I’d like to focus on safety and hiring the right people.
To begin, safety matters for our customers and for us as railroaders. It’s an integral part of our culture. “Safety First” is the slogan that railroads began more than a century ago. It takes commitment, attention, training, and skill.

Anacostia employees take pride in what they do, and how they do it. Safe operations protect your goods and the physical plants needed to produce goods and services.

Our employees operate on other’s property and safety awareness has a direct impact on your facilities. Not many regional railroads have a full-time safety director. We do because we expect to maintain the highest level of attention to safety in our approach to work.

Hiring in this industry
Demographics and experience in this industry suggest that we will need to hire more and more people with the right skills to replace experienced folks who retire or move on. We are lucky to have recruited several new people to our ranks this year. We welcome Scott Lurkins and Dan Micklos—both experienced, able and eager to help us grow.

This is a robust industry, with high expectations. We will be asking new hires at all levels to be safe, flexible, and ready to ramp up service and capacity quickly to meet customers’ needs.

It’s a personal goal of mine to mentor new railroaders—keeping them excited about the possibilities, and then getting out of the way as their new ideas go forth.

Finally, we’d like to thank our customers, connections, employees and others who have helped us this past year and as we advance in the year ahead.

Eric Jakubowski

ARH, NLR, PHL named safety leaders

Pacific Harbor Line and its parent company Anacostia Rail Holdings received four top safety awards from the American Short Line and Regional Railroad Association April 24 at its annual meeting in San Diego, Calif.
In addition, PHL received the coveted Jake Award with Distinction—presented to smaller railroads that have operated without an employee injury in 2013.

Pacific Harbor Line earned the President’s Award for posting the most hours of injury-free operation among the 545 smaller railroads in the U.S.

PHL secured a second President’s Award for the best safety rate among railroads with 250,000 to 500,000 man-hours worked. PHL Locomotive Engineer Ozzie Espana was named Safety Person of the Year.
A fourth ASLRAA honor went to Anacostia Rail Holdings Chief Safety and Compliance Officer Tom Leopold as Safety Professional of the Year.

Northern Lines Railway, a St. Cloud, Minn. Anacostia subsidiary, also earned a Jake Award with Distinction for being injury free in 2013.

In this issue:

NY&A SIGNS HEAVIER HAULING PACT—New York & Atlantic and Long Island Rail Road agreed to raise maximum rail car weight to 286,000-lbs., reducing shipping cost per ton. (See WEIGHT PACT, page 2)

LA PORTE, IND. TRANSLOAD GROWS—Belfast Logistics has grown from a two-car spur to a 37-car site for transloading plastics, aggregates, steel and poles for truck delivery to Midwest destinations. (See LA PORTE, page 4)

LOUISVILLE & INDIANA’S NEW MARKETING MANAGER—Scott Lurkins joins the L&I April 21 as manager, marketing and sales. (See LURKINS, page 3)

ANACOSTIA’S SHORTEST SHORT LINE—Less than one-mile long, Gulf Coast Switching handles plastics for Exxon’s Baytown, Texas chemical plant, near Houston. (See GULF COAST, page 2).
NY&A gets OK to haul 286,000-lb. rail cars; Wheel Spur yard change

In a significant rail capacity improvement, New York & Atlantic and Long Island Rail Road have agreed to permit NY&A to raise the maximum rail car weight from 263,000 lbs. to 286,000 lbs.

"Increasing rail capacity by 10-to-12 tons per shipment improves our rail competitiveness by further reducing shipping cost per ton," says James Bonner, NY&A director, sales and marketing.

"For the people of Queens, Brooklyn and Long Island," James notes, "the increase means reduced wear and tear on major highways, as well as less congestion." The change will further reduce overall fuel consumption and emissions.

Work is underway to prepare NY&A’s Wheel Spur Yard near Long Island City for three customers to transload vegetable oil, food products and construction material.

A new structure is being built and an existing warehouse will be upgraded.

NY&A is building a new siding along the Newtown Creek draw, which initially will be used to transload lumber.

Plans call for discharging construction material for the new Kosciuszko Bridge from rail cars, barges and ocean-going vessels.

"We are working with bidders on the bridge project," says James.

NY&A’s Wheel Spur Yard near Long Island City for three customers to transload vegetable oil, food products and construction material.

