

Waiver request withdrawn by Ashland on Nov. 25, 2014

Ashland Railway, Inc. 2014 SEP 26 PM 2:48
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Pipersville, PA 18947
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Hon. Joseph C. Szabo
Administrator
Federal Railroad Administration
U.S. Department of Transportation
1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

Re: Request for Waiver from Federal Railroad Administration's Buy America Requirement with Regard to Refinancing Activities

Dear Administrator Szabo:

The following is respectfully submitted by Ashland Railway, Incorporated (hereinafter "ASRY" or "the ASRY") as an application for waiver ("Waiver") from the Federal Railroad Administration's ("FRA") Buy America requirement, as the Buy America requirement pertains to ASRY's application for a Railroad Rehabilitation and Improvement Financing Program loan ("RRIF Loan") in the amount of \$7,892,501.33 (\$8,005,819.33 less payments made on refinancing portion of loan request through August 31, 2014) ASRY's RRIF Loan application is on file with your office.

None of the information submitted with this letter is deemed to be proprietary by ASRY.

I. Description of ASRY's RRIF Loan Application and Purpose

ASRY has submitted an application for a RRIF Loan in the amount of \$7,892,501.33, which encompasses numerous beneficial projects and purposes for ASRY. The bulk of the loan, \$4,793,912.33, is a series of capital improvements to the railroad that will repair aging track structures and rail with new materials. These projects are the reconstruction of a bridge, repair of an additional bridge, the installation of a railroad scale at the request of railroad customers, rehabilitation of eighteen miles of track including the changing out of ties and resurfacing of said track, the expansion of a small yard currently being used for transloading, the construction of a locomotive service shop, and the laying of new rail along a problematic curve on the line (the "Capital Projects").

The remainder of the RRIF Loan, \$3,098,589, consists of various previously existing debt obligations. \$1,076,951 of the existing debt is for the mortgage on the railroad itself. \$346,318 of the debt is the remainder of the financing used to purchase four used locomotives in 2007 for the railroad. The final \$1,675,320 is the debt used to construct the Mansfield Railport, an ASRY-owned, ASRY-served warehousing and storage facility, in 2005. These debts are included in the RRIF loan, as without the additional liquidity as a result of refinancing, the capital projects as described above are not within ASRY's budget.

The ASRY currently serves approximately thirty customers and has moved approximately 10,000 carloads on average over the last three years. These thirty customers employ thousands of central Ohioans in industries ranging from produce breakbulk facilities to steel manufacturing and shaving cream production. The line is a critical link in the transportation of goods to and from central Ohio, and without it, many businesses who use the line would face increased costs, resulting in layoffs and, in some extreme cases, complete shutdown. The public benefit of the RRIF application is extremely high because of the vital importance the ASRY plays in the transportation network of north-central Ohio.

II. Description of the Goods to be Purchased and/or Refinanced by the RRIF Loan Which Do Not Meet Buy America Requirement

Exhibit A, attached, is a detailed scope of the Capital Projects that will be included in the RRIF Loan. It is important to note that **none** of the items contained in the Capital Projects are being submitted for a waiver of Buy America requirements. ASRY fully supports and intends to follow the Buy America requirements as applied to all of the construction contemplated to be completed as a part of the Capital Projects. The ASRY's largest shipper is AK Steel, a Fortune 500 company that makes carbon, flat-rolled and electric steels, and ASRY fully supports AK Steel and the domestic steel industry in all of its forms.

The assets involved in this Waiver are solely assets that are a part of the refinancing aspect of the RRIF application. A brief overview of the Buy America items involved in the refinancing, by refinancing category:

- Railroad infrastructure: items include rail, spikes, tie plates, turnouts, grade crossing signals, and any other appurtenances included with the purchase of the ASRY lines.
- Locomotives: items are the wheelsets, engine/engine block, traction motors, generators, and the locomotive's frame.
- Mansfield Railport: the items for waiver are the structural steel and rebar included in the construction of the building.

Each item has a different rationale with regards to its inclusion in this Waiver.

