he has served as operations manager since 1990. He previously was assistant chief engineer for the New York, Susquehanna and Western Railway from 1994 to 2000.

Mr. Arnold started railroading in 1976 as a trackman for Conrail, advancing to supervisor of track, supervisor production and production engineer. He joined the NYS&W in 1993 as production engineer. Mr. Arnold holds an associates degree in math and science from State University of New York. Delhi.

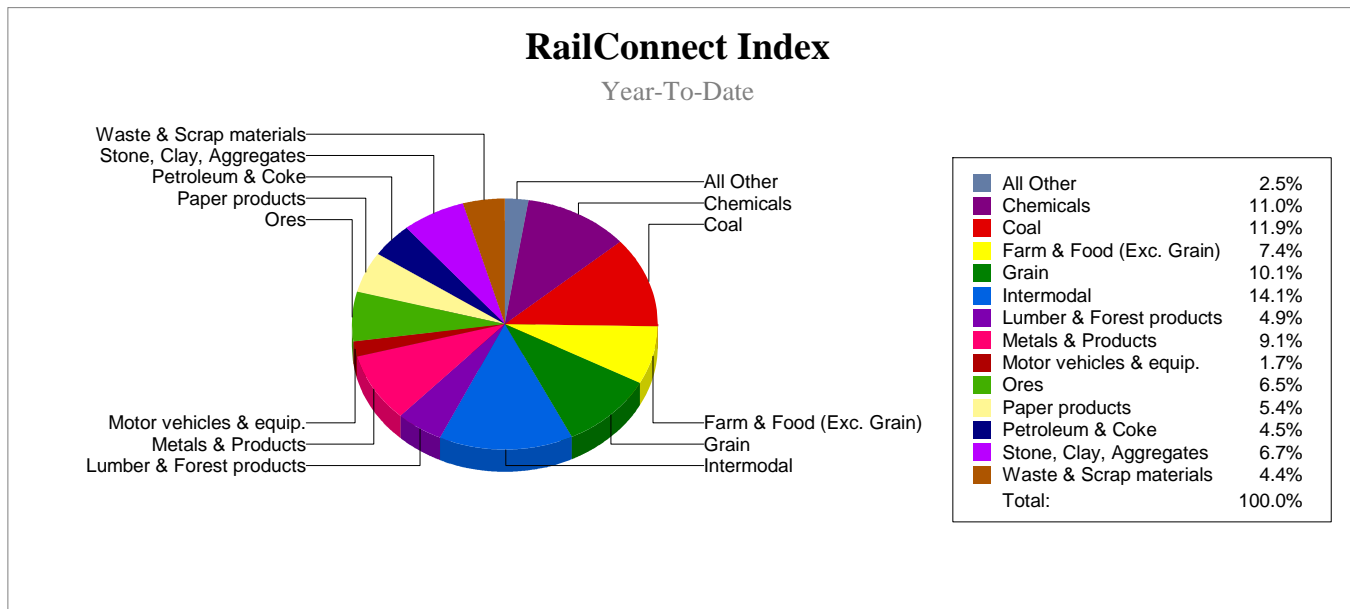
Montreal, Maine & Atlantic Railway operates 754 route miles of line in Maine, New Brunswick, Quebec and Vermont and began operations January 9, 2003.

## RMI RAILCONNECT INDEX OF SHORT LINE TRAFFIC

For the week ending: 3/18/2006

Number of Railroads: 255

	Current Week			Year-To-Date		
	2006	2005	% Change	2006	2005	% Change
<b>Carloads Handled</b>						
Coal	13,686	12,904	6.06%	159,034	153,007	3.94%
Grain	12,495	11,756	6.29%	134,895	128,445	5.02%
Farm & Food (Exc. Grain)	11,555	3,997	189.09%	98,191	42,302	132.12%
Ores	7,258	9,961	-27.14%	86,180	98,406	-12.42%
Stone, Clay, Aggregates	8,933	8,162	9.45%	88,938	78,699	13.01%
Lumber/Forest Prods.	6,505	6,165	5.52%	64,958	62,264	4.33%
Paper Products	6,266	6,806	-7.93%	71,498	72,176	-0.94%
Waste & Scrap Materials	5,479	5,657	-3.15%	58,596	57,297	2.27%
Chemicals	13,490	13,767	-2.01%	147,494	149,202	-1.14%
Petroleum & Coke	5,945	6,289	-5.47%	59,617	59,048	0.96%
Metals & Products	11,326	11,044	2.55%	122,062	123,181	-0.91%
Motor Vehicles & Equip.	2,580	2,640	-2.27%	23,183	23,755	-2.41%
Intermodal	16,386	17,011	-3.67%	187,924	173,543	8.29%
All Other	3,006	3,610	-16.73%	32,903	34,431	-4.44%
<b>Total</b>	<b>124,910</b>	<b>119,769</b>	<b>4.29%</b>	<b>1,335,473</b>	<b>1,255,756</b>	<b>6.35%</b>



## **RAILROAD TRAFFIC**

According to the AAR, U.S. carloads were up 2.5 percent in the week ending March 25 2006, with 343,667 cars originated, compared to 335,399 cars originated in 2005. Carloads for U.S. non-Class I's that submit data to the AAR were down 5.1 percent for the week and 5.2 percent for the year to date. U.S. intermodal traffic was up 10.9 percent for the week and 5.2 percent for the year to date. U.S. and Canadian intermodal traffic is up 5.0 percent for the year. Total volume is up 1.9 percent for the year, with an estimated total of 395.5 billion ton-miles.

For just the week ending March 18, 2006, U.S. carloads were down 1.9 percent and carloads for U.S. non-Class I's that submit data to the AAR were up 4.2 percent. Carloads were down 2.3 percent in the East and 1.7 percent in the West. U.S. intermodal traffic was up 7.2 percent for the week.

## **EMBARGO NOTICES & REROUTE ORDERS**

A complete listing of embargo notices is available at [embargo.railinc.com](http://embargo.railinc.com).

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