



American Short Line and Regional Railroad Association

WRITTEN TESTIMONY

KRISTIN BEVIL, GENERAL COUNSEL AND CHIEF LEGAL OFFICER, PINSLY RAILROAD COMPANY AND EXECUTIVE BOARD MEMBER, AMERICAN SHORT LINE AND REGIONAL RAILROAD ASSOCIATION (ASLRRA)

HEARING ON “AMERICA BUILDS: IMPROVING THE EFFICIENCY AND EFFECTIVENESS OF FEDERAL RAIL ASSISTANCE”

**U.S. HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
SUBCOMMITTEE ON RAILROADS, PIPELINES, AND HAZARDOUS MATERIALS**

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Introduction

Chairman, Ranking Member, and Members of the Subcommittee:

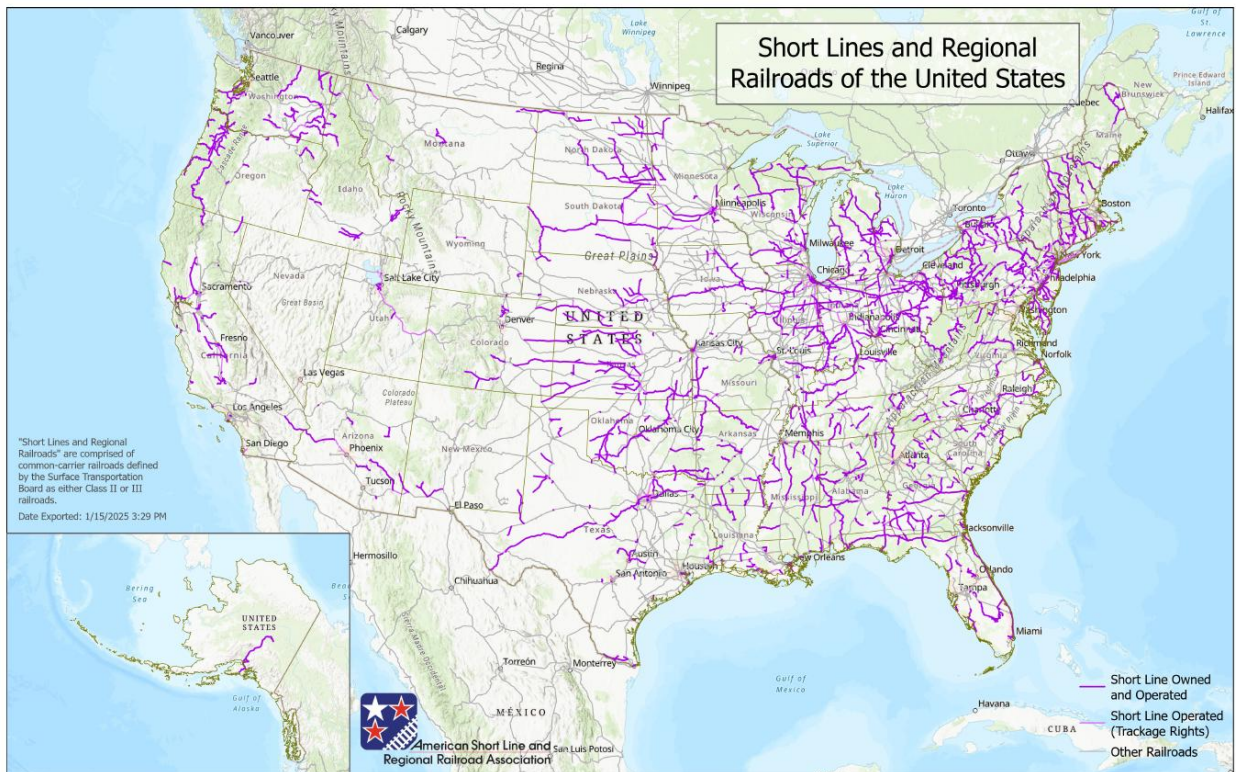
Thank you for the opportunity to testify before you today as you examine how to improve the efficiency and effectiveness of federal rail assistance through important rail safety grant programs.

My name is Kristin Bevil, and I am the General Counsel and Chief Legal Officer for Pinsly Railroad Company. I also serve as an elected Regional Vice President on the Executive Board of the American Short Line and Regional Railroad Association (ASLRRA). Thus, I have a broad view of the impact of federal grant programs on my company, as well as on short lines across the country.

The Pinsly Railroad Company owns and operates eight short line railroads – Florida Gulf & Atlantic Railroad (FGA), Grenada Railroad (GRYR), Camp Chase Railway (CAMY), Chesapeake & Indiana Railroad (CKIN), Vermilion Valley Railroad (VRR), Hondo Railway (HRR), North Florida Industrial Railroad (NFL) and Pioneer Valley Railroad (PVRR). Pinsly Railroad Company’s railroad subsidiaries offer freight services, transloading, railcar storage, and industrial development opportunities. We directly employ **175 employees** and serve over **150** customers across the nation. Operating **850** route miles, we make connections for **150** shippers in **8** states, and **91 communities**.