The railroad infrastructure items included in the refinancing consist of fifty-six miles of track and related appurtenances, including spurs, sidings and lead tracks. The original construction of these tracks varies: some portions were installed in the 1930s, and the newest sections of rail were installed in the early 1980s. A variety of install dates also exist between those endpoints. It is extremely likely that all of the items involved in the railroad infrastructure are Buy America compliant. Spot checks carried out by the general manager of the railroad over the last ten years, performed while doing routine maintenance work and covering the majority of the fifty-six miles of rail, have not uncovered any non-American steel, generally seeing stamps from Tennessee, Illinois, Bethlehem and Carnegie steel plants. All new items installed to the rail have been purchased from US vendors. However, the problematic issue of the scope as well as documentation for individual spikes, tie plates, end plates, and any other normally unmarked (or in many cases, deteriorated to indecipherability) items still exists, which precludes the ASRY from being able to definitively state that one hundred percent of the infrastructure is Buy America compliant to the satisfaction of the FRA's criteria.

The locomotives involved in the refinancing also, to the best of ASRY's knowledge, do not contain non-American parts. These locomotives were first manufactured in Erie, Pennsylvania, in 1969, and are

almost guaranteed to have been manufactured using American components. However, it is impossible to definitively prove as no physical information as to country of origin exists for most of the components of the locomotive, though the components with traceable countries of origin are Buy America compliant. All remanufacturing of the locomotives since purchase has been done in the US, either by Progress Rail in Georgia, or National Materials in Indiana, and all rebuildable items are original and built in the US.

The Mansfield Railport was completed in 2005. The main items that would involve Buy America are the structural steel and rebar used for support in the walls of the structure. These items are impossible to evaluate for Buy America compliance without demolishing the structure, thus no knowledge of their origin is available.

III. Description of Efforts to Secure Buy America Compliant Assets

All items included in the Capital Projects will be Buy America compliant, and all efforts continue to be made to ensure this outcome.

Beyond the research performed by ASRY staff mentioned above, no additional efforts have been made to secure Buy America compliant assets for the refinancing projects, as the cost is extremely prohibitive and the age of the assets long predates the current RRIF Buy America guidance with regards to refinancing. All of the items involved in this waiver request would require total replacement, increasing costs significantly. The rail replacement, at a conservative estimate of \$250/ft. for new rail construction, would cost upwards of \$73,000,000, and put large portions of the railroad out of service for a period of time. Locomotive replacement for the 4 locomotives would be approximately \$6,000,000. Finally, demolition and reconstruction of the Mansfield Railport would run approximately \$6,000,000, not to mention be extremely wasteful as a perfectly suitable building would be demolished, causing hardship for the ASRY and their customers while the warehousing space is offline.

IV. Buy America Bidding Process

Not applicable. Replacement of the non-Buy America compliant assets, given the cost and logistical burdens associated with replacement, has not been contemplated.

V. Categories Applicable to Waiver Request

- Applying the policy would be inconsistent with the public interest.
Were ASRY required to purchase Buy America compliant items to replace the items currently in the ground, the railroad as an entity would essentially cease to exist until the replacements are installed. This would mean that 10,000+ cars per year would not get delivered or shipped from the twenty-nine shippers across the line, seriously hindering their businesses. Replacement would also require the scrapping of miles upon miles of functional track, running locomotives, and a building constructed approximately 10 years ago, wasting currently useful resources, time, and money.

- Including domestic material will increase the cost of the overall project by more than 25 percent.

As described in Section III, above, the total cost of replacement for the items included in this waiver is over \$85,000,000. As the ASRY is only attempting to obtain an \$8,000,000 RRIF loan (and higher amounts have resulted in unsuitable credit risk premiums), a 1,125% increase in project cost to replace the infrastructure of the railroad would either kill the project or bankrupt the railroad. Neither result is desirable.

VI. Justification Supporting the Application of the Waiver Categories Cited Above

The ASRY's RRIF application is designed to free up existing capital in order to undertake the Capital Projects as described above. ASRY simply does not have the capital budget to undertake these projects without the refinancing. Without having this Waiver approved for the items listed in Section V, the refinancing of the existing debt obligations of the ASRY will not happen. If this refinancing does not happen, then the Capital Projects, which will consist of 100% Buy America compliant steel, iron and manufactured goods, will not happen. In short, the application of Buy America to the refinance portion of this project will result in reduced demand for American iron and steel, rather than increased demand.

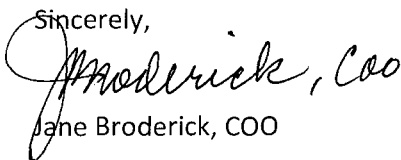
Additionally, all of the items involved in the requested waiver were originally manufactured or constructed prior to 2005, and many items date back to the early 20th century, predating the FRA's 2010 application of the Buy America requirement.

