

The Track Guy

NEWSLETTER



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Some Bid Results

Rail Siding: Cory, PA

1. Ohio Track 330,000
2. GW Peoples 358,300
3. Balfour Beatty Rail 361,200

Track Rehab: Trenton, TN

1. Railworks 777,100
2. American Maintenance 777,800
3. Atlas Railroad Const. 778,900

Rail Materials: Pittsburgh, PA

1. Cleveland Track 585,900
2. VAE Nortrak 597,900
3. Progress Rail 609,300

Signal Optimization: San Carlos, CA

1. Granite Construction 4,731,200
2. Balfour Beatty Rail 4,820,000
3. Shimmick Construction 4,849,000

Track Guy Consultants

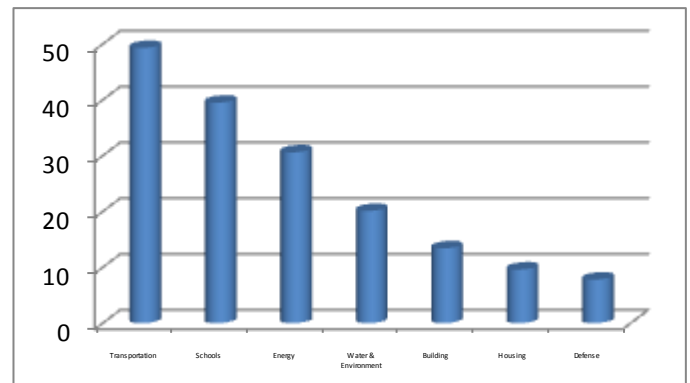
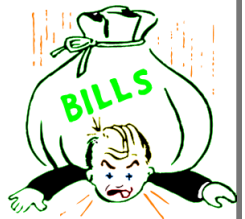
We have been very busy since our last Newsletter. Along with doing numerous training classes, we found time to serve on a Value Engineering committee for a week. We reviewed specification, drawing, means, methods and contract options as well as offering some advice on procurement methods. There were 7 of us invited and I felt very honored to serve on this committee that evaluated a large design build contract for an extension to an existing Transportation System. The ideas flowed and the group worked very well together. This was the third value engineering group that I have had the honor to serve on. These types of reviews are invaluable to the success of any project and are sometimes mandatory if federal funds are involved. We are taking a very short breather now, hence the writing of this Newsletter which is late. We have developed a 1-day training program specifically focused on Thermal Forces and the proper method to adjust CWR. It addresses theory and practical means and methods. Understanding the principles of the forces involved when steel expands and contracts due to temperature changes is the key and we make certain that everyone in the class understands the life threatening importance of doing it right and monitoring neutral temperature. We have presented this program to a couple Contractors and the response is wonderful. If you want us to present this class to your troops, let us know.



Spotlight:

The Stimulus What?

So what is going on with all this money? My politics may get in the way during this writing but what's a few billion among friends. I am still trying to figure out what comes after a trillion. The stimulus money from the government will go a long way in improving our mobility for decades to come. The big question is: will it really put people back to work and create a better infrastructure that will last till the next war. Enough commentary, so where is the beef? The money that affects us in the Rail industry is part of the \$49,300,000,000 under the Transportation category. The big hitters are, 55% (27.5b) for Highways, 19% (9.3b) for rail of which 1.3 billion goes to Amtrak and 8 billion dollars goes toward high speed which is considered as Mag-Lev as of now, Transit will get 17% (8.4b). 3% (1.5b) is a discretionary fund. Wow 1,500 million dollars for DOT to pick and choose. This is all on top of the existing Federal Public Transportation Investment program consisting of \$52.6 billion allocated for 2004 to 2009. This program expires this year and must not be forgotten about. ISTEA, TEA-21 and SAFETEA-LU have had an enormous positive impact on the rail transportation industry. Let us not forget what has spurred transit growth since 1992. Still on top of all this is FTA Grants and some of the biggies on this are \$813 million (chump change) for Sound Transit, \$308 million for Denver RTD, \$428 million for Utah Transit and \$900 million for the Dulles Corridor. Another chunk of money is the local governments passing referendums for funding Transit in their respective cities. These range from taxing toilet paper to sales tax increases to usage taxes for rental cars and a host of other creative financing. There is no question that this country needs to get with the times and move more people and goods by rail. It is all positive. The environment mandates that we must do this if we want our great grand kids to enjoy a planet free from toxins. So what is next? "Beam me up Scotty".





