

SOUTHWEST GULF —
— RAILROAD CO.

Southwest Gulf Railroad to bring jobs, additional economic opportunity to Texas

*Southwest Gulf Railroad moving forward to build
9-mile common carrier railroad in Medina County*

For Immediate Release

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HONDO, TX (Jan. 30, 2015) — Southwest Gulf Railroad Company (SGRR) announced today that it is moving forward to build The Medina Line, the 9-mile common carrier railroad that will serve as a catalyst for new jobs and long-term economic opportunity for Medina County and the surrounding region.

In 2008, the U.S. Surface Transportation Board granted SGRR the authority to build and operate The Medina Line, a single-track short-line railroad near Dunlay, Texas. The subsequent economic recession slowed development of the line.

“The recession hit everyone hard, but we’re now seeing the economy recovering with great long-term growth prospects,” said Erik Remmert, Vice President of SGRR. “The Medina Line represents a great opportunity for Medina County to tap into economic growth. We are committed to Medina County and look forward to working with the community to generate new jobs and tax revenues, and spur economic growth for the County and its residents. The Medina Line will provide local businesses with a low-cost and convenient connection to the regional, national and global marketplace.”

The Medina Line will create new construction, engineering and operations jobs and support others throughout the County. In addition, the rail line will generate new tax revenues for vital government services, including road construction and maintenance, schools and public safety. Customers and employers who use The Medina Line will also generate additional revenue through increased household incomes and additional economic benefits that include support jobs and spending at local suppliers, stores and restaurants.

SGRR anticipates finalizing design and engineering plans for the short-line railroad this year with construction to begin in 2016 and be completed in late 2017.

The Medina Line will operate as a common carrier rail line serving customers and employers located on or near the line and leveraging its unique access to Union Pacific Railroad, the nation’s largest freight railroad, and U.S. Route 90. SGRR is working with Union Pacific Railroad to actively market development opportunities on or near The Medina Line.

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SGRR will soon open an office in Hondo and has hired Cynthia Prieto as its Community Liaison to work with residents and stakeholders. A Medina County resident since 1993, Prieto is a former assistant auditor for Medina County and has served on numerous civic and charitable boards including: Hondo Area Chamber of Commerce (Officer); Rotary Club of Hondo – D’Hanis (Director); Hondo Lions Club (President); Hondo Education Foundation (Officer); Relay for Life of Medina County (Chairperson); Woolls Intermediate School (Parent Volunteer); Future Farmers of America, Hondo Chapter (Parent Volunteer); and Hondo Little League (Coach).

An existing limestone quarry at the northern end of the line operated by SGRR parent Vulcan Materials Company will serve as The Medina Line’s initial anchor customer. The Medina Line will transport material a short distance from the quarry to Union Pacific Railroad for shipping throughout the state for use in construction and infrastructure projects, including roads, bridges, and residential and commercial development.

America’s short-line railroads – like The Medina Line – provide efficient and environmentally friendly transportation services for local businesses, employers and communities around the country. Short-line railroads lower costs, reduce congestion, improve highway safety, and serve as a good choice for the environment.

“We are committed to investing in Medina County and are excited about continuing our partnerships with local community groups, schools and charitable and business organizations. We look forward to building strong and lasting relationships that will enhance quality of life throughout the region,” said Remmert.

SGRR has created a website for anyone wanting to learn more information or sign up for updates as the project moves forward. Visit www.TheMedinaLine.com to learn more.

About Southwest Gulf Railroad Company:

Southwest Gulf Railroad Company (SGRR) is a short-line railroad company keeping local communities connected to the national rail network through America’s heartland. We provide local business customers access to the national and global marketplace through low-cost and convenient transportation solutions. Incorporated in 2003, SGRR is a subsidiary of Vulcan Materials Company, the nation’s largest producer of construction aggregates and a major producer of other construction materials. An industry leader in safety, health, and environmental stewardship, Vulcan’s coast-to-coast footprint aligns with and serves the nation’s growth centers. Through the company’s extensive logistics network, Vulcan provides materials to build and repair valuable infrastructure such as roads, bridges, residential and commercial buildings, schools, hospitals and places of worship. Learn more at www.vulcanmaterials.com.