The Short Line Railroad Freight Industry

Short line railroads are a critical component of rural and small-town America's economic fabric. These lines often represent the sole link to the national rail network, providing first- and last-mile connections for more than 10,000 shippers, supporting hundreds of thousands of jobs and billions in economic output. The typical short line employs about 30 people, operates about 80 route miles, and makes about \$8 million in revenue per year. While we operate approximately 30% of the national network (or 50,000 route miles) and handle about 20% of the freight cars in service, our members earn only about 6% of the total revenue earned by the country's freight railroads.



As you will note from the map above, almost every Member of this Subcommittee has one or more short lines operating in their district, and in many cases these short lines are one of the significant businesses in their town.

Importance of the Consolidated Rail Infrastructure and Safety Improvements Program

Our industry is one of entrepreneurial grit. Short lines were born out of necessity following the Staggers Rail Act of 1980, which allowed for the sale of unprofitable, deferred-maintenance branch lines that were otherwise headed for abandonment from large Class I railroads to local operators who believed in their potential. Rehabilitating and operating these lines is enormously capital-intensive. Short lines routinely reinvest up to a third of their revenues into infrastructure maintenance and upgrades—far more than most other

industries. As an example, Pinsky has invested over **\$25 million annually** into our infrastructure for routine maintenance – and that does not include major infrastructure projects, many of which could not be accomplished with regular annual revenue. This is where the ***Consolidated Rail Infrastructure and Safety Improvements*** (CRISI) program, a vital federal rail grant program, becomes essential.

The CRISI Program: A Cornerstone of Short Line Growth and Viability

Since its creation in 2015, the CRISI grant program has provided the only reliable and accessible source of federal infrastructure funding directly available to short line railroads. By allowing small business private railroads to apply directly, unlike other federal programs that require a public sponsor, CRISI has leveled the playing field and empowered small railroads to pursue safety, efficiency, and capacity upgrades that would otherwise be financially impossible.

Of the 240 CRISI awards made to date, over \$2.7 billion has gone to projects benefiting short lines. In the most recent combined FY23-24 round, short lines received 81 out of 122 awards—over \$1.2 billion in funding. These awards were matched by local and private investments ranging from 20% to as much as 80%, demonstrating that CRISI leverages public dollars effectively and attracts private capital that otherwise would not be invested.

Examples of short line projects that CRISI has supported, and the project’s impact are attached to this testimony in an Addendum.

CRISI Grants Deliver Clear and Measurable Benefits

CRISI projects have produced six core benefits, which I would like to briefly highlight:

1. **Addressing Critical Infrastructure Needs** – Short lines often inherit infrastructure in poor condition with significant deferred maintenance – these lines were often at risk of abandonment if not for the short line purchase. CRISI enables transformational projects like bridge replacements and rail upgrades that remove bottlenecks and enable industry-standard 286,000-pound railcars, improving interoperability and competitiveness.
2. **Improving Safety** – Rail safety begins with sound infrastructure. CRISI funds replace worn ties and rails, reducing derailments and making rail service safer for employees and communities alike.
3. **Creating and Sustaining Jobs** – Short line rehabilitation projects are labor-intensive and rely on local contractors. These projects support good-paying jobs in rural communities and generate long-term employment through service expansion.

4. **Enhancing Environmental Outcomes** – Rail is the most fuel-efficient mode of freight transport. CRISI-funded upgrades facilitate modal shift from truck to rail, reduce emissions, and allow for cleaner locomotive technologies.
5. **Promoting Rural Economic Development** – CRISI investments enable service to new and growing businesses.
6. **Improving Service for Customers** – Small improvements—such as 500 feet of new track or the elimination of a chronic derailment risk—can make an enormous difference in the transportation costs and competitiveness of rural shippers.

The Importance of Predictable and Robust Funding

The advanced appropriations provided through the previous surface transportation law — \$1 billion annually through Fiscal Year (FY) 2026—have been a game changer. Predictable funding allows small businesses to plan ahead, secure match funding, and complete upfront engineering work required for competitive applications. Without advanced appropriations, many short lines would be unable to pursue these grants due to the uncertainty and high upfront costs involved and the money would be less effectively spent.

Short lines are small businesses with limited human and financial resources. The grant application process is time consuming and, to be competitive, requires significant up-front investment by applicants. For example, for more complex projects, costly engineering work must be conducted to assemble a competitive project scope and budget that can demonstrate project readiness. Short lines must also marshal committed, matching funds of at least 20%, but often up to 50% to be competitive with larger applicants.

