



# State of New Mexico

## *Office of the Governor*

**Bill Richardson**  
*Governor*

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## **Union Pacific and New Mexico Partner to Create \$150 Million Railroad Facility**

### **PROJECT WILL BRING RAIL YARD, 285 JOBS AND SIGNIFICANT ECONOMIC OPPORTUNITY TO BORDER REGION**

**Santa Teresa, NM** – New Mexico Governor Bill Richardson and Union Pacific Corporation President and CEO Jim Young today announced an agreement that will relocate 285 jobs to a new \$150 million terminal facility at Strauss, N.M., about 4 miles west of Santa Teresa. In addition, Union Pacific has also agreed to begin construction of a new intermodal ramp at this location no later than 2015. Once operational, the ramp is expected to process a minimum of 100,000 container units annually.

“The partnership between Union Pacific and the State of New Mexico is truly historic, and it is another step toward fulfilling my promise to create jobs and build a high-wage economy that benefit the entire state.” said Governor Richardson. “This project not only builds industry and creates good jobs, but also lays the groundwork to attract light manufacturing, warehousing and distribution facilities, which could potentially reshape the economy in southern New Mexico.”

The project will include a main line locomotive fueling station, a train inspection area and a rail facility.

“Today’s agreement is a testament of how a public/private partnership has the ability to find solutions to benefit both parties,” said Young. “This proposed facility will enable us to improve efficiency and expand our operations in the southern New Mexico/western Texas region, which is a part of our critical Sunset Corridor.”

Through efforts of the Governor and action in the 2007 session of the Legislature, New Mexico’s gross receipt and compensating tax for locomotive fuel must be removed by July 1, 2009 as a condition for building the proposed 934-acre railroad facility. Many other states, including Texas, already have an exemption on railroad fuel taxes.

In addition, Governor Richardson has committed \$5 million to improve a county road connecting the Pete Domenici Highway in Santa Teresa with the new Union Pacific facilities in Strauss.

The new facility would be constructed on land currently held by the federal Bureau of Land Management and the New Mexico State Land Office. The process for Union Pacific to acquire the property could take up to 18 months, with construction beginning sometime in 2008 and an anticipated completion of the facility before the end of 2010.

Although certain functions such as fueling, inspections and crew change activities would be transferred to the proposed facility in Strauss, none of the existing facilities in El Paso will be closed. The facility in El Paso is currently at capacity and traffic is expected to continue to grow.

“This is a win for the entire border region, including New Mexico and our neighbors in west Texas and Chihuahua,” said New Mexico Economic Development Secretary Rick Homans. “This will be an incredible boost for the regional economy, helping to attract new companies that will create hundreds of related jobs.”

Of the 285 jobs proposed at the Strauss facility, 205 would be either engineers or conductors and 80 mechanical employees that fuel or inspect trains.

### **Jobs at Union Pacific**

Currently, Union Pacific has job openings at many locations throughout its 23-state operating system. Opportunities are available in train service, skilled disciplines (e.g., diesel mechanics and electricians) and management. Interested applicants are encouraged to visit [www.up.com](http://www.up.com) and click on "Jobs at UP."

### **About Union Pacific**

Union Pacific Corporation owns one of America's leading transportation companies. Its principal operating company, Union Pacific Railroad, links 23 states in the western two-thirds of the country and serves the fastest-growing U.S. population centers. Union Pacific's diversified business mix includes Agricultural Products, Automotive, Chemicals, Energy, Industrial Products and Intermodal. The railroad offers competitive long-haul routes from all major West Coast and Gulf Coast ports to eastern gateways. Union Pacific connects with Canada's rail systems and is the only railroad serving all six major gateways to Mexico, making it North America's premier rail franchise.