Ask The Track Guy



This is where you, the reader get to ask questions about Railroad Track engineering, design, construction, maintenance or anything to do with Trackwork. Simply write or e-mail a question and we will answer in a timely manner. Some questions will be published here.

How much Track does \$20 billion build?

That sure is an interesting question. Let us try and answer this question. Just building standard ballasted Railroad Track cost about \$200/TF. If we try and divide \$200 into \$20,000,000,000, we get 100 million feet of track or about 19,000 miles. The circumference of the earth at the equator is 25,000 miles. Furthermore; a 50° temperature change will make the rail about 75 miles longer. Had to go to the super calculator for this one. Now if we use a conservative number of \$15 million per mile which would include the entire infrastructure for an LRT system (stations, track, sub-stations, ROW etc) then we could build a 1,300 mile transit system. That would be equivalent of double tracking the Northeast Corridor (Boston to DC). On average it takes about 3 years to build a modest system of 20 miles. That makes 1,300 miles equivalent to 65 systems about the size of the Hudson Bergen LRT. If we just say there are 8 consortiums capable of building the systems and we build all 65 systems back to back, it would take 25 years to build them. Is your mind swimming yet? Another way of looking at it is if you were to get a 63% raise next year. Careful what you ask for.



Do you teach Project Management?

Funny you should ask. We have been developing a Project Management course specifically suited for Track related projects. What we teach can be applied to any project whether you are the prime or the sub. We offer an initial 3-4 day class where we go through the basics and then give each student an assignment to complete prior to the next 3-4 day class. After these 2 sessions the attendee is ready to begin their journey into Managing projects. Just a sampling of the components is as follows:

- Personal Development Goals
- The Project Process, schedule and evaluation
- Communicating and Ethics
- Cost Controls and Tracking
- Documentation and Leadership skills
- Challenges, Motivating, Efficiency, Effectiveness
- What is a Team?
- Risk Analysis
- Moral Obligations
- Responsibilities
- Dozens of other topics relevant to Management



Call or drop us an e-mail for more details.

What's Happening around the World?

The world market of Railways has been growing at an enormous rate and it is predicted to continue for at least 5 more years. I also share the optimism as many do here in the United States. The World market is mind boggling at \$162.5 billion annually and is predicted to be \$203.4b by 2013 as reported by IRJ. The majority of the money (59%) is in rolling stock and 30% for Infrastructure and 11% for Systems. The numbers reported by IRJ are as follows: All converted to US dollars.

Western Europe	\$ 49.9 billion
Asia	\$ 38.7 billion
North America	\$ 32.1 billion
Russia etc.	\$ 16.6 billion
Eastern Europe	\$ 14.3 billion
Africa & Middle East	\$ 4.6 billion
South & Central America	\$ 3.2 billion
Australia	\$ 3.1 billion

Environmental awareness and international affairs have done a lot to promote the rail industry as a safe, reliable and very economical mode of transportation. The World Track Equipment market is \$40 billion US dollars annually. Putting this all in perspective is mind boggling. The Stimulus Rail Transportation share of about \$20 billion, give or take a few billion will represent a 63% increase in the everyday annual spending. This is almost unbelievable. Then the question has to be asked: Where are we going to get all the experience to build it? We already exert 130% right now, what's another 63% of work load? Hang in there for a glorious ride and remember our families ride on every piece of track we build so do it accurate and safely. If you need any help, give us a call. Just had to throw that one in.