The annual appropriations process is always uncertain, and that uncertainty makes it difficult for applicants to start those upfront activities until they know if there will be adequate resources for which to compete.

It is essential that the next surface transportation reauthorization not only extends CRISI but also preserve its advanced appropriations structure. Without it, federal investment becomes less effective, fewer projects move forward, and the communities that rely on short lines are left behind.

CRISI Grant Award Process Recommendations

The CRISI program has proven to be powerful, effective, and broadly supported on a bipartisan basis. However, as demonstrated by the experience of the Pinsky Railroad, there are clear opportunities to improve the grant process. Delays between award announcements and actual construction, as well as obstacles to making necessary project

adjustments as conditions evolve, significantly reduce the effectiveness of CRISI funding — not just for railroads like ours, but for the shippers and communities that rely on us.

These delays are not isolated incidents. Unfortunately, they are all too common among short line railroads seeking to modernize their infrastructure.

Short lines are ready to get to work. By the time we apply for CRISI grants, we have already invested limited financial resources — along with substantial time and planning — just to be in a position to compete for funding.

Our shippers, who rely on us for critical access to domestic and international markets, are eager to see safer, more efficient rail service become a reality.

And the communities we serve — where local expertise is employed to carry out these projects — are waiting to realize the economic benefits that come with upgraded infrastructure: new business investment, expanded manufacturing, and job creation.

To maximize the impact of the CRISI program, we must address these systemic delays. Streamlining implementation and allowing for greater flexibility in project management will ensure that federal dollars translate more quickly and effectively into real-world benefits

Pinsly Railroad Awarded CRISI grants:

1. Florida Gulf & Atlantic Railroad (Pinsly subsidiary), "Florida Panhandle Rural Capacity Expansion Project", FY20 FRA CRISI Grant, \$8,300,000.00

The Florida Gulf & Atlantic Railroad was awarded a CRISI grant in June 2022 to rehabilitate a rail line previously owned by a Class I that had suffered from deferred maintenance. The project included 85,000 new rail ties, bridge replacements and crossing upgrades. The project rehabilitated the infrastructure allowing Florida Gulf & Atlantic Railroad to provide service efficiently and safely to aggregate commodities customers in support of the Florida Department of Transportation's highway projects. The grant agreement was executed in May 2023, *nearly a year after the award was announced* and a Notice to Proceed was not received until December 2023. Construction took place in 2024. The project was further delayed when Florida Gulf & Atlantic came in under budget and had an opportunity to further improve the infrastructure by submitting a Grant Adjustment Request Form to increase tie density and add an additional mile of work. *The change took 45 days to approve.* While most construction was complete in 2024, the final report was submitted and closed out April 2025, *three years after the grant was awarded.* Shawn Snyder, Vice President of Anderson Columbia, a Florida Gulf & Atlantic customer said, "Florida Gulf and Atlantic services three asphalt plants in the Panhandle from Jacksonville to Pensacola. The reliability of the service once they take control of the cars has been excellent. With

Anderson Colombia being so reliant on the rail, seeing the commitment through the rail and Florida Gulf & Atlantic, specifically, gives us comfort in our markets that we will be stable or have the ability to grow as the markets grow. It's been a great partnership over the last couple of years.”

2. Florida Gulf & Atlantic Railroad (Pinsly subsidiary), "Florida Panhandle Rail Resiliency and Connectivity Project", FY22 FRA CRISI Grant, \$23,198,945.00

The grant for the “Florida Panhandle Rail Resiliency and Connectivity Project” was awarded in September 2023. The project is focused on resiliency and hardening of infrastructure to withstand hurricanes and major storms. Pre-award authority was received in March 2024. Engineering Design review was submitted for approval in July 2024. *Almost two years and two hurricanes later, we think we will have a grant agreement soon.*

3. Grenada Railroad (Pinsly subsidiary), "Central Mississippi Rail Resiliency and Capacity Expansion Project", FY23-24 FRA CRISI Grant, \$18,247,915.00

The Grenada Railroad is a railroad that was saved from abandonment and as a result of both private and public investment, has significantly increased the number of customers served by the line. According to Governor Tate Reeves, “Mississippi’s economic momentum would not be as robust without the functioning rail line that moves input goods and finished products all over America.” The recently awarded grant for the “Central Mississippi Rail Resiliency and Capacity Expansion Project” will increase capacity for significant growth through additional sidings, rail tie replacement, joint elimination and improved grade crossings across the line. Announcement of the grant award was made in October 2024 and Grenada Railroad is working closely with FRA to get a grant agreement in place.

4. Pioneer Valley Railroad Company (Pinsly subsidiary), "The Tunnel Hill Reclamation and Pioneer Valley Railroad Development Project", FY23-24 FRA CRISI Grant, \$8,868,942.00

The Pioneer Valley Railroad, in collaboration with WIN Waste Innovations (WIN), was awarded a CRISI grant to fund infrastructure improvements at the Tunnel Hill Reclamation (THR) facility in New Lexington, Ohio, and at the PVRP rail line which spans across Holyoke and Westfield, Massachusetts. The announcement of the award was made in October 2024, and the Pioneer Valley Railroad team is working closely with FRA to get a grant agreement in place.

