



American Short Line and Regional Railroad Association

50 F Street, NW
Suite 500
Washington, DC 20001
aslrra@aslrra.org
www.aslrra.org

Contact:

Amy Krouse
akrouse@aslrra.org
(Cell) 312-371-6947
(Direct) 202-585-3438

Three Railroads Honored With ASLRRRA 2023 Business Development Awards

Kiamichi Railroad, Reading Blue Mountain & Northern Railroad, and Strasburg Rail Road Company

NEW ORLEANS, April 3, 2023 – The American Short Line and Regional Railroad Association (ASLRRRA) is pleased to announce the winners of this year’s Business Development Awards. Kiamichi Railroad, Reading, Blue Mountain & Northern Railroad and the Strasburg Rail Road Company each demonstrated innovative and successful business-building initiatives that will lead to significant increases in shipping volume and additional benefits for the customer and the community. The awards were presented this morning at ASLRRRA’s Annual Convention and Exhibition in New Orleans, Louisiana.

Construction was a common thread for all three award winners. Each award recipient directly oversaw development of or worked with customers to build facilities that support local jobs and industry, diversify company income and offer an alternative to shipping freight by truck through nearby towns.

“The Business Development Award honors the hallmarks of short line railroading – having a keen understanding of customer needs, relentlessly seeking opportunities to grow customer business, and executing creative customer service solutions to benefit their customers and the communities they serve,” said Chuck Baker, President, ASLRRRA. “Our three awardees identified opportunities to grow or transform their business, and like short lines do, found a way over, under and around every obstacle to deliver results – whether that was convincing a customer to build a new rail-served facility, seizing an

opportunity to move freight from truck to rail, or bringing a 17-year-old vision of a new freight railyard to life.”

The three 2023 Business Development Awardees are:

Kiamichi Railroad

Despite the prospect of undertaking a large and complicated project, Kiamichi Railroad (KRR) was not going to chicken out. Instead, the team at KRR embraced a new business opportunity, convincing Tyson Foods to build a \$65 million poultry feed mill on its line in McNab, Arkansas.

Tyson needed a new feed mill to replace an older facility, one that would be able to receive inbound unit trains of corn and manifest soybean meal cars. KRR offered a 145-acre site with space for more development, access to three Class I carriers and Highway 195. While Tyson constructed the mill, KRR invested nearly \$9 million in building two main line switches and a side track at the site and upgrading the entire 180-mile Tyson route, including 80 bridges, to 286k capacity. KRR also worked with Tyson, the Arkansas Economic Development Commission (AEDC) and the Arkansas Department of Transportation (ARDOT) to make improvements to Highway 195 to support truck traffic bringing feed from the mill to local chicken farms.

From the arrival of the first train at the new Tyson facility on May 10, 2022 to the end of the year, KRR hauled over 3,100 carloads with zero FRA-reportable injuries. To maintain this new business KRR has hired four new employees, while the mill itself supports 50 jobs in the area and the entire operation helps sustain Arkansas’ poultry industry. Overall, KRR’s partnership with Tyson shows how the effort to attract and support one rail customer is not only beneficial to the railroad and its shipper; there are broad economic benefits for an entire community.

Reading, Blue Mountain & Northern Railroad

Dealing with the planned-for components of a project – permits, material acquisition, construction – can be difficult enough. Throw in the unpredictability of nature and a tough project can become almost impossible. Reading & Northern Railroad (RBMN) prevailed despite an unusually rainy season to complete the largest, most comprehensive industrial development project in company history, a transload facility in Tunkhannock Township, Pennsylvania.

The idea for a facility at Tunkhannock existed long before RBMN began construction in August 2021. Since Tunkhannock is closer to much of the gas well drilling activity, drillers in need of frac sand would be able to greatly reduce the amount of tonnage moving on local roads.

Nature complicated construction for RBMN. The site was overgrown with vegetation, which had to be cleared. Next came the installation of nearly 10,000 cubic yards of rock and dirt for a ramp to mitigate an eight-foot grade separation between the level of the sand terminal and the mainline track. But trying to complete landscaping during autumn 2021, one of the wettest in recent memory, nearly brought work to a complete halt and forced RBMN to rectify a significant drainage issue.

Still, it took RBMN only six months to build two tracks with capacity for 34 car spots and areas for trucking and transloading and offices. Full operations began in early 2022, with RBMN receiving delivery of its first unit train of frac sand on May 15. Since then the railroad has handled 2,200 carloads of frac sand, which RBMN expects will as much as triple in 2023. From land development to track construction and final grading, RBMN took on all parts of the Tunkhannock project to capitalize on a top-notch location and set itself up to capture even more of the area's shipping business.

Strasburg Rail Road Company

The team at ASLRRRA Business Development Award winner Strasburg Rail Road Company will be the first to tell you that hardly anyone associates their company with freight operations. But despite the popularity of Strasburg's tourist operations, having a diverse income stream – meaning boosting freight operations – is necessary for the company's strategic growth.

In 2023, Strasburg opened a new six-track freight yard Paradise, Pennsylvania. The company currently handles almost 500 cars a year, up from 10, and is poised to grow its freight business dramatically in the coming years.

Strasburg faced a number of hurdles in the construction of its new yard, for which the planning process began in 2018. Since the project required developing land owned by Amtrak, Strasburg had to work closely with Amtrak on lease agreements, project design and permitting. Then the COVID pandemic dealt a blow to Strasburg's tourist operations, severely impacting its main source of revenue and slowing work on the project due to supply chain challenges.

Strasburg finally began construction of phase one of its project in December 2021 and finished it three months later, enabling the railroad to make its first deliveries to Capital Forest Products while phase two got underway. Thanks in part to a grant from the Pennsylvania Department of Transportation, Strasburg finished the project and celebrated full opening of the yard in March 2023.

Now, Strasburg can handle more freight without burdening its existing freight yard or creating conflicts with its passenger trains. The freight business that comprises roughly 10 percent of Strasburg's revenue can grow, and those who once only saw the railroad as an opportunity to ride trains pulled by Thomas the Tank Engine will now see railcars piled high with lumber, proof the nation's oldest continuously operating short line continues to evolve.

For more on ASLRRRA's Business Development Awards and criteria, click [here](#).

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About ASLRRRA - The American Short Line and Regional Railroad Association (ASLRRRA) is a non-profit trade association representing the interests of the nation's 603 short line and regional railroads and railroad supply company members in legislative and regulatory matters. Short lines operate 47,500 miles of track in 49 states, or approximately 29% of the national railroad network, touching in origination or termination one out of every five cars moving on the national railroad system, serving customers who otherwise would be cut off from the national railroad network. www.aslrra.org