

# Herzog History *and the future of transportation*



**HERZOG**

# How It all Began

## 1969

Herzog Contracting Corp. was founded on May 7, 1969 by William “Bill” Herzog as an asphalt paving contractor on the guiding principles of safety and quality.



“What makes Herzog successful are the simple virtues: Attention to safety, hard work, proper planning, good cost accounting, topnotch supervision, and ceaseless emphasis on quality work.” – Bill Herzog

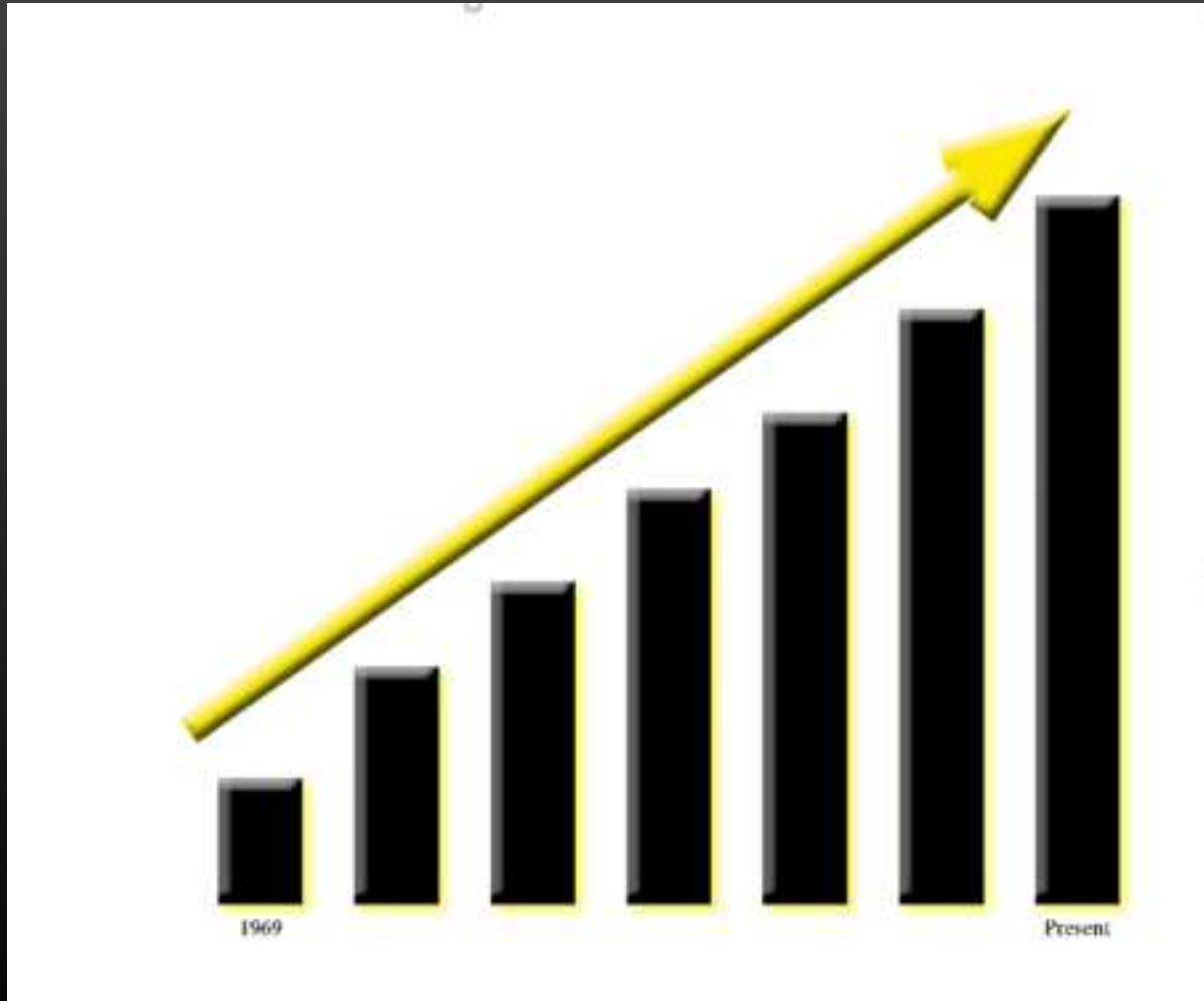
1972

Herzog expands into the railroad construction and rehabilitation business.



**HERZOG**

# Herzog Growth



- Consistent growth since beginning operations in 1969.
- Revenue of \$593 million



Today the Herzog family of companies continues to expand and grow with new and developing projects. Herzog continues to grow in numbers as well; currently, over **2,000 employees** work for the Herzog family internationally.