The CRISI program can be further improved, and made even more impactful, in the following ways:

- **Protect CRISI's Ability to Bolster the Freight Rail Network** - ASLRRA discourages set-asides within CRISI for passenger rail projects or expansions of the program to include major new eligible applicants such as commuter railroads. With so many challenges facing our freight supply chain, short lines need to remain viable competitors for these limited funds. While we have no opposition to passenger rail, there are other federal grant programs that provide passenger rail applicants with funding levels that dwarf CRISI.
- **Speed** - CRISI projects should move from announcement to obligation to completion faster than they currently do. For almost all short line projects, most of which are quite simple in the context of infrastructure investments, this would result in better outcomes for the public, for short lines, for communities, and for shippers with no additional risk, and would help avoid the significant cost escalation associated with delay.
- **Encourage the use of pre-award authority (PAA)** - More extensive use of PAA would allow CRISI grant awards for small railroad infrastructure projects to move more quickly and efficiently. PAA authorizes grant recipients to begin their projects immediately at their own risk rather than being stuck in limbo during the current lengthy federal approval process. When questions of the National Environmental Policy Act Process (NEPA) clearance as a necessary precedent arise in the context of PAA, the agency should consider segmented provision of PAA for non-ground disturbing elements of scope such as engineering analyses and acquisition of materials. Prompt acquisition of materials can be a particularly useful step to mitigate project cost inflation risk, and delays in completing engineering and design work correspondingly delay entry into the construction phase of a project.
- **Increase Transparency across the Grant Lifecycle to Enable Benchmarking and Process Improvement** - Congress could require that FRA file regular reports on the status of processing grants, from award notification through obligation to close out, to the transportation authorizing and appropriating committees. This data will help stakeholders understand how long it takes the agency to move through the process for each award to achieve grant obligation and begin work. It will also create some beneficial pressure encouraging the agency to innovate to move the process faster.
- **Publish regular grant status reports** - FRA could proactively shine light on the status of processing grants, from award notification through obligation to closeout. This data would be useful for setting realistic stakeholder expectations regarding the

timeline for the agency to execute the process for each award to achieve grant obligation. Regular (e.g., quarterly) public reporting would also foster accountability and incentivize a faster program. These reports could include:

- a) Key milestones of approval of pre-award authority, if applicable, and approval of the environmental decision document for the project.
- b) Internal deadlines for moving grants through this process.
- c) Delays outside the control of FRA personnel.

- **Optimize grant application processes and program accessibility** - FRA should consider a mechanism to share and analyze high level CRISI grant application information with ASLRRRA. This information is publicly shared for programs like RAISE that have only public applicants, but not for CRISI, due to the broader eligibility. ASLRRRA could work directly with FRA under an information sharing agreement to enable better analysis of what parts of the short line population are either not applying for CRISI grants or not applying successfully. Such collaboration could help the agency and the association to work together better to improve outreach to ensure that the CRISI program is broadly accessible, especially to the smallest railroads.
- **Improve Notices of Funding Opportunity (NOFO) and the application review process** – The prior administration’s NOFOs included requirements beyond those in the program statute in the section on “administrative and national policy requirements.” These requirements caused confusion among applicants as to how their applications would be reviewed and what project implementation steps they would need to take. FRA should carefully review these requirements as they revise their standard NOFO text and strike requirements conditioning grant agreement execution on policies that are not required by the grant program statute.
- **Improve Elements of the NEPA Process** - railroads are an environmentally friendly way to move goods. We encourage efforts to ensure NEPA requirements reflect this sustainable way to move freight and do not undermine it. Specifically, we believe there could be room within USDOT’s NEPA implementing regulations to expand definitions of selected categorical exclusions (CEs) without risking significant environmental impacts. Bundling like CEs for review and approval is an effective procedure for expediting grant awards that Congress can encourage.

- **Grant Adjustment Request Form Process** – The Grant Adjustment Request Form (GARF) process is a procedure used by grant recipients to request changes to the terms of a grant. These changes might include things like:
 - **Budget modifications** (e.g., moving funds between categories)
 - **Time extensions** for completing the project.
 - **Scope changes** to alter what the grant is funding.
 - **Key personnel changes** or other administrative updates

We recommend streamlining the steps, improving communication, and aligning requirements with real-world project conditions.