Gulf Coast Switching—Anacostia’s shortest short line

With less than one route mile of track, Dayton, Texas-based Gulf Coast Switching Company is the shortest of Anacostia’s six railroads. But it’s just as wide—and very busy.

GCS handles some 18,000 carloads of plastics annually from its connection with the Union Pacific, which serves Exxon’s plant at Baytown, near Houston.

"UP delivers the cars to us," explains GCS President Leigh Walters. "We store them. Whenever Exxon wants cars shipped out, we gather them up and hand them back to the UP, which takes them to various destinations."

Gulf Coast’s nine employees and three SD20 locomotives work round the clock, Monday through Friday, using three leads and 74 tracks to switch some 3,000 loaded and empty freight cars. "It’s pretty dull," Leigh admits, "but we like it that way." GCS also transloads 35-to-40 cars a month into trucks and maintains the yard.

Anacostia started service in the yard five years ago on October 1, 2008.

Leigh worked in a chemical plant for ten years. He began his railroad career 12 years ago as a brakeman, advancing to manager and general manager.
Morgan Foods returns to rail

After a five-year absence, Morgan Foods resumed shipping by rail last fall. The 115-year old Austin, Ind. private label food manufacturer has been receiving loads of tomato paste from California.

“We are moving more freight at lower costs and the tracks literally run 20-feet from our back door.”

For the past few years, Morgan has been receiving tomato paste by truck. “But in today’s competitive market,” says Mike, “we are looking for every opportunity available to utilize our resources at maximum strength.”

The firm stopped using rail in 2008 during a construction phase of the plant.

Morgan Foods’ decision to start using rail service was based on several things impacting the supply chain, according to Mike. “The high costs of moving freight and a trucking industry that is challenged by over capacity issues during certain times of the year.”

Mike is very pleased with Louisville & Indiana’s service. “Our deliveries have been on time and we are excited about growing this cost savings even further by collaborating with our suppliers to receive more inbound ingredients by rail.”

Morgan’s primary products are soups and beans.

Utilizing rail is an easy decision, notes Mike. “We are moving more freight at lower costs and the tracks literally run 20-feet from our back door.”

Lurkins is L&I’s new marketing manager

Scott Lurkins is joining the Louisville & Indiana Railroad as manager, marketing and sales, effective April 21.

He has served as economic development director for the city of Greenville, Ill. since 2010 and became industrial development director for the Illinois Western Railroad in 2012.

Scott has extensive economic and industrial development experience and worked closely with CSX in its selection of Greenville as one of 13 “Select Sites” on the railroad’s 23-state system.

“We’re very pleased to have Scott join our team,” said Eric Jakubowski, chief commercial officer of Anacostia Rail Holdings.

“He will be a key player as L&I steps up its marketing and industrial development effort.”

Hoosier connection

Scott is a native of Greenville with a Hoosier connection. He earned his BA from Indiana University, Bloomington, majoring in public affairs. Scott also has a MBA from Washington University, St. Louis, Mo.

Scott says his priorities are to get out in the field right away, “listening to customers, getting to understand their business. I also want to get together with the L&I team.”

Sales and industrial development

Scott’s role will combine sales and industrial development. “We need to continue to take care of what we’ve got. But, at the same time, we’re going to look at going after some new industrial development opportunities.”

L&I’s potential for growth is one of the things that attracted Scott to the railroad. “They’ve improved service and velocity. There’s a lot of opportunity out there to grow the railroad and Indiana is a great place to do business.”
La Porte, Ind. transload grows, serves 300-mile market
Two-car spur expanded to 37-car site, handling dry and liquid plastics, aggregates, steel and poles

Belfast Logistics is a success story of growing business from a two-car spur to a 37-car transloading site at La Porte, Ind., served by the Chicago South Shore & South Bend Railroad.

E&L Paving President and Owner Ed Loniewski partnered with CSS and KL ChemPak to create a 24-acre site to handle dry PVC resins needed by small medium companies lacking a rail service, “We combine the economies of rail service with the convenience of truck delivery,” says KL ChemPak Manager Mark Lucas.

ChemPak’s success soon spurred adding a 10-car track for liquid plasticizer in tank cars.