VII. Statement Describing How ASRY Will Use RRIF's Favorable Terms to Achieve the Public Benefit For Which the RRIF Loan is Intended

As described previously, without the RRIF financing in place of the currently existing debt obligations on ASRY's books, the Capital Projects cannot be completed. The Capital Projects will result in increased capacity for the ASRY at a time in which rail capacity across the region and nation is becoming increasingly strained. They help the ASRY serve a predominantly rural area¹ and enhance service to current customers while avoiding potential issues that may result in future service disruptions. These Capital Projects ensure that the railroad will be in a state of good repair not just in the near term, as currently, but also in the long term after the point in which many of the assets would have become unusable. While the ASRY may be able to survive without RRIF funding, the ASRY is guaranteed to thrive if it is awarded the RRIF loan.

We appreciate your consideration of this request for a Buy America Waiver. I am available at the address and phone number shown on this letter's letterhead if you or your staff have any questions or concerns regarding this Waiver. I look forward to a successful resolution of this Waiver.

Sincerely,



Jane Broderick, COO

¹ As defined in 79 FR 11854, "Notice of Funding Availability for the Department of Transportation's National Infrastructure Investments under the Consolidated Appropriations Act, 2014."

CAPITAL PROJECTS

6/4/2014

Funding Priority	Project Name	estimate	Description
1	Re-construct bridge at MP268.3 (Trail Lead)	\$867,675.00	remove old wooden/steel structure and replace with steel substructure and concrete deck.
5	Railroad scale	\$296,009.68	certified scale to accommodate demand of customers
6	Ashland Line rehab PHASE I (Timber & Surface MP250.0 to MP268.0)	\$1,093,172.00	change out ties and re-surface track
7	Selected Bridgework	\$336,345.00	MP249.76, Jerome Fork Bridge, Rehab 2 headwalls at through truss structure. Replace bridge ties
8	Expansion of Toby Run Yard and Transload tracks	\$955,630.40	Construct 6,500 feet of track to add capacity, relocate transload tracks, pave access road
9	Locomotive service shop	\$562,000.00	design & build foundation and floor for pre-engineered building on hand. Construct tracks to connect to yard lead.
10	lay new rail - Trail Lead, Prison curve	\$683,080.25	lay new 115# rail replacing worn jointed 112# and 130#
	Total cost of projects	\$4,793,912.33	

5/20/2014

TRACK RE-HAB BUDGET

To Raise FRA class of track to Class 2
Between MP250.0 & 266.0

ITEM	MP250.0 to MP251.0				MP251.0 to MP252.0				Cottage Street Siding			
	Units	Quantity	Cost/Unit	Total/Item	Units	Quantity	Cost/Unit	Total/Item	Units	Quantity	Cost/Unit	Total/Item
Surfacing Track	LF	5,280	1.35	7,128.00	LF	5,280	1.35	7,128.00	LF	2,500	1.35	3,375.00
Rail Anchors, Drive on 5 1/2" & 6"	ea	200	2.30	460.00	ea	200	2.30	460.00	ea	200	2.30	460.00
Tighten and replace bolts in rail joints	ea	150	25.00	3,750.00	ea	150	25.00	3,750.00	ea	100	25.00	2,500.00
Switch Ties set 8"X9" for no. 10	set	-	5,200.00	-	set	1	5,200.00	5,200.00	set	-	5,200.00	-
Crossties 7"X9"X8'6" (New IG)	ea	1,100	50.00	55,000.00	ea	1,100	50.00	55,000.00	ea	800	50.00	40,000.00
Spikes (5/8" X 5/8" X 6) - New	keg	42	69.50	2,919.00	keg	42	69.50	2,919.00	keg	32	69.50	2,224.00
Tie Plates DS 6 hole Relay 5 1/2" & 6"	ea	50	11.00	550.00	ea	50	11.00	550.00	ea	25	11.00	275.00
Ballast, No. 4 Limestone, distribute	tons	300	18.00	5,400.00	tons	300	18.00	5,400.00	tons	300	18.00	5,400.00
Clearing trees & brush	acre	1.0	2,600.00	2,600.00	acre	1.0	2,600.00	2,600.00	acre	-	2,600.00	-
Total Crossties 9 miles:				\$77,807.00				\$83,007.00				\$54,234.00
		17,700										