- **Coordinate Section 106 Reviews** - FRA can reduce delays by coordinating with DOT’s Office of the Secretary (OST) and the White House to expedite the Advisory Council on Historic Preservation’s acceptance of the final Section 106 exemption of railroad rights-of-way (ROW) from review under Section 106 of the National Historic Preservation Act. Unnecessary Section 106 reviews can introduce serious delays into the grant obligation process.
- **Consider Buy America waivers** - FRA, in coordination with OST and the Office of Management and Budget, should judiciously deploy Buy America waivers where appropriate. These waivers can be a useful tool when domestic production capacity does not yet exist. We have seen the due diligence on waiver requests go awry. Inexperienced analysts can incorrectly assume domestic capacity when none practically exists or may conduct excessive research to determine non-availability.

2. Continued Federal Support for Grade Crossing Safety Issues

Continue to fund Operation Lifesaver (OLI), Section 130, and the Rail Crossing Elimination (RCE) program to protect the public. By far the most significant concerns with rail safety are related to interactions with the public at grade crossing accidents and trespasser issues. Operation Lifesaver is an industry- and government-supported effort which focuses on educating the public both about the importance of staying off railroad tracks and the need for passenger and commercial vehicle drivers to exercise caution at grade crossings. The federal government has been an important participant in these efforts, largely through the FHWA Railway-Highway Crossings Program, known widely as the “Section 130” program. This program significantly improves grade crossing safety by providing funding to improve grade crossing protection equipment. More recently, the Rail Crossing Elimination program has also been successful in providing options for communities to close unnecessary crossings. We recommend that Congress continues to fund the OLI, RCE, and Section 130 programs at robust and guaranteed levels.

Conclusion

Investing in short lines is one of the best public-private partnerships available. We drive the economy in areas where it is often difficult to do so. Rural and small towns across American would be closed off from the national economy with limited transportation options if freight rail were not present, safe, and efficient.

Federal grant funding is an example of bipartisan, high-impact, efficient infrastructure investment that supports American jobs, enhances safety, and strengthens our supply chain—all across the United States.

Support for CRISI, OLI, RCE and Section 130 has been crucial to our ability to maintain our infrastructure, improve safety and make significant, game-changing improvements to rail service in the communities we serve. As you shape the nation's next surface transportation bill, we urge that these vital programs and policies be secured in legislative text, and that process improvements are considered to help maximize the value and impact of each dollar granted, ensuring the continued success and growth of the short line industry, the nation's freight rail network, and most importantly the tens of thousands of critical agricultural, energy, manufacturing, and industrial rail shippers.

Thank you for your time, your attention, and your longstanding support of our nation's short-line railroads and the customers and communities we serve. I look forward to answering your questions.

APPENDIX

Short Line Railroad Completed CRISI Project Examples

Chicago South Shore & South Bend Railroad (CSS)

FRA Project Name: Chicago South Shore & South Bend Rail Rehabilitation and Safety Improvement Project

CRISI Grant: \$2,831,705
Local Match: \$707,926 (20%)
Total Project Cost: \$3,539,631
Member/District: Rep. Rudy Yakym (IN-02), Rep. Frank Mrvan (IN-01)

The project replaced 7.5 miles of 90-lb rail with 115-pound rail on Kingsbury Industrial Lead, improving safety associated with the heavier rail, and increasing train speed on a new section of track to improve car cycle times for customers.

“The CRISI project being done by CSS shows a commitment to safety and the growth of CSS customers located between Michigan City and Kingsbury. My company truly appreciates the project to help our company grow.” David Gelwicks, President – Hickman Williams Co.

Iowa Interstate Railroad (IAIS)

Project Name: Booneville Bridge Project

CRISI Grant: \$3,470,500
Local Match: \$3,470,500 (50%)
Total Project Cost: \$6,941,000
Member/District: Rep. Zach Nunn (IA-03)

The project replaced the 118-year-old Booneville Bridge over the Raccoon River, located approximately 15 miles west of Des Moines. The bridge carries over 42,000 carloads per year on the Class II Iowa Interstate Railroad’s (IAIS) Council Bluffs, Iowa, to Chicago, Ill., service. The bridge was in danger of being put out of service in the near future under previous conditions, which would result in costly and inefficient rerouting of traffic and economic disruption in Nebraska, Iowa, Illinois, and points beyond. The new bridge will be able to withstand increasingly common flooding events.

“The majority of the 8,000 carloads we ship go over that bridge and if that infrastructure was out, it would have a multi-million impact on the efficiency and cost-competitiveness of our business.” Nick Bowdish, CEO Elite Octane

Video of Completed Project – [here](#).