The family of companies is comprised of the following:

- Herzog Contracting Corp.
- Herzog Railroad Services, Inc.
- Herzog Services, Inc.
- Herzog Technologies, Inc.
- Herzog Transit Services, Inc.

# Understanding the Rail Industry

- We understand every aspect of the freight and transit industry.
- We are the largest privately held transit company in the country.
- We dump the majority of the ballast in this country with innovative solutions that keep crews safe.
- We are one of three companies in North America testing rail quality in accordance with FRA mandates.
- We are one of three companies leading the way in Positive Train Control (PTC)
- We move nearly 78,000 passengers EVERY DAY.
- We have the capability to design, build, operate, and maintain every type of rail system.

# 1977

**Herzog Railroad Services, Inc. (HRSI)** begins operations in 1977 using the Cartopper™ Material Handler to unload ties.

The division supports Class I, heavy rail, new construction, and maintenance-of-way.

- Multipurpose Machines & Clipcars
- R.U.M. – Rail Unloading Machine
- GPS and Remote Ballast Trains
- Rail Car leasing
- 2 Railcar Repair Shop
- Elwood Service Shop
- Herzog Services, Rail Testing



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# 1993

**Herzog Transit Services, Inc. (HTSI)** is formed in 1993. Today HTSI operates and maintains 11 passenger rail services.

Texas O&M Full-Time Jobs:

- TRE: 109
- CapMetro: 75
- DCTA: 47
- TEX Rail: 75





# Herzog Transit Services Operations

Passenger trains operated annually	96,000
Route miles of track and signals	460
Dispatch freight trains annually	13,000
Maintain	74 Locomotives 251 Passenger cars 34 DMUs
Annual passengers	28 million



HTSI provides maintenance-of-way services for our clients nation-wide, ensuring the highest quality service.

**Maintenance**



**Fare Collection**



**Signal Construction & Maintenance**



**Dispatching**

# 2011

Herzog Technologies, Inc. (HTI) became the newest member of the Herzog family in 2011.



**HERZOG**



## Signal services that we offer:

- Design
- Installation & Testing
- Maintenance

## PTC services we offer:

- PTC Hosting
- PTC Data Collection & Management
- PTC System Integration
- Software Development





# Dallas Urban Circulator Streetcar System – Dallas, TX

Funding type: FTA and Tiger Grants

Jobs Created: 100

Owner: Dallas Area Rapid Transit

Project Amount: \$5.1 million

Project Length: .65 miles

Project End Date: 5/31/2015



# DART CM/GC1 – Dallas, TX

Funding type: FTA Full Funding Grant Agreement (FFGA)

Jobs Created: 600

Owner: Dallas Area Rapid Transit

Project Amount: \$423 million

Project Length: 13 miles

Project End Date: 11/1/2010



# South Oak Cliff Line Section 3 – Dallas, TX

Funding type: Local funding through sales tax or mixed in with property tax. Certain cities pay for DART.

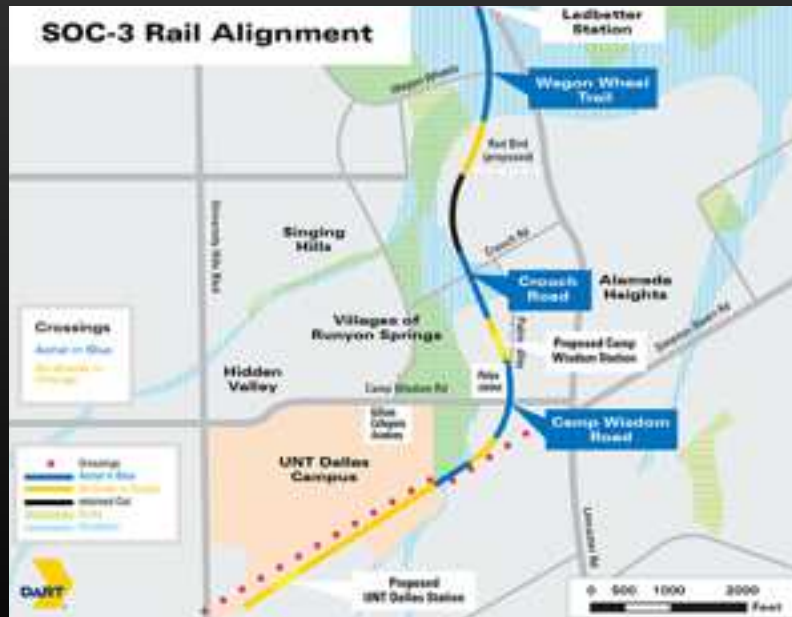
Jobs Created: 250

Owner: Dallas Area Rapid Transit

Project Amount: \$104 million

Project Length: 2.6 double-track miles

Project End Date: projected 5/2016



# DART Green Line CM/GC3 – Dallas, TX

Funding type: FTA FFGA

Jobs Created: 800

Owner: Dallas Area Rapid Transit

Project Amount: \$472.4 million

Project Length: 14 miles

Project End Date: 11/1/2010





# TEX Rail – Fort Worth to DFW International Airport, TX

Funding type: TEX Rail was recommended for funding as a New Starts Project. Anticipates award of a Full Funding Grant Agreement in the 1st quarter of 2016 from the new starts program. The project is a mix of Federal, State, and local funding.

