



# T&W

TWIN CITIES & WESTERN RAILROAD COMPANY

2925 12th Street East • Glencoe, Minnesota 55336 • 320-864-7200 • www.tcwr.net • May 2010

## Reducing expenses while providing good, economic service



By Mark Wegner, President

It is now April 2010, and with the sudden warmth of March and into April, planting is well underway. We were fortunate that the spring flooding, while high, did not affect the TCW or MPL's main lines, but it did affect our swing bridge at Savage. We have been experiencing (much like spring 2009) a severe lull in corn and soybean carloads. The carry in the market would indicate that July and August will be when the 2009 crop moves; the problem with that is today we have a growing 150+ grain cars being stored (with monthly leases still being paid) so that we will have enough cars to handle the rush in July/August. I anticipate we will face car shortages in the future months of high demand – it depends on how far away the final destination for the cars will be.

We will be attending the American Short Line and Regional Railroad Association's (ASLRRRA's) national convention in Orlando, Florida at the beginning of May. With all of the pending federal safety legislation AND potential federal economic legislation, it will be a very intense 4 days. I will share the updates at our all employee meeting in May.

In some very good news, the Minnesota Valley Regional Rail Authority (MVRRA) received \$5mm for rail rehabilitation! Legislation sponsored by Representative Terry Morrow and Senators Kevin Dahle, Kathy Sheran, Dennis Frederickson and Gary Kubly was in the Bonding Bill, and thanks to many, many people, Governor Pawlenty did not veto it. With this and previous state and federal appropriations, the old, lightweight rails will be replaced with heavy rails at least through Winthrop, which will mean about one-third of the total MVRRA rail line will have modern

rail. We and the MVRRA continue to work to secure additional funding for the remaining two-thirds, both at the State and Federal level. The Rail Coalition has been especially active in this effort.

The Rail Rehabilitation project partially funded with American Recovery and Reinvestment Act (ARRA) (stimulus) dollars will start this year on May 16 and will be completed by July 17. This will bring heavy rail past Arlington. The annual tie replacement program has started, first on the MPL and will progress onto the TCW. The TCW is scheduled to have the FRA geometry car traverse the TCW in late summer. It will be an intense maintenance season, and I urge everyone to continue to think safety.

Since it appears the grain traffic will be slow until July, we have been focusing on ways of reducing expenses, primarily in the way we manage the car fleet and in some of the transactional administrative costs. It is always a good exercise to review our cost structure and determine whether processes that have been in place are still the most efficient, and if not, change the process so that our costs do not increase in such a way that they go unnoticed. Another area is installing a small air compressor in the shop to handle the daily activities, leaving the large compressor only for sanding the locomotives. This should result in a significant reduction in electricity consumption and expense.

I am optimistic that we will see new businesses along our rail lines and expansion of existing businesses, and we are positioned to give them superior service.

I appreciate all of your efforts that collectively deliver good, economic service to our customers and working together to improve our processes! As you go about your tasks, PLEASE THINK AND BE SAFE!!

# Operation Lifesaver and Rail Safety for Emergency Responders Classes

By Holli Schafer  
 Manager of Revenue  
 Accounting

*Operation Lifesaver (OL) is a non-profit, international continuing public education program first established in 1972 to end collisions, deaths and injuries at places where roadways cross train tracks, and on railroad rights-of-way.*

OL programs are available for schools, civic groups and basically anyone interested in learning about railroad safety. TCW has been involved in OL since the inception of the railroad in 1991.

TCW recently became involved in the Rail Safety for Emergency

Responders (RSER) program under the OL National Program. The RSER course is designed to

provide emergency response personnel critical information to

prepare them for responding to a railroad incident. The RSER program consists of a four hour classroom program or an eight hour classroom and field program. The four hour class is conducted at your facility and contains information on how to safely assist in highway rail crossing incidents. During the class we go over safety issues in the railroad environment, on scene dangers, types of rail equipment, assessing the scene, train documents, and emergency response plans for railroad corridors. The eight hour class includes all of that information plus a four hour field training portion in which we would have a locomotive and railcar available for hands on learning. The RSER program is also certified for continuing education credits.

If you are interested in either program please contact **Holli Schafer** at 320-864-7203 or [hschafer@tcwr.net](mailto:hschafer@tcwr.net).

## Save the date!

**June 9, 2010**

### The Depot Coffee House

9451 Excelsior Blvd  
 Hopkins, MN

Celebrating the partnership between "Project Green Fleet" and the Twin Cities & Western Railroad. Representatives from the EPA, Project Green Fleet and TCW will share their perspectives on the idle reduction technology recently installed on two TCW locomotives, as well as the local and global benefits resulting from this innovative collaboration. Come take an up-close look at a TCW locomotive and the technology recently installed through this partnership!



By Robin Bergeron, Director of Sales

## What is "MRSI"?

The acronym stands for **Minnesota Rail Service Improvement Program.**

This program is available to our customers through the Minnesota Department of Transportation where they can apply for a Capital Improvement Loan. MNDOT will provide MRSI loans to qualified applicants with up to a ten-year repayment schedule. The maximum loan amount is \$200,000 and the

purpose of the loan is to assist rail users to improve the efficiency of their rail transportation. The funds are available for capital improvement projects that increase rail usage. Examples of the improvements are; expanding industrial spurs/sidings, adding storage and transfer capacity or loading efficiency improvements. For more information on this loan, please go to MNDOT's website, [www.dot.state.mn.us](http://www.dot.state.mn.us), input MRSI in the simple search box (located in the upper right hand corner), then click to access the details and application form.