Iowa Interstate Railroad (IAIS)

Project Name: IAIS Continuous Welded Rail Upgrade

CRISI Grant: \$ 5,579,357
Local Match: \$ 6,291,615 (53%)
Total Project Cost: \$11,870,972

Member/District: Rep. Zach Nunn (IA-03), Rep. Randy Feenstra (IA-04)

The project is a capstone project to complete the replacement of jointed rail with modern continuous welded rail (CWR) on the IAIS between Council Bluffs and Des Moines, IA. The upgrade will replace the last 18.95 miles of jointed rail with CWR and allow for track speeds of 40 to 49 mph. As freight traffic grows on IAIS, the remaining 1950s-era Rock Island Railroad legacy jointed rail decreases the reliability and resiliency of the line by requiring slower speeds. Jointed rail has the propensity to have joint failures during Iowa’s harsh winters, creating hazards for maintenance of way employees and train crews. Replacing jointed rail will increase safety, lower maintenance costs, increase rail resiliency, and improve system and service performance by increasing train speeds. The project will allow IAIS to meet future freight demand for Nebraska, Iowa, and Illinois farmers, manufacturers, and ethanol refineries.

“Jointed rail on the IAIS mainline creates higher maintenance costs and leads to slower operating speeds and lower efficiency between Omaha and Des Moines for rail customers like my company. Replacing this rail will lead to a more resilient railroad which is important for the Iowa economy, and for the success of our business. Our business has made a sizeable investment in an ethanol plant where its viability is solely dependent on the long-term sustainability of the Iowa Interstate Railroad.” Ryan Pellett, C.E.O., JD & Co.

Lake State Railway (LSRC)

FRA Project Name: Infrastructure Enhancement Program for Lake State Railway’s Huron Subdivision

CRISI Grant: \$7,875,770
Local Match: \$8,197,230 (51%)
Total Project Cost: \$16,073,000

Member/District: Rep. Jack Bergman (MI-01)

The project rehabilitated 30.3 miles of track with 115-lb. continuous welded rail, tie and turnout renewal and crossing rehabilitation. This project allowed for elimination of 23.8 miles of excepted track which resulted in increased speed from 10 mph to 25 mph and the upgrade of 6 miles from 25 mph to 40 mph. These improvements allowed for the full use of the heavier 286-lb. railcars required by LSRC customers and Class I railroad interchange partners. The elimination of the aging and lighter 85-lb rail enhanced safety along the entire segment.

“Lake State Railway’s service to our facility has allowed our operation to be cost competitive despite our remote location in relation to the majority of our customers and suppliers. The CRISI grant has allowed us

to increase the railcar load capacity associated with the heavier 286-lb railcars, reducing our cost and helping ensure our long-term success.” Jim Spens, Plant Manager Panel Processing, Inc.

Lancaster & Chester Railroad (L&C)

FRA Project Name: South Carolina Piedmont Freight Rail Service Improvement Program

CRISI Grant: \$ 8,752,185
Local Match \$ 4,712,715 (35%)
Total Project Cost: \$13,465,900

Member/District: Rep. Ralph Norman (SC-05)

The project provided funding for the acquisition of three Tier IV locomotives, the rehabilitation of 46 miles and one bridge upgrade to allow for the handling of 286-lb. railcars. The project increased track speed from 10 mph to 25 mph, gave customers the ability to utilize 286-lb railcars and decreased locomotive emissions. The upgraded track resulted in the railroad attracting three new customers to the line.

“Over the last 11 years, Chester County has attracted over \$3 billion in new industrial development creating almost 4,000 new jobs. This massive amount of opportunity is a direct result of having the short line L&C railroad as our partner.” Alex Oliphant, City Council Member, Chester County, SC

Napoleon, Defiance & Western (NDW)

Project Name: NDW Safety Upgrade in Opportunity Zones Project

Grantee: Ohio Rail Development Corporation
CRISI Grant: \$4,112,452
Local Match: \$4,112,452 (50%)
Total Project Cost: \$8,224,904

Member/District: Rep. Martin Stutzman (IN-03), Rep. Bob Latta (OH-05), Rep. Marcy Kaptur (OH-09)

The project upgraded approximately 10 miles of 80-lb. rail with 132 to 136-lb. rail and replaced approximately 29,000 ties on 29 miles of rail between Woodburn, Indiana and Defiance, Ohio. The project was required to reduce the number of derailments previously occurring on this segment.

“The NDW provides transportation for our tomato paste from California to our facility saving us a lot of time and money versus going over the road. The rehabilitation also offers us new opportunities to move more materials by rail.” – Gavin Serrao, Cambell’s Soup Logistics Manager, Napoleon, OH

“This has been a railroad that’s needed a lot of investment for a long time. Every State DOT knows there are these railroads that can be so much more for the local economy than they are now and NDW brought

the professionalism, the expertise, and the financial resources to make this project possible.” Matt Dietrich, Ex. Dir. Ohio Rail Development Commission

Video overview of project – [here](#).