Total 16 miles of Project:

\$1,493,172.00

Less current ORDC grant:

\$400,000.00

Total Cost of Rehab:

\$1,093,172.00

MP252.0 to MP253.0				MP253.0 to MP254.0				MP254.0 to MP255.0			
Units	Quantity	Cost/Unit	Total/Item	Units	Quantity	Cost/Unit	Total/Item	Units	Quantity	Cost/Unit	Total/Item
TF	5,280	1.35	7,128.00	TF	5,280	1.35	7,128.00	TF	5,280	1.35	7,128.00
ea	200	2.30	460.00	ea	200	2.30	460.00	ea	200	2.30	460.00
jt	-	25.00	-	ea	200	25.00	5,000.00	ea	200	25.00	5,000.00
set	2	5,200.00	10,400.00	set	1	5,200.00	5,200.00	set	-	5,200.00	-
ea	1,100	50.00	55,000.00	ea	1,300	50.00	65,000.00	ea	1,100	50.00	55,000.00
keg	42	69.50	2,919.00	keg	50	69.50	3,475.00	keg	42	69.50	2,919.00
ea	50	11.00	550.00	ea	50	11.00	550.00	ea	50	11.00	550.00
tons	300	18.00	5,400.00	tons	300	18.00	5,400.00	tons	300	18.00	5,400.00
acre	2.0	2,600.00	5,200.00	acre	3.5	2,600.00	9,100.00	acre	3.5	2,600.00	9,100.00
			\$87,057.00				\$101,313.00				\$85,557.00

MP255.0 to MP256.0				MP256.0 to MP257.0				MP257.0 to MP258.0			
Units	Quantity	Cost/Unit	Total/Item	Units	Quantity	Cost/Unit	Total/Item	Units	Quantity	Cost/Unit	Total/Item
TF	5,280	1.35	7,128.00	TF	5,280	1.35	7,128.00	TF	5,280	1.35	7,128.00
ea	200	2.30	460.00	ea	200	2.30	460.00	ea	200	2.30	460.00
ea	270	25.00	6,750.00	ea	270	25.00	6,750.00	ea	270	25.00	6,750.00
set	-	5,200.00	-	set	-	5,200.00	-	set	-	5,200.00	-
ea	1,100	50.00	55,000.00	ea	1,100	50.00	55,000.00	ea	1,100	50.00	55,000.00
keg	42	69.50	2,919.00	keg	42	69.50	2,919.00	keg	42	69.50	2,919.00
ea	50	11.00	550.00	ea	50	11.00	550.00	ea	50	11.00	550.00
tons	300	18.00	5,400.00	tons	300	18.00	5,400.00	tons	300	18.00	5,400.00
acre	3.0	2,600.00	7,800.00	acre	2.5	2,600.00	6,500.00	acre	2.0	2,600.00	5,200.00
			\$86,007.00				\$84,707.00				\$83,407.00

MP258.0 to MP259.0				MP259.0 to MP260.0				MP260.0 to MP261.0			
Units	Quantity	Cost/Unit	Total/Item	Units	Quantity	Cost/Unit	Total/Item	Units	Quantity	Cost/Unit	Total/Item
TF	5,280	1.35	7,128.00	TF	5,280	1.35	7,128.00	TF	5,280	1.35	7,128.00
ea	200	2.30	460.00	ea	500	2.30	1,150.00	ea	200	2.30	460.00
ea	270	25.00	6,750.00	ea	200	25.00	5,000.00	ea	200	25.00	5,000.00
set	1	5,200.00	5,200.00	set	-	5,200.00	-	set	-	5,200.00	-
ea	1,100	50.00	55,000.00	ea	1,100	50.00	55,000.00	ea	1,300	50.00	65,000.00
keg	42	69.50	2,919.00	keg	42	69.50	2,919.00	keg	50	69.50	3,475.00
ea	50	11.00	550.00	ea	50	11.00	550.00	ea	50	11.00	550.00
tons	300	18.00	5,400.00	tons	300	18.00	5,400.00	tons	300	18.00	5,400.00
acre	2.0	2,600.00	5,200.00	acre	3.0	2,600.00	7,800.00	acre	3.5	2,600.00	9,100.00
\$88,607.00				\$84,947.00				\$96,113.00			

