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The Honorable Martin J. Oberman
Chairman
Surface Transportation Board
395 E Street SW
Washington, DC 20423

Dear Chairman Oberman:

First off, congratulations on being appointed Chairman by President Biden. What a huge honor!

I write today to nominate myself, Laura McNichol, to fill one of the two small railroad vacancies on the Surface Transportation Board's Railroad-Shipper Transportation Advisory Council (RSTAC). For more than six years, it has been my privilege to work for small railroads and their customers. I am uniquely qualified to fill a vacancy on RSTAC for small railroads, a seat once held by Watco's Executive Chairman Rick Webb. I seek this opportunity with Rick's encouragement and pledge of support.

In my current role at Watco, I represent more than 40 Class III short line railroads and one Class II regional railroad. These short lines vary dramatically in size and scope but total over 5,500 miles of track. Some have three or four customers and others have scores of them. There are those lines with less than 10 miles of track and another that stretches more 1,100 miles. We interchange with all Class I railroads. Watco has three short lines totaling almost 1,800 miles that connect with each other providing shippers a true short line railroad network in the Midwest. All these properties allow me a broad perspective on customers, volumes, geographies, market conditions, communities, operating challenges, interchange agreements, and infrastructure needs.

Watco's success directly correlates with the success of our customers. We have a proven theory that if we help our customers grow, we will grow with them. It is in that spirit that I start work each day driving value for the Watco team and our customers. I often consider myself a problem solver and think of my direct customers being Watco's railroad operations team members. I support them in a variety of ways allowing them to stay focused on safe and efficient service. To that end, I am in constant contact with the general managers, operations, safety and sales leads.

My responsibilities are broad in scope. I serve on the Association of American Railroads Board of Directors, as well as the Board of the Directors for the American Short Line and Regional Railroad Association (ASLRRA). I am the current Vice Chair of the ASLRRA's Legislative Policy Committee. I serve as the principal liaison for our business with the U.S. Congress and the administration. I carry out a similar role with state legislatures in the 25 states we have railroad operations. I have a keen understanding of the challenges railroads face both legislatively and regulatorily – at the state and Federal level. I drive new initiatives that enhance our short lines' ability to invest more in our track infrastructure with the ultimate goals of driving additional safety and increasing efficiency. Finding funding opportunities to modernize short line track infrastructure allowing for the safe handling of industry-standard 286,000 lbs. railcars is always a goal for me. The economics of short line railroads are not such that we can make the substantial investments needed to upgrade our tracks to safely handle 286k from 263k without outside assistance.

To that end, I recently led the Watco team who secured two substantial Consolidated Rail Infrastructure and Safety Improvements Program (CRISI) grants. On the South Kansas and Oklahoma Railroad, with the support of the Kansas and Oklahoma Departments of Transportation, we are about to embark on a \$40.6 million FY19 CRISI project that will take this railroad to the industry-standard 286k railcar capacity. And thanks to our partnership with the Idaho Transportation Department, the Eastern Idaho Railroad is the recipient of \$9.4 million FY20 CRISI grant that will, among other things, give our customers much needed access to additional unit train service. These are two examples of doing what it takes to help our customers grow so that we can grow with them.

On the community side of our business, I often serve as the go between for our general managers and a community's needs. Last year, I led the negotiation of a rails-to-trails project with a local conservation organization. I often play a principal role in navigating tough issues like homeless encampments/trespassing, vegetation control, and broadband access, as well as those “we do not want you here anymore” issues that arise as cities redevelop industrial areas. In preparation for writing this self-nomination letter, I asked an operations colleague, with 34 years of railroading under his belt, how he would characterize what I do for Watco. He offered that with my help, we often receive total cooperation with our partners like state departments of transportation or local communities that make our jobs easier on the railroads. He went further to say with a smile, “I don't know how you do what you do but I sure would not want to do this without you.”

I have insight on how far we can press pre-emption in the face of local opposition. A couple years ago, I joined a general manager in navigating the establishment of a new aggregate transload facility in an unused portion of a railyard in a small university town. This opportunity would have given our short line roughly 1,000 new carloads a year and brought on a new brand new customer. Ultimately, we failed in our mission to get this transload going after the university scared off the customer. While I am unsure what we could have done differently, I know we earned respect of the potential new customer when they told us they never had a railroad fight so hard for us. In another example of customer-facing issues I tackle at Watco, I assisted a customer after they contacted the STB over mounting demurrage charges. The effort resulted in better service for the customer, more insight into ordering cars, and, most importantly, lower demurrage rates. All in a day's work here at Watco.

Prior to Watco, I served in a similar role at another short line holding company – R. J. Corman Railroad Group. My career began working for the Warren County Soil Conservation District in Hackettstown, NJ, which led to a role at the National Association of Conservation Districts representing the nation's 3,000 soil and water conservation districts. We assisted landowners – farmers and ranchers – in implementing practices that improved water quality, enhanced wildlife habitat and reduced soil erosion. My experience working in agriculture gave me a great appreciation for the hard work that goes into feeding a nation and the world beyond our borders. I followed this by entering the railroad industry, where I met and worked alongside the same kind of “salt of the earth” people I found in agriculture. I am proud to have spent my career working in the two industries that built this country and continue to play a vital role in its future.

I would be honored, Mr. Chairman, to serve on RSTAC should I be selected. I am a citizen of the United States and stand ready to fill one of the two small railroad vacancies on the Council effective immediately upon appointment. I understand and accept that annual dues are associated with this appointment to fund RSTAC expenses.

I am standing by to answer any questions you may have. I can be easily reached at 703-472-5642 or lam@watco.com. Thank you for taking the time to read through my qualifications and for your consideration. In the meantime, stay safe and well.

Sincerely,

A handwritten signature in blue ink that reads "Laura McNichol". The signature is fluid and cursive, with the first name "Laura" being more prominent than the last name "McNichol".

Laura McNichol
Senior Vice President, Government & Industry Relations