Nebraska Kansas Colorado Railway (NKCR)

Project Name: Velocity Enhanced Rail Transportation Project

CRISI Grant: \$4,505,542
Local Match: \$4,505,542 (50%)
Total Project Cost: \$9,011,084

Member/District: Rep. Lauren Boebert (CO-04), Rep. Adrian Smith (NE-03)

The project installed approximately 42,595 ties, 15,990 tons of ballast, and resurfaced 562,848 track feet on the NKCR in western Nebraska and eastern Colorado. The project allows for removal of slow orders on approximately 106.6 miles of track and restores efficient operating speeds over most of the line. The improvements reduced overall trip times along the corridor by a minimum of four hours and reduced operating costs by reducing locomotive utilization and allowing crews to make a round-trip along the line within one day.

“The Velocity project will be a major rehabilitation of the freight rail line from Sterling, CO, to Wallace, NE, focused on removing slow orders where track conditions force trains to slow to a crawl. This line is the only rail connection for many agricultural customers in western Nebraska and eastern Colorado.” U.S. Senator Deb Fischer (R-NE)

OmniTRAX Holdings Combined Short Lines

Project Name: Transportation Investments for Employment and Safety (TIES1)

CRISI Grant: \$37,364,504
Local Match: \$ 9,341,126 (20%)
Total Project Cost: \$46,705,630

Member/District: Rep. Sanford Bishop (GA-02)

The project replaced approximately 1,000 railroad ties per mile on 135 high-density track miles on three OmniTRAX short line railroads – Illinois Railway, Alabama & Tennessee River Railway, and Georgia & Florida Railway, which will help sustain current FRA track safety standards and maintain current timetable speeds. The project is estimated to reduce track-related accidents by 67%, saving \$11MM in losses, reduce locomotive utilization by 186,000 hours, eliminate 27 tons of NOx, 1 ton of PM2.5 and 4.5 tons of SO2. The project will eliminate the need for 16 subsequent tie spot replacement mobilizations, saving \$43MM.

"Covia Holdings is a major supplier of elemental raw materials used in a variety of industries, including glass production and housing construction. The majority of shipments to Covia's customers throughout the U.S. are handled by railroads such as those managed by OmniTrax Rail Holdings. Covia supports the TIES Project [and] reasonably believes that TIES will improve safety on the Illinois Railway (IR) by replacing a simple yet essential element of safe railroad infrastructure: the wooden railroad tie. The IR's ability to service Covia's plants, uninterrupted, in Illinois is fundamental to Covia's daily operations."

Russell Montgomery, EVP/COO, Covia Holdings LLC

Red River Valley & Western Railroad

FRA Project Name: Rural Economic Preservation Through Rail Replacement

CRISI Grant: \$ 6,704,544
Local Match \$ 2,915,234 (30.3%)
Total Project Cost: \$ 9,620,778

Member/District: Rep. Julie Fedorchak, At Large

The Red River Valley & Western serves the southeast corner of the state of North Dakota, linking numerous rural agricultural shippers with the national rail system. The project replaced 14.5 miles of old jointed rail with continuous welded rail between Independence and Oakes, North Dakota.

The project has resulted in a safer, dependable rail system that will maintain economic competitiveness for current shippers and provides the capacity to meet the anticipated future demand with climate change pushing the grain industry and growing conditions northward.

"North Dakota is heavily reliant on railroads for the shipment of bulk commodities from our rural communities to their distant final destinations. A large portion of the grains produced in North Dakota are shipped over 1,200 miles by rail to Pacific Northwest port facilities at Seattle and Portland. North Dakota is therefore keenly interested in a safe, efficient, and reliable railroad network to provide value to the thousands of tons of bulk agricultural and energy products produced each year in our state. Preserving this vital rail network is essential for the economic development and sustainment in the rural communities served by short lines." Commissioners Fedorchak, Kroshus, and Christmann, North Dakota Public Service Commission

Sierra Northern Railroad (SERA)

FRA Project Name: Sierra Northern Railway's Consolidated Rail Infrastructure and Safety Improvement

CRISI Grant: \$ 17,415,000
Local Match \$ 18,300,000 (51.3%)
Total Project Cost: \$ 35,700,000

Member/District: Rep. Tom McClintock (CA-05)

Video overview of project is [here](#).

Sierra Northern Railway (SERA) was challenged to add and manage current customers along the 55-mile-long Oakdale Division excepted track, built in 1897, servicing Riverbank, California in the Central Valley to Standard, California in the Sierra Nevada foothills. As excepted track, freight could move at no more than 10 mph along the route, taking 5 hours to transport freight from one end to the other. The project included replacing 20 miles of track with 115-pound rail, 90,000 railroad ties, and rehabilitating ten grade crossings.

