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Fewer fuel

options

for power

**Hoosier-**

trouble

NAME OF TAXABLE PARTY.

and

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Two eastbound Aiken Railway GP30 locomotives cross the former Southern Railway bridge west of Aiken, S.C., on May 28, 2014. Steve Smedley

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## SHORT LINES SPECIAL A TALE OF TOO S OF TOO TO THE SPECIAL S OF TO THE SPECIAL S OF TO THE SPECIAL S OF TO THE SPECIAL

A pair of Palmetto State railroads — Aiken Railway and Greenville & Western — reflect their owners' dedication to running a railroad the right way

by Kevin P. Keefe

Snazzy two-tone GP30 No. 4201, a Santa Fe alum, switches industries in North Aiken, S.C. Allen C. Gibbs

118

4201

4201

AIKEN

States Haward



or Aiken Railway engineer Allen Gibbs,the moment of truth has arrived. His conductor, Wayne Shaw, has just climbed back into the cab after connecting the air hose. Behind them are strung 10 covered hoppers, each groaning under the weight of 129

tons of bulk kaolin, a clay mineral used in the production of glossy paper. Ahead of them is a tricky piece of railroad, about a mile of track curving through the woods toward the terminal.

They have a tough task ahead. The rail is wet and the curve is sharp. But the crew has a good engine — GP30 No. 4201, a 55-year-old workhorse whose spic-andspan appearance belies its age — and Gibbs knows what he's doing. He guides the train into motion, ramping through the throttle notches until he's in Run 6, the roar of No. 4201's redoubtable 645 prime mover echoing through the trees.

The train creeps forward, but not to Gibbs' satisfaction, so he adds sand and pulls the throttle all the way out. For a moment the train shudders, then it finds its footing, and the little train begins to climb confidently up the hill. Within about 10 minutes, the crew is home free. Gibbs eases off the throttle and everyone breathes again as the train gently rocks back into Aiken.

Running a 10-car train through the South Carolina woods may not sound like much, but everything is relative on a short line. This afternoon's challenge — providing first-class service to a valued customer under tough operating conditions — is enough to test the mettle of any train crew, on any railroad. That Gibbs, Shaw, and a handful of other employees do this week in and week out, across two properties located 88 miles apart, says something about the dedication it takes to succeed in the shortline business.

#### **TWO RAILROADS, TWO TOWNS**

The Aiken Railway and its sister railroad the Greenville & Western, are a rarity in this era of shortline holding companies: a pair of locally owned, homegrown railroads that don't paint their diesels yellow, black, and orange; or don't send their revenues to companies headquartered in Pittsburg, Kans., or on Michigan Avenue in Chicago. Here, the money stays at home. The emphasis is on keeping it simple, safe, and, with a little luck, comfortably solvent.

Both railroads are divisions of the Western Carolina Railway Service Corp., owned by Steven Hawkins, president, and his wife, Cheryl, who serves as the company's chief financial officer. Hawkins is a native of the

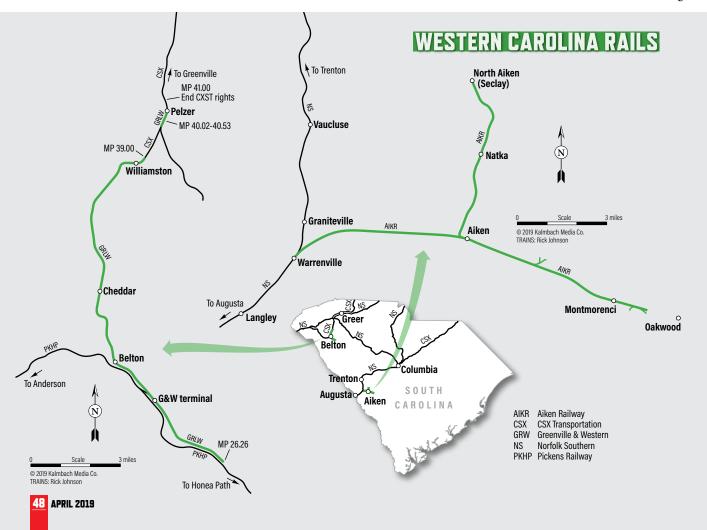


Engineer Allen Gibbs applies his touch to a Greenville & Western GP9. Gibbs and other crew members work for both Aiken Railway and Greenville & Western. Kevin P. Keefe

area with a resume full of both shortline and Class I experience. He bought the Greenville & Western from CSX in 2006 in order to serve a handful of customers strung out along the 12.8 miles from Pelzer south through the communities of Williamston, Cheddar, and Belton.