By Craig Glaeser  
Director of Marketing

# Spring is early, but we're ready

**A**pril has been unseasonably warm. Who would have thought of an early spring with the winter (December thru

February) we had. It is April 22 as I write this article and it is 65 degrees outside! The farmers are busy planting peas, corn, and sugar beets. It is predicted that if the weather continues as warm as it is, this year's crop will be in the ground on average two to three weeks ahead of last year. As for acres planted the USDA's prospective plantings report estimates Minnesota corn and soybean acres to be the same as last year with total acres of corn 7.6 million and soybeans 7.2 million. Wheat acres are estimated to be down in Minnesota, South Dakota and North Dakota. Edible bean acres in Minnesota are estimated to increase by 33 percent. TCW serves 3 edible bean

processors: ADM at Appleton and Olivia and Bird Island Bean Company at Bird Island. Now all we need is Mother Nature to cooperate through the growing season for a high yield and bumper crop.

What goes hand in hand with an early spring planting is an early spring fertilizer application which is also ahead of schedule. We will again be prepared this year to dedicate cars to fertilizer service for our customers shipping needs from the Twin Cities River Terminals. TCW has direct access to the following; Upper River Services at Camden, Gavilon (Peavey Red Rock Terminal) via a CPR switch, CHS fertilizer in St. Paul and Mosaic in Savage both with a UP switch. TCW is prepared to handle cars during the spring season and will be ready to serve our customers needs during the summer for refilling for fall needs.

Due to the late harvest in 2009, Southern Minnesota Beet Sugar

Cooperative (SMBSC) is still slicing sugar beets. This is the latest the Coop has sliced beets and they are estimating the slice to continue into the first week of May. SMBSC covered sugar beet piles last year at Renville and Bird Island which has prevented spoilage with the unseasonably warm Spring. The beets that are being hauled from the covered piles are at 17 degrees. Covering the piles and freezing the beets is paying off this year and allowing the slice to continue into May.

TCW/MPL grain car loads continue to be less than last year. We currently have covered hopper cars stored on both railroads. Local in-state processors of corn and soybeans is currently the market. We are anticipating car loads to increase during June, July and August. During these months cars are expected to be short depending on where the destination market is.

## LOOK WHO'S COOKING

### *a snack and a sweet*



From Diane McCall  
Manager of  
Transportation Services

### Snack - Corn Dip

- 2 cans Mexicorn - drain well
- 1 can Rotel tomatoes - drain
- 1 bunch green onions - chopped
- 1 cup shredded cheddar cheese
- 1 cup real mayonnaise - do not substitute with miracle whip
- Pinch of sugar

Mix all together and refrigerate. Serve with yellow tortilla chips for dipping.

*This is a recipe that I got from my sister Michele in Pueblo West, CO many years ago. It has become a favorite for both sides of the family.*

### Sweet - M&M Cookies

- 1 cup of shortening
- 1 cup of butter
- 1 1/2 cups of sugar
- 1 1/2 cups of brown sugar
- 3 eggs
- 1 tbsp vanilla
- 4 3/4 cup sifted flour
- 1 1/2 tsp salt
- 1 1/2 tsp baking soda
- 24 oz bag of Choc Chips or M&M's (my favorite)

Cream the first six ingredients. Gradually beat in flour, salt, soda mixture. Stir in chocolate chips (or M&M's). Drop by rounded tablespoon onto a cookie sheet. Bake 10 minutes at 375 degrees.

*Our neighbors love when we make these cookies! Because the recipe makes 50 many cookies, we always pass a couple dozen cookies out to the neighbors to enjoy too!*



From Katie Masog  
Director of Accounting



# Fast Tracks SPOTLIGHT

By Sue Bombeck, Office Manager

**O**h how the time flies when you are having fun!! Can you believe its already May? I think its safe to say that the winter seemed extra long this year and everyone is looking forward to the warmer weather and all that comes with it!

TCW has been gearing up for the summer work season.

We welcomed back 3 returning seasonal MOW laborers and hired an additional 3 seasonal MOW laborers. Help me welcome:

**Brad Wanous** –  
Glencoe Section

**Erik Dack** –  
Montevideo Section

**Tim Degn** –  
Glencoe Section

**Dustin Haneca** –  
MPL Section

**Josh Schilling** –  
Glencoe Section

As we move into our busy summer, we'd like to wish **Galen Miller**, the best of luck in his retirement and wish everyone a safe, healthy and productive summer!

## Upcoming events:

**May 1 – 5, 2010 –  
ASLRR's National  
Convention -**  
Orlando

**May 10, 2010 –  
Spring AEM**  
(Hutchinson Event Center) – 0730 start time with Transportation Department Meeting and 0800 start time with Operations and Accounting Department Meetings. All other employees will start at 0900!

**May 31, 2010 –  
Memorial Day –**  
Company Holiday,  
office closed

**June 23 – 25, 2010 –  
Shortline RR's Annual  
Liability Conference –**  
Indianapolis

**July 5, 2010 –  
Independence Day –**  
Company Holiday,  
office closed

**July 11 – 13, 2010 –  
MRRRA's Annual  
Conference –**  
Brainerd

**July 16, 2010 –  
TCW's Annual Customer  
Golf Outing -**  
Glencoe

**July 24, 2010 –  
TCW's Annual Employee  
Picnic –** Location to be  
determined –  
SAVE the DATE!