



## New operator selected for P&N Railroad

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A Boca Raton, Fla.-based short line and regional railroad company has been selected to restore freight service on the Piedmont & Northern Railway in Gaston County, the N.C. Department of Transportation announced Friday.

Patriot Rail LLC was selected from among five proposals submitted to the state last month to operate the historic railroad on roughly 12 miles of state-owned track between Gastonia and Mount Holly that has been out of service for 20 years.

According to [www.patriotrail.com](http://www.patriotrail.com), the company owns and operates six short line freight railroads with 331 total rail miles in eight states.

"They have a strong history of taking short line railroads, turning them into economic development projects and increasing utilization of the rail," said Donny Hicks, director of the Gaston County Economic Development Commission. "They have gained a lot of experience with the other short lines."

Officials with Patriot Rail did not immediately return telephone messages on Friday. The company's mission is "to purchase and operate short line and regional freight railroads in North America," according to its website.

Patriot Rail acquired its first short line railroad, the Tennessee Southern Railroad, in November 2006. Today its holdings also include the Butte, Anaconda & Pacific Railway in Montana, the Utah Central Railway in Ogden, Utah, the Sacramento Valley Railroad in California, the Louisiana & North West Railroad in Louisiana and Arkansas, and the Temple & Central Texas Railway in Texas.

The company's management team, led by Gary O. Marino, former chairman and chief executive of RailAmerica Inc., collectively possess more than 300 years of railroad experience on railroads in the United States, Canada, Australia, Chile and Argentina, according to the company.

The bid from Patriot Rail was selected over the current interim operator Carolina Coastal Railway and Carolina Central Railway, a short line operator that lost its initial bid to operate the P&N Railroad. Aberdeen Carolina and Western Railway Co., of Star, and Online Locomotive Services LLC, of Williamston, also submitted bids last month.

Patriot Rail submitted "the most responsive bid," the NCDOT reported. Now officials with the NCDOT and Patriot Rail will negotiate lease terms and conditions.

Gaston County Commissioner Joe Carpenter, who was a member of the selection committee with Hicks, said he was disappointed that Carolina Central operator Bill Gray was not selected, but Patriot Rail's track record weighed in heavily in the committee's decision.

"They've got a good track record of starting up several short rails across the country," Carpenter said. "Bill

(Gray) had a strong proposal as well. ... I don't think they have the passion for it that Bill Gray does, but they seem to be a sound company.”

Gray did not return a telephone message on Friday.

Built in 1911, NCDOT purchased the P&N corridor in December 1991 to preserve the line for future transportation purposes. Gray initiated efforts to restore the railroad in July 2007 and worked with state Sen. David Hoyle to allocate funding for the project.

The first four miles of track between Gastonia and Ranlo are ready for service and the line should be completed to Mount Holly next year. Once restored, the P&N will offer connections to two Class One operators — Norfolk Southern in Gastonia and CSX in Mount Holly. CSX still owns and operates freight service on a portion of the P&N Railroad between Mount Holly and uptown Charlotte. A rail spur running south into downtown Belmont is not part of the current plans for freight service on the P&N and some want to convert it to a rail trail.

The NCDOT terminated negotiations with Gray in November and put out a new request for bids in January. Gray has said the state's lease proposal last year was unreasonable, but transportation officials say they offered favorable terms to Gray.

In January, Carolina Coastal Railway was selected as the interim operator on the first segment of the P&N Railroad. The Pennsylvania-based short line has a temporary lease that expires after 180 days or when the long-term lease is finalized.

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