MP261.0 to MP262.0

Units	Quantity	Cost/Unit	Total/Item
TF	5,280	1.35	7,128.00
ea	200	2.30	460.00
ea	200	25.00	5,000.00
set	-	5,200.00	-
ea	1,300	50.00	65,000.00
keg	50	69.50	3,475.00
ea	50	11.00	550.00
tons	300	18.00	5,400.00
acre	3.5	2,600.00	9,100.00
			\$96,113.00

MP262.0 to MP263.0

Units	Quantity	Cost/Unit	Total/Item
TF	5,280	1.35	7,128.00
ea	200	2.30	460.00
ea	250	25.00	6,250.00
set	-	5,200.00	-
ea	1,300	50.00	65,000.00
keg	50	69.50	3,475.00
ea	50	11.00	550.00
tons	300	18.00	5,400.00
acre	3.0	2,600.00	7,800.00
			\$96,063.00

MP263.0 to MP264.0

Units	Quantity	Cost/Unit	Total/Item
TF	5,280	1.35	7,128.00
ea	200	2.30	460.00
ea	250	25.00	6,250.00
set	-	5,200.00	-
ea	1,300	50.00	65,000.00
keg	50	69.50	3,475.00
ea	50	11.00	550.00
tons	300	18.00	5,400.00
acre	3.5	2,600.00	9,100.00
			\$97,363.00

MP264.0 to MP265.0

Units	Quantity	Cost/Unit	Total/Item
TF	5,280	1.35	7,128.00
ea	200	2.30	460.00
ea	150	25.00	3,750.00
set	3	5,200.00	15,600.00
ea	1,300	50.00	65,000.00
keg	50	69.50	3,475.00
ea	50	11.00	550.00
tons	300	18.00	5,400.00
acre	2.5	2,600.00	6,500.00
			\$107,863.00

MP265.0 to MP266.0

Units	Quantity	Cost/Unit	Total/Item
TF	5,280	1.35	7,128.00
ea	200	2.30	460.00
ea	150	25.00	3,750.00
set	1	5,200.00	5,200.00
ea	1,100	50.00	55,000.00
keg	42	69.50	2,919.00
ea	50	11.00	550.00
tons	300	18.00	5,400.00
acre	1.0	2,600.00	2,600.00
			\$83,007.00

GRAND TOTAL OF
ITEMS

117,423.00
8,510.00
82,000.00
46,800.00
980,000.00
52,264.00
9,075.00
91,800.00
105,300.00
\$1,493,172.00

ASHLAND RAILWAY					
PROPOSED BRIDGE REPLACEMENT					
BRIDGE 2813					
PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST					
ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	EXTENDED AMOUNT
1	FURNISH, FABRICATE AND INSTALL STEEL BEAMS, BRACING AND BOLTS, W 44 X 250 GRADE 50	1	LS	\$ 70,000.00	\$ 70,000.00
2	FURNISH, FABRICATE AND INSTALL STEEL BEAMS, BRACING AND BOLTS, W 36 X 150 GRADE 50	1	LS	\$ 55,000.00	\$ 55,000.00
3	FURNISH AND INSTALL 1" ELASTOMERIC BEARING PADS	24	EA	\$ 450.00	\$ 10,800.00
4	FURNISH AND INSTALL 1 1/2" STEEL BASE PLATES WITH ANCHOR BOLTS	24	EA	\$ 525.00	\$ 12,600.00
5	FURNISH AND INSTALL HP 14x73 STEEL PILING	2,000	LF	\$ 75.00	\$ 150,000.00
6	FURNISH AND INSTALL REINFORCED CAST-IN-PLACE CONCRETE FOR ABUTMENTS AND PIERS, 4000 PSI	350	CY	\$ 625.00	\$ 218,750.00
7	FURNISH AND INSTALL PRECAST REINFORCED CONCRETE DECK SLABS, WITH FASTENERS	50	CY	\$ 950.00	\$ 47,500.00
8	FURNISH AND INSTALL WATERPROOFING FOR DECK JOINTS	1	LS	\$ 5,000.00	\$ 5,000.00
9	FURNISH AND INSTALL 1/2" ELASTOMERIC RISER PADS FOR TOP OF BEAM FLANGES	115	TF	\$ 155.00	\$ 17,825.00
10	REMOVE EXISTING BRIDGE	115	TF	\$ 80.00	\$ 9,200.00
11	FURNISH AND INSTALL EROSION CONTROL DEVICES	1	LS	\$ 5,000.00	\$ 5,000.00
12	EXCAVATION FOR PIER FOOTINGS, ABUTMENT AND ANY NECESSARY SHORING AND GRADING	1	LS	\$ 10,000.00	\$ 10,000.00
13	FURNISH AND PLACE COMPACTED CRUSHER RUN BACK FILL AT ABUTMENT, 6" LIFTS	400	TN	\$ 35.00	\$ 14,000.00
14	FURNISH & PLACE RIP RAP AT ABUTMENTS	300	TN	\$ 45.00	\$ 13,500.00
15	SURFACE & LINE TRACK, REGULATE BALLAST	900	TF	\$ 9.00	\$ 8,100.00
16	FURNISH AND PLACE MAINLINE BALLAST, AREMA NO. 4	500	TN	\$ 40.00	\$ 20,000.00
17	FURNISH AND INSTALL NEW 7" X 9" X 8'-6" GRADE CROSSTIES FOR BRIDGE	100	EA	\$ 95.00	\$ 9,500.00
18	REMOVE AND REBUILD TRACK	115	TF	\$ 60.00	\$ 6,900.00
19	MOBILIZATION (5%)	1	LS	\$ 34,000.00	\$ 34,000.00
20	CONTINGENCY (10%)	1	LS	\$ 68,000.00	\$ 68,000.00
21	ENGINEERING (12%)	1	LS	\$ 82,000.00	\$ 82,000.00
TOTAL:					\$ 887,875.00

