



Kansas Department of Transportation news release

Oct. 20, 2010

10-101

FOR IMMEDIATE RELEASE

News Contact: Stan Whitley (785) 296-3585

KDOT awarded \$10.2 million TIGER II rail grant

The Kansas Department of Transportation has been awarded a \$10.2 million federal Transportation Investments Generating Economic Recovery II (TIGER II) grant to help fund its Great Plains Freight Rail Service Improvement Project.

The TIGER II grant will provide for infrastructure and facility rail improvements to the South Kansas and Oklahoma Railroad (SKOL) owned and operated by Watco Transportation Services, Inc. Improvements are targeted at the most vital and problematic network segments operated by the SKOL mostly in Kansas, but also in Oklahoma.

“The SKOL network is composed of large stretches of extremely old infrastructure with rails dating back from the early part of the 20th century,” said Secretary of Transportation Deb Miller. “A very high percentage of these components are well beyond their useful lives and are unable to perform as required under the stress of today’s industry standard heavy axle loads.”

Secretary Miller said the poor conditions limit capacity, train speeds and have the potential to lead to increased accidents and derailments. The result has been raising cost for shippers and reduced competitiveness.

“This project will have a positive long term economic impact on the state of Kansas,” said Rick Webb, Watco CEO. “It’s vital because it will allow additional freight

traffic by diverting trucks to rail, thus reducing road maintenance costs. In addition, the increase in velocity and volume will lead to job creation at the railroad and customer level. These improvements will open opportunities to attract new industries to the area. We appreciate all our customers and the communities who participated in making this funding a reality.”

The following is a list of improvements that will be funded by the project.

- **Cherryvale Yard Phase II** – The improvement will complete the second phase of the new Cherryvale Yard, relocating the hub of the SKOL.
- **Cherryvale Locomotive Shop** – The improvement creates a permanent mechanical shop at the new Cherryvale Yard location to provide inspections, maintenance services and light and heavy repairs to a fleet of more than 40 road and switching locomotives.
- **Neodesha-Cherryvale Track Improvements** – The improvements will occur on the Neodesha Subdivision encompassing the corridor running east and west between the towns of Fredonia and Sherwin. The enhancements will be designed to reduce infrastructure related derailments, improve at-grade safety and improve track speeds on 17 miles of track.
- **Cherryvale-Humboldt Track Improvements** – Improvements will be made on 38 miles of track running north and south between Cherryvale and Humboldt. The work will include the installation of new ties, track surfacing and the replacements of failing track components.
- **Tulsa-Cherryvale Bridge Improvements** – Improvements will be made to bridges in a 99-mile-long corridor running north and south between Tulsa and Cherryvale allowing for heavier railcars and locomotives.

Under guidelines of TIGER II, 80 percent of the total project costs will be provided by the federal government. KDOT and the SKOL are each providing \$1.7 million toward the project.

TIGER II was a competitive grant program, a \$600 million successor to the original \$1.5 billion TIGER program included in the American Recovery and Reinvestment Act of 2009.

###