

315 W 3rd St. Pittsburg, KS 66762 Phone: 620.231.2230

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May 24, 2024

The Honorable Amit Bose, Administrator Federal Railroad Administration 1200 New Jersey Avenue, SE Washington, DC 20590

Re:

Watco's 2023 and 2024 CRISI Grant Application
"The Strategic Bridge Improvement and Sustainability Project"

Dear Administrator Bose;

Watco Transportation Services, LLC (Watco) is a diversified company specializing in car mechanical services, ports and terminal facilities, supply chain logistics and short line freight transportation across our nation. Throughout our over 40 years of business, Watco has grown from a small family-owned mechanical shop with one locomotive into a leading transportation services company throughout North America and Western Australia. Today, our vast network includes 46 Class II and Class III railroads located in 27 states, and connects to all Class I railroads across the nation. Watco employs close to 5,000 team members.

I write to you in support of the Consolidated Rail Infrastructure and Safety Improvements Program (CRISI) program application as sponsored by Watco. The total cost of the project is \$25,324,482 of which 80% or \$20,259,585 is being requested of CRISI. Due to the importance of this project, Watco has pledged to provide a 20% local match of \$5,064,896 in non-federal matching funds for this project. Additionally, Watco is committing \$4.5M of its own resources to inspect our bridges and continue repairs and much needed maintenance in advance of this potential grant award. I believe this commitment along with the letters of support for this project shows a strong local match and demonstrates how important this project is to our region, our economy, and to the future of freight rail transportation across our nation.

As part of our commitment to this project, Watco will provide sufficient regular investment in repairs and maintenance from our internal resources to keep these infrastructure improvements in a good state of repair and to preserve and maximize the operational benefits for the full life cycle of the assets.



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This will be an important and strategic investment in transportation infrastructure that will have significant immediate and long-term economic impacts on the regions and nation. A build scenario will enable hundreds of rail customers across eleven states to fully load railroad cars to 286,000 lbs. and to avoid "light loading" their rail cars and will also significantly reduce the likelihood of future delays to our rail customers that also impact their respective supply chains.

I ask that you give full consideration to our project — "Watco's Strategic Bridge Improvement and Sustainability Project."

Sincerely,

Ken Lucht, AVE Government and Industry Relations

Watco