TRACK CONSTRUCTION BUDGET

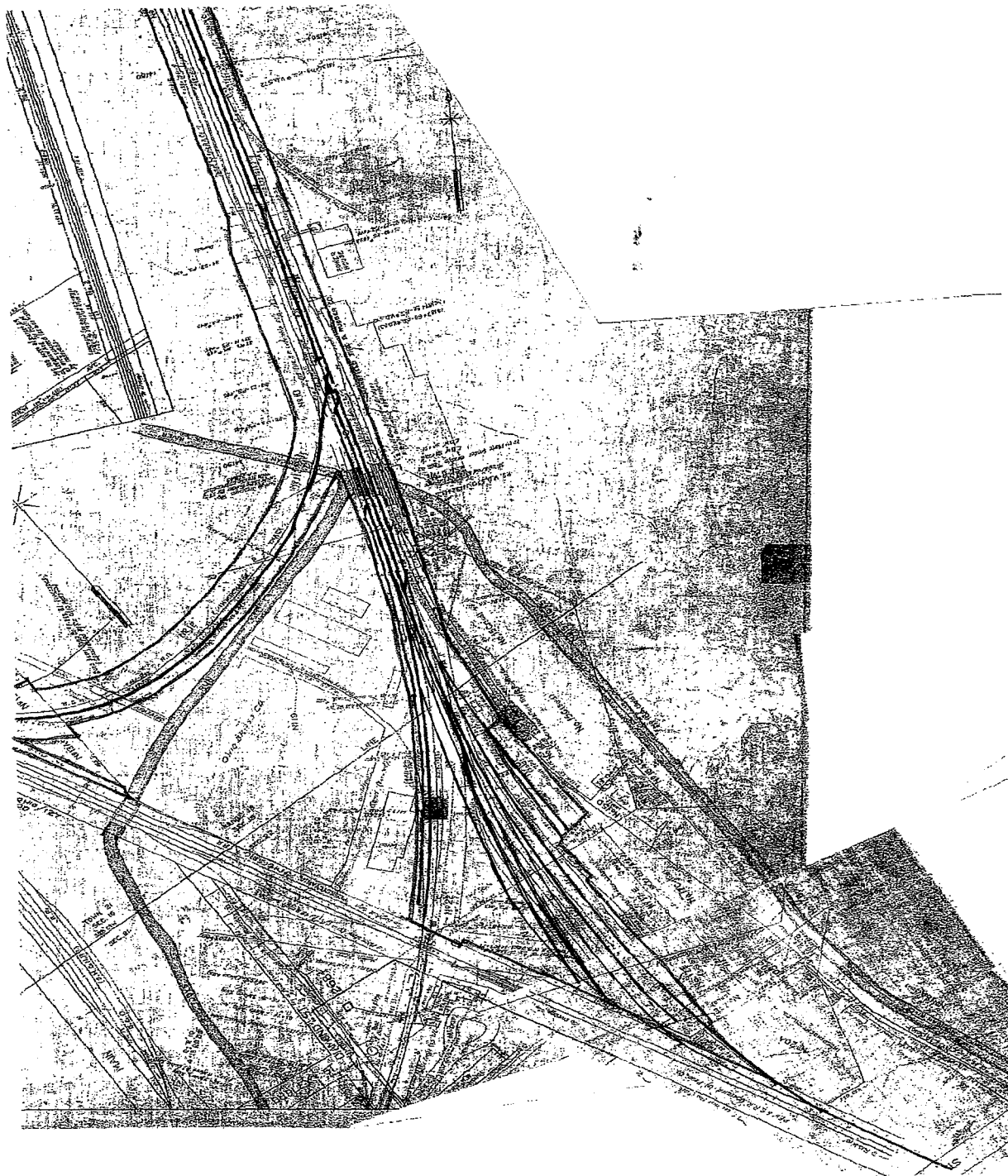
Toby Run Yard expansion

ASHLAND
RAILWAY

5-19-2014

ASRY
COST

<u>Materials</u>	<u>Units</u>	<u>Quantity</u>	<u>Cost/Unit</u>	<u>Total/Item</u>
Ballast, No. 4 Limestone	tons	3,000	15.30	45,900.00
Angle Bars 115RE Relay 6 hole	pairs	-	85.00	-
Rail 115RE new IQ CWR	LF	-	18.89	-
Crossties 7"X9"X8'6" (new)	ea	4,500	43.70	196,650.00
Rail Anchors, Drive on 5 1/2"	ea	5,000	2.30	11,500.00
Spikes (5/8" X 5/8" X 6) - New	keg	250	69.50	17,375.00
Switch Ties set 7"X9" for no. 10	set	10	5,200.00	52,000.00
Tie Plates DS 6 hole Relay 5 1/2"	ea	4,000	11.00	44,000.00
Track Bolts (1"X6") new	keg	120	69.00	8,280.00
Turnout No. 10, RBMI,RH	ea	10	12,529.04	125,290.40
Washers 1" - new	ea	2,000	0.64	1,280.00
Crushed concrete base	tons	5,000	11.50	166,980.00
Labor to construct switches	ea	-	12,000.00	-
Labor to construct track	ft	-	30.00	-
Surfacing by contractor	ft	6,500.00	1.75	11,375.00
Total Track construction		-		680,630.40
Grading and drainage	ea	-	50,000.00	-
paving	tn	-	62.00	-
Clearing	ea			-
Bridge decks	ea	4	50,000.00	200,000.00
Engineering	ea	1	25,000.00	25,000.00
Fiber optics cable encasement	ea	2	25,000.00	50,000.00
Total Estimated Cost				\$955,630.40