Jobs Created: 500 construction / 75 O&M

Owner: Fort Worth Transportation Authority

Project Amount: TBD

Project Length: 27.2 miles

Project End Date: 2018



# A-train Commuter Rail CM/GC – Lewisville, TX

Funding type: North Central Council of Governments  
Regional Toll Road Funding Initiative

Jobs Created: 200

Owner: Denton County Transportation Authority

Project Amount: \$192.7 million

Project Length: 21 miles

Project End Date: 1/22/2012



# Additional Projects

- Toronto-York Spadina Subway Extension – Toronto to Vaughan, ON
- Silicon Valley Berryessa VTA/BART SVBX Project – Milpitas, CA
- Tecolote/Washington Crossovers Installation – San Diego, CA
- EXPO LRT Phase 2 – Santa Monica to West Los Angeles, CA
- POLA Berth 200 Rail Yard Project – Los Angeles, CA
- SMART IOS-1 & IOS-1A – Santa Rosa, CA
- POLB Pier E – Long Beach, CA





# Additional Projects

- SunRail Phase 2 - Orlando, FL
- SANDAG CM/GC1 – San Diego, CA
- West Rail Line LRT CM/GC – Denver, CO
- Crenshaw Southwestern Yard – Los Angeles, CA
- Orange County Service Expansion – Orange County, CA
- Crenshaw/LAX Transit Corridor Mainline – Los Angeles, CA
- Replacement of Walk Bridge over Norwalk River – Norwalk, CT





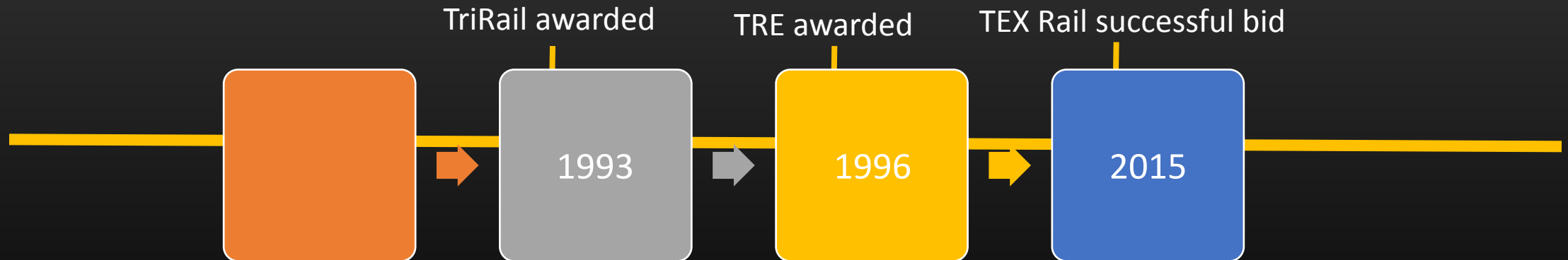
# Additional Projects

- Front Runner South CM/GC – Salt Lake City, UT
- Front Runner North CM/GC – Weber County to Salt Lake City, UT
- Mid Jordan-Draper LRT Project – Salt Lake City, UT
- Rail Runner Phase II – Albuquerque, NM
- Rail Runner Phase III – Santa Fe, NM
- Kansas City Downtown Streetcar – Kansas City, MO



# Funding Equals Growth

- Over 1,000 miles built and maintained
- 77,807 average daily passengers



# Types of Funding

- Without funding from the following sources, these projects wouldn't be possible:
  - FTA
  - State and Local Tax
  - Local grants
  - Transportation Generating Economic Recovery Grant
  - Capital Funding for Intercity Passenger Rail

# Economic Growth

- Thousands of jobs created
- Local Infrastructure and business development
- Ability to move large quantities of products and people
- Support local business with rail construction, maintenance and operations
- Less congestion on highways results in better air quality



# Demographics of Dallas/Fort Worth

- DFW is the fastest growing US metro in the past decade and we need to have infrastructure in place
- Residency increased by 1.2 million from 2000 to 2010
- The current population of DFW is 6.8 million
- Almost 29% of the population is between 35-54 years old
- The estimated population of DFW in 2040 will be 10.5 million

# The Benefits of Rail Development

- Safety
- Speed
- Capacity
- Comfort
- Environmental Protection
- Easing Congestion
- Economic Feasibility
- Less time in traffic means more productivity time