“We’ve grown tremendously,” says Mark, a 27-year veteran of the plastics industry. “Most of our customers are within ten miles,” he says, “but we do regional work 200-to-300 miles into Wisconsin, Ohio, Kentucky and Illinois.”

“Many of our customers had their material up around the Chicago area—50 miles away—and weren’t getting good service out of the rail yards,” recalls Mark. “So they kind of moved down here with me.”

Mark makes a promise
“I made a promise to not let them run out of material,” says Mark. The site has an inventory of plastics, he notes. “If it’s an emergency, we will work around everything to get the material that they need the most.”

Kokomo Grain is a rail believer

Family-owned Kokomo Grain recently upgraded its facility and freight car handling equipment at Edinburgh, Ind.

“We’re able to load a 90-car unit grain train in 7.5-to-8 hours,” says Kokomo Vice President Brad Ortman.

Kokomo has been shipping grain in unit trains since 1974—one of the first in Indiana.

“Our founder, Mick Ortman, believes in railroads,” says Phil Gorrell, who manages the Edinburgh facility.

The 64-year-old firm operates ten grain elevators in Indiana and Tennessee with a total capacity of 40 million bushels.

Kokomo bought the Edinburgh elevator in 1979. Located on the Louisville & Indiana Railroad, the site was converted from truck to rail shipping in the first two years. All original storage buildings have been replaced with new structures, according to Phil.

Kokomo draws corn, soybeans and wheat from a 50-mile radius and ships to feed industry customers in the southeastern U.S.

“Being on the L&I is an advantage,” Phil explains. “We’re able to hit both CSXT and Norfolk Southern, opening up more markets.”

L&I is very nice to work with, notes Phil. “They’re very friendly and try to think of ways to help us.”

SA Recycling iron ore move marks first year

SA Recycling in March completed its first year moving iron ore from Utah to Pacific Rim countries, via the Port of Long Beach and Pacific Harbor Line.

SAR proposed the move to PHL three years ago as a solution to the dwindling demand for scrap steel. Ore is shipped from Iron Mountain by CML Metals in 92-car Union Pacific unit trains. The trip takes 24-to-30 hours.

One million tons in 2013

“We delivered one million tons of ore to SAR this past year,” says Don Norton, PHL’s director of marketing and administration. PHL currently handles about three trains a week, or more than 14,000 carloads annually.

SA Recycling loads 50,000-to-60,000 tons into each ship for export to China, Taiwan, South Korea and other Asian destinations.

“PHL does a good job in making sure our trains arrive in a timely manner,” reports SA Recycling Director of Public Affairs David Thornburg. “We have to work together to make everything run flawlessly.”

When fully operational, trains can deliver about 1.8 million tons of iron ore annually, according to David.

Besides handling the unit trains interchanged with the UP, PHL does the facility switching at SAR, except dumping.

Dan Micklos joins Pacific Harbor Line as VP

Daniel L. Micklos has been appointed vice president at Pacific Harbor Line, Wilmington, Calif., effective April 21. He succeeds Joel Torres.

Formerly, Dan was director of train operations for CSX Transportation in Indianapolis, Ind.

His previous posts with CSX include superintendent of train operations in Selkirk, N.Y., near Albany, and Chicago.

Dan began his railroad career in 1978 as a brakeman for the Union Railroad in his home town of Pittsburgh, Pa., and later was promoted to locomotive engineer.

In 1986, he joined Conrail’s management training program holding a variety of posts, including trainmaster and terminal superintendent.

Dan has a bachelor’s degree from Carnegie-Mellon University in Pittsburgh. He also attended the Conrail Management Program at Pennsylvania State University.

“We have a really good rapport with the South Shore,” says Mark. “If we have a hot car that a customer needs, they will do what needs to be done.”

CSS Marketing and Sales Director Andy Laurent credits E&L and KL ChemPak for their effort developing and selling the site. “We try to market this as a location where plastics manufacturers and brokers can bring their product in and sell it to a wide variety of customers in this region.”

In addition to plastics, the Belfast site has a rail dump pit to handle aggregates, a truck scale and also a loading dock for boxcars.

Mark credits Ed for making this possible. “He has gone above and beyond.”

In 1986, he joined Conrail’s management training program holding a variety of posts, including trainmaster and terminal superintendent.

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