TRACK CONSTRUCTION BUDGET



MOE Shop Service tracks

5-19-2014

Materials	Units	Quantity	Cost/Unit	Total Item
Construct concrete encased rail inside shop	ft	280	100.00	28,000.00
	ft	-	30.00	-
	ft	-	10.00	-
Total Track Construction				28,000.00
Site development	ea	1	92,000.00	92,000.00
shop area floor and foundation	ea	1	436,000.00	436,000.00
Engineering	ea	1	6,000.00	6,000.00
	ea	-	-	-
	ea	-	-	-
Total Estimated Cost				\$562,000.00

COMMENTS

Ashland Railway
New Locomotive Shop
Preliminary Construction Budget

Dublin Building Systems
August 20, 2012

PRELIMINARY BUDGET ESTIMATE

Site Development Costs	\$ 92,000
Building Construction Costs	
Finished Locker Rm Area: 1,000 SF @ \$75/SF =	\$ 75,000
Finished Office Area: 1,000 SF @ \$70/SF =	70,000
Shop Area: 9,100 SF @ \$48/SF =	<u>436,800</u>
Subtotal Building Costs	\$ 581,800
Total Construction	\$ 673,800
Design Expenses (Refer to Letter of Intent)	\$ 6,000
Total Design & Construction	\$ 679,800

BUDGET ALTERNATE

Construct the office & locker room with two stories. The office will be on the second floor and the locker room on first floor. This assumes a steel joist and concrete deck type construction with one set of steel stairs.