Hawkins followed up in 2012 by leasing the 18.9 miles of the Aiken Railway from Norfolk Southern. Configured like a sideways "Y," Aiken runs from the NS connection at Warrenville eastward 6 miles into Aiken, then splits in two, one line running east 7 miles to a point near Oakwood, the other north 6.4 miles to North Aiken.

The two railroads are an interesting





Greenville & Western GP9s Nos. 3752 and 3751 lead a northbound through Williamston, S.C., with cars that will make up an outbound empty ethanol train for CSX. Grady McKinley

contrast. The Greenville & Western is the busiest, generally operating three days per week and hauling 2,400 carloads annually between Pelzer and the railroad's small terminal south of Belton, where it connects with another short line, the Pickens Railway. Its main connection is with CSX at Pelzer, although it also provides overhead service to NS via the Pickens. The Aiken hauls 1,100 annual carloads and operates twice a week from its terminal on the east side of downtown Aiken, a genteel community Southern Living magazine called the "South's Best Small Town" in 2018.

Hawkins has been a boomer, both as a trainman and a manager. He began his career on the Carolina Piedmont short line in Laurens, S.C., in the northern part of the state, when the now defunct RailTex Corp. owned the railroad. It is now a Genesee & Wyoming property. Hawkins started out in train service but soon became part of a RailTex "go" team to aid in startups around the country. His work there led in 1992 to a job on the Missouri & Northern Arkansas, which is where he met Cheryl.

After a brief stint as an engineer and road foreman of engines on Norfolk Southern's Tennessee and Piedmont divisions, Hawkins went back to the Missouri & North Arkansas for a time, then returned to NS as a road foreman of engines in Buffalo, N.Y., and later transferred to a trainmaster position on NS in Lancaster, Pa. He finally left the Class I life in 2003 to



Cheryl and Steven Hawkins own the Western Carolina Railway Service Corp., the parent company to the Aiken and Greenville & Western railroads. Steve Smedley

move back to South Carolina and plan his shortline career.

Hawkins says those first years of his career were excellent preparation for what he's doing now. "I had the benefit of participating in the startup of five Class III railroads with RailTex and on three divisions of NS, in both labor and management," he explains. "I moved 15 times in 12 years and got to see how railroads function in different regions and climates. While there were no traditional craft lines at non-union Rail-Tex, I interacted with every craft when I moved into management at NS. I chose the hands-on path to railroading."

Hawkins is unabashed about the way his

Christian faith informs the way he runs his railroad, something he professes openly in the company's marketing messages. "While our model may not be entirely unique, it certainly stands out against most of my Class III peers," he says. "It's God first, family second, business third. Take care of the first two and God takes care of the rest." Hawkins delegates considerable authority to his general manager, Brandon L. Julian, who came to the railroad in 2009 after working at CSX. Julian juggles a number of managerial duties, including frequent hi-rail inspections of both railroads, and also works in train service.

Other employees carry the title of rail transportation specialist and all work cross-discipline. Gibbs is another of Greenville & Western's Class I veterans, having worked for a year and a half on NS out of Greenville. That was enough for him. "My experience at NS was good," says Gibbs, "but I love the cross training you get here. One day I'm running trains, the next maybe I'm driving the company truck, or working in maintenance, or maybe even cutting the grass. I really enjoy the variety."

Shaw came to work for Hawkins after an 18-year stint at the Hampton & Branchville, a legacy Palmetto Railways property that shut down in 2012. Another member of the Belton crew, Dennis J. Martin, worked in the automotive body business for 25 years before coming to the railroad. He's now the company's chief mechanic and transload supervisor.

Hawkins and his wife run the company out of Western Carolina's headquarters in Greer, 33 miles northeast of Pelzer, in the



A pair of Aiken Railway GP30s lead a train through the 40-foot-deep cut built in 1852 at Aiken, S.C., that replaced the original incline railway of 1833 to reach this point. Steve Smedley

former Piedmont & Northern depot. It's a spacious, splendid old brick and tile-roof structure, built in 1913 and featuring a two-story main station building and a long freight house. The building houses five tenants and is listed on the National Register of Historic Places.