The CRISI Grant transformed the operation, adding a 116-acre transload site for building manifest unit trans without causing gridlock along the active line, and improving delivery time from end to end by 250%. The increased throughput has enabled SERA to:

- Quadrupled carload business
- Add new customers – such as a new grainload shipper
- Reduce derailments
- Provided 30 new railroad jobs in the area
- Improved grade crossings and increased speed led to less time blocking motoring public
- Took an estimated 5,000 trucks of propane off local highways in year one

“The project began in 2019 and was completed a year and a half later. It has achieved everything we had anticipated, and more for the region. It has allowed the Sierra Northern to dramatically increase carloads by better serving current customers, and by attracting new business to rail. We are especially proud of how this project has served our local community – taking trucks off the road, especially on narrow mountain roads, reducing time spent at railroad crossings, and providing more well-paying railroad jobs in our region.” Ken Beard, President, Sierra Northern Railway

Texas, Gonzales & Northern Railway (TXGN)

FRA Project Name: Harwood Interchange Improvement Project

CRISI Grant: \$2,223,768
Local Match: \$2,223,768 (50%)
Total Project Cost: \$4,447,536

Member/District: Rep. Michael Cloud (TX-27)

The project extended the siding at the interchange with the Union Pacific Railroad (UP) to 9,000 feet. The construction project included installing welded rail, steel ties, new modern power switches and the replacement of two aging wooden trestles enhanced drainage. With concrete culverts. The purpose of the project was to enhance capacity, improve service, enhance safe operations and help relieve highway congestion by moving shipments from truck to rail.

The project has allowed TXGN to accommodate UP's Unit Train traffic simultaneously with our carload traffic, which allowed for double capacity at interchange and a more fluid handoff with UP. Prior to the CRISI project completion UP could deliver only 1 of those trains while then waiting on TXGN to clear the interchange before a second train could arrive. The increased operating capacity has saved customers up to 24 hours of transit time. The expanded capacity has allowed TXGN to attract two new storage customers and annual carloads have increased from 3,726 in the year prior to the project to 4,634 carloads in the first year following project completion, a 24% increase. Most recently TXGN attracted a new major company that has just announced that they are building a new facility on the TXGN and will increase carloads by 700 annually.

Livestock Nutrition Center (LNC) is a leading feed manufacturing and grain handling company with facilities in 5 southwestern states, including a facility on the TXGN.

"The TXGN CRISI Grant Interchange Project has been a game-changer for our operations at Livestock Nutrition Center. By enabling the seamless handling of Unit Trains, this project has significantly improved the efficiency of our railcar traffic and opened the door for potential Unit Train movements into TXGN Railway. Without the enhancements brought by this project, we wouldn't have the opportunity to consider expanding our location. This improvement has not only reduced turnaround times for our railcars, improving utilization and operational efficiency, but it has also positioned us to better serve our customers and explore new growth opportunities. We are truly grateful for the partnership with TXGN Railway and the commitment they have shown to helping businesses like ours thrive." Maurice Janda, Fulfillment Manager, LNC

Twin Cities & Western Railroad Company (TCWR)

FRA Project Name: Joint Elimination - Rail Infrastructure and Safety Improvement

CRISI Grant:	\$ 2,000,839
Local Match	\$ 2,000,839 (50%)
Total Project Cost:	\$ 4,001,678

Member/District: Michelle Fischbach (MN-7), Tom Emmer (MN-6), Kelly Morrison (MN-3)

The Twin Cities & Western Railroad upgraded 1.3 miles of track with slow orders – a local speed restriction imposed that is slower than the track's normal speed limit due to deficient track – to high-speed welded rail. The replacement resulted in significantly improved safety, as measured by decreased year-over-year rail defects found via ultrasonic tests from 106 defects in 2017 to 48 defects in 2020 (after project). The upgraded rail also reduced annual tie replacement from 20,000 required in 2019, to 17,000 by 2021.

For customers, the improved quality of the rail has contributed to a decrease in shipping time, decreases in delays due to mainline derailments, and maintaining efficient pricing due to decreased maintenance costs.

Subsequent CRISI grants in FY 20 and FY 21 replaced rail on an additional 2 and 1 miles of track respectively, leading to an overall reduction in point-to-point shipping time of 56% across the 3 miles, and a further reduction in tie replacement needs of 30%, to 12,000 ties per year.

“The Twin Cities & Western Railroad is a vital east-west railway that carries over 30,000 freight cars annually throughout south-central and western Minnesota. Its rail lines are essential to the local and regional economy, connecting countless businesses and farmers to their commercial needs. Not only would these improvements ensure that our railways are safer and more reliable, but they would also minimize transportation costs for businesses, enhance Minnesota’s economic competitiveness, support the regional supply chain and reduce the need for future maintenance and repairs. Completing these updates would support the needs of countless Minnesotans by improving and modernizing the regional rail network.” Senator Amy Klobuchar, United States Senator, Minnesota

“Rail is one of the primary arteries of Minnesota commerce. This investment in the Twin Cities & Western Railroad Company will increase service, while also ensuring the safety of all those who live in communities along these vital transportation routes.” Representative Tom Emmer, MN-6