Add \$ 40,000

ITEMS BY OTHERS

1. The Pre-engineered building material.
2. Financing costs such as environmental assessment, appraisal fees, etc.
3. Furniture and furnishings including window treatments.
4. Telephone, music, paging, and/or security systems.
5. Fire alarm system.
6. Site or building signage.
7. Machine shop equipment (air compressor, welders, presses, etc.) including final hook up of electric and air.
8. Air piping.
9. Civil Engineering and surveying.
10. All railroad work including the sub base.

If the project appears to be feasible, the next step would be to enter into a Letter of Intent agreement to complete the engineering and design for firm pricing and permitting. Please advise if we can provide you with any additional information, as we are very interested in working with you on this project.

Respectfully submitted,
DUBLIN BUILDING SYSTEMS

Richard W. Ireland
Vice President, Pre-Construction Services



TRACK CONSTRUCTION BUDGET
NEW RAIL - Trail Lead, Prison Curve,
Richland Shale curve.



5-19-2014

<u>Materials</u>	<u>Units</u>	<u>Quantity</u>	<u>Cost/Unit</u>	<u>Total/Item</u>
Ballast, No. 4 Limestone	tons	1,000	14.51	14,510.00
Angle Bars	pairs	300	67.69	20,307.00
Rail 115RE Welded No. 1 Relay	LF	20,000	20.00	400,000.00
Crossties 7"X9"X8'6" (new)	ea	-	43.10	-
Rail Anchors, UNIT for 5 1/2" base	ea	26,000	3.00	78,000.00
Spikes (5/8" X 5/8" X 6) - New	keg	500	69.50	34,750.00
Switch Ties set 7"X9" for no. 10	set	-	4,934.00	-
Tie Plates DS 6 hole Relay 5 1/2"	ea	13,000	10.03	130,390.00
Track Bolts (1"X6") new	keg	75	61.91	4,643.25
Turnout No. 10 Complete/ rail, RBM	ea	-	12,529.04	-
Washers 1" - new	carton	1,000	0.48	480.00
Labor to lay rail	ft	-	10.00	-
Total Track construction		-		683,080.25
	ea	-		-
	ea	-		-
	ea	-		-
	ea	-		-
	ea	-		-

Total Estimated Cost

\$683,080.25

COMMENTS

TRACK CONSTRUCTION BUDGET



Ashland Railway Scale project

5-19-2014

ASRY
COST

<u>Materials</u>	<u>Units</u>	<u>Quantity</u>	<u>Cost/Unit</u>	<u>Total/Item</u>
Ballast, No. 4 Limestone	tons	600	15.30	9,180.00
Turnout No. 10, RBMI,	ea	1	12,529.04	12,529.04
Washers 1" - new	ea	1	0.64	0.64
Crushed concrete base 6" rolled-compacted	tons	200	15.00	3,000.00
		-	-	-
		-	-	-
		-	-	-
Total Track construction		-		24,709.68
Grading and drainage	ea	-	3.62	-
Mitred Rails	ea	8	4,000.00	32,000.00
Security Fencing	ft	1,500	45.20	67,800.00
Storm drainage	ea			-
Railroad Scales ***	ea	1	170,000.00	170,000.00
electrical service	ea	1	1,500.00	1,500.00
Total Estimated Cost				\$296,009.68

**ASHLAND RAILWAY
PROPOSED MISCELLANEOUS BRIDGE REHABILITATION
PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST**

ITEM					EXTENDED
NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT

ITEM
TOTAL

BRIDGE 249.76, Jerome Fork Bridge

1	Furnish and install reinforced cast-in-place concrete for d	200	CY	\$975.00	\$195,000.00
3	Furnish and place rip rap	0	TN	\$55.00	\$0.00
4	Furnish and install crossties on approaches	70	EA	\$75.00	\$5,250.00
5	Surface and line track, regulate ballast	200	TF	\$12.00	\$2,400.00
6	Furnish and place mainline ballast, AREMA No. 4	60	TN	\$50.00	\$3,000.00
7	Furnish and install new 10' X 12" X 12" bridge ties	137	EA	\$735.00	\$100,695.00
8	Engineering	1	EA	\$30,000.00	\$30,000.00

TOTAL: \$336,345.00