#### **ROOTS DEEP IN THE SOIL**

As the owner of the railroad, Hawkins doesn't have to run from that fact that his interest in railroading goes beyond the job. He might even call himself a railfan. He began reading TRAINS magazine at age 13 and is a longtime member of the Greenville Chapter of the National Railway Historical Society. He also volunteered on Norfolk Southern steam specials, including an experience riding the tender of N&W J-class 4-8-4 No. 611 and a cab ride aboard A-class 2-6-6-4 No. 1218 when he was 18 years old.

History isn't why Hawkins bought the two railroads he owns, but he's mindful of their rich legacy. The Aiken's ex-Southern line from Warrenville through Aiken to Oakwood, for instance, has ties to South Carolina's very first railroad, the South Carolina Canal & Railroad Co., chartered by the state in 1827 and operator of the first entirely U.S.-built steam locomotive, the *Best Friend of Charleston*. The tiny 0-4-0 chuffed out of Charleston for the first time on Christmas Day 1830.

The South Carolina Canal & Railroad Co. slowly built west until it reached Aiken in 1833. A peculiar aspect of its construction was the use of a short inclined-plane railway through part of the village of Aiken, with which railroad cars were hoisted up and down a steep hill by a stationary steam locomotive. The practice was obviated in 1852 with the construction of a narrow, 40-foot-deep cut through the southwest part of town, still a feature of today's Aiken Railway.

During Reconstruction, another railroad, the Edgefield, Trenton & Aiken, in 1879 built northward from Aiken. The Aiken's line to North Aiken is a remnant. All of Aiken Railway's predecessors experienced various 19th-century corporate changes until they eventually became part of Southern. In 2010, the city of Aiken built a replica of the genteel old SR depot, razed in 1954. Today's station houses a museum that includes excellent exhibits tracing the city's railroad history. Right outside, Aiken's GP30s run past on their way to North Aiken.

If anything, Greenville & Western's history might be even more compelling because of its traction heritage. Today's entire G&W operates on what once was the Piedmont & Northern, an electric railroad developed by utility magnate James B. Duke of Duke Power fame. The P&N actually operated two separate railroads, a 24-mile segment in North Carolina, and the more substantial South Carolina division with its 89-mile Spartanburg-Greenville-Greenwood main line, plus a short branch to Anderson.

In its heyday, the P&N was a rarity in the Southeast, a heavy-duty electric railroad reminiscent of Chicago's Insull lines. It carried passengers and hauled coal and coke as well as other commodities, including cotton, with a fleet of big Baldwin-Westinghouse and GE box motors. The P&N was dieselized in 1954 and CSX predecessor Seaboard Coast Line bought the property in 1969. Today's Greenville & Western pays tribute to that heritage by incorporating lightning bolts from the old P&N herald in its current logo.

#### **VINTAGE ROSTER**

The Western Carolina roads have a roster of classic diesels. The holding company owns six: two GP9s originally delivered in 1957 to Baltimore & Ohio, and four GP30s built in 1962-63 for Santa Fe. Hawkins keeps four of the diesels, including the two GP9s, at a modest engine facility nearly 3 miles south of Belton, at the connection with the Pickens Railway. The two Aiken

## ONCE UPON A TIME SEABOARD AND SOUTHERN

THE LINES THAT MAKE UP Western Carolina Railway Service's two railroads had lively and colorful existences before the Aiken Railway and the Greenville & Western came into existence. The former Greenville & Western was the electrified Piedmont & Northern, which became part of Seaboard Coast Line in 1969. Never a through route, it

nevertheless was a good source of local traffic for SCL thanks to P&N's "mill to the mile" efforts at industrial development. Southern is the lineage for the Aiken, and it was known for a 1960s passenger train oddball, an intrastate portion of the *Augusta Special* from Fort Mill on the North Carolina border to Warrenville, S.C. – *Jim Wrinn* 



Seaboard Coast Line GP30s hustle 16 cars through Greer, S.C., on July 10, 1974, on the former Piedmont & Northern trackage. This portion is north of Greenville & Western rails but gives a feel of the SCL era. Curt Tillotson



A Southern RS3, coach, post office car, and FTB steam heater car comprise a Dec. 16, 1966, remnant of the *Augusta Special* in Warrenville, S.C. This service ended soon after this image was made. George Weiss

GP30s are kept at the company's small yard just east of downtown Aiken. Regular running maintenance is performed on site; for heavier work, the company relies on the services of Republic Locomotive, a rebuilder and manufacturer in Greenville.

Over on the Greenville & Western, most of the work goes to the two GP9s, numbered 3751 and 3752. Hawkins purchased the units from the East Cooper & Berkeley Railroad, a small industrial switching line serving the Charleston naval complex. Although now wearing the smart green-and-white paint scheme of the Greenville & Western, inside they're about as close to B&O in 1957 as you can get, right down to their 1,750-hp 567 prime movers and 24RL brake stands. Other than replacement power assemblies, the Geeps are nearly original.

Sharing space at the Belton terminal are two of the company's four GP30s, including No. 4203, repainted in the company's two-tone green Aiken livery, and No. 4204, wearing what might politely be called a mashup of Santa Fe and Greenville & Western identities. Someday it will get repainted, says Hawkins, but for now it works just fine as it is. Also at Belton: a snazzy extended-vision caboose off the Richmond, Fredericksburg & Potomac and lounge car *River Falls*, formerly Rock Island six-double-bedroom, eight-roomette sleeper *Golden Tower*, both used in special moves such as the company's annual Santa train.



Southbound Aiken No. 4201 passes the replicated Aiken, S.C., depot and a caboose on display on March 15, 2016. No. 4201 began its career as a Santa Fe GP30 in 1963. Grady McKinley

You'll always find the other two GP30s — Nos. 4201 and 4202 — over at Aiken. Here, the profile of the railroad and the nature of the traffic make the extra heft of the 2,250-hp Geeps necessary. No. 4201 is the former BNSF 2464, delivered to Santa Fe in April 1963, and No. 4202 is ex-BNSF 2473, delivered in May 1963. Although they wear the Aiken reporting marks, both units are owned by Greenville & Western and leased to Aiken.

All four GP30s have cab air conditioning, a welcome advantage in the South Carolina climate. Not so the GP9s. "On the older units you have to live with '2 and 10' air conditioning," says Hawkins. "Two doors and 10 mph."

Hawkins and his crew are fastidious about not only the way these engines run, but also the way they look. They are always clean, an extension of Hawkins' business strategy. "When it comes to anything that can be observed by the public, it is very important to always put forward your very best image," he says. "That goes beyond the units to include everything: locomotives, company vehicles, buildings, property, website, Facebook, employee attire, even down to simply having a 'can-do' attitude when a customer asks for something."



#### **IT TAKES CUSTOMERS**

Of all those customers Hawkins works to serve, none is more important than Lincoln Energy, a Greenville-based distributor and retailer of petroleum products. Lincoln distributes ethanol from a tank farm owned by Texas-based Kinder-Morgan and located along a six-track yard at a point on the Greenville & Western called Cheddar, just north of Belton. Hawkins originally purchased the property in 2006, envisioning it as a base for unit-train operations.

He soon got his wish. Two years later, Lincoln bought the land, the profits from which Hawkins was able to invest \$1.3 million in track work and other improvements. He credits the transaction with allowing Greenville & Western to upgrade to Class 2 track. The first unit train out of Cheddar Yard operated in March 2009, and by 2014 the railroad peaked with nine unit trains per month and more than 9,000 annual carloads, coming from a variety of ethanol producers. In 2012, Lincoln sold the transload facility to Kinder Morgan, which owns a pipeline that terminates here. However, in 2016, ethanol supplier ADM withdrew from Kinder Morgan's Belton terminal and moved operations to a new terminal on NS

at Augusta. The Greenville & Western lost 3,200 annual carloads in the process.

Despite that downturn, Lincoln Energy continues to be Greenville & Western's largest customer. The business at Cheddar Yard is a particular point of pride for Hawkins. "I'll never stop setting the bar higher, but sometimes I have to remind myself what we've done here," he says. "I need to remind myself that not long ago

#### "CASH IS KING, AND YOU NEED TRAFFIC TO HAVE CASH AND YOU NEED DIVERSIFICATION WITH THAT TRAFFIC TO PROTECT YOU FROM THE ECONOMIC STORMS." - STEVEN HAWKINS

this was just a cow pasture."

There's more to Greenville & Western than ethanol, though. Other customers on the line include Belton Industries, which receives polypropylene for the manufacture of plastic fabrics, such as parachutes; Belton Metals, a scrap dealer; Mass Polymers, a transload operation; and heavy equipment manufacturer Komatsu, which ships wheel loaders from the Big Creek Machinery Distribution Hub at Williamston.

Like the development of the ethanol yard at Cheddar, the Komatsu loadout demonstrates Hawkins' interest in combining running the railroad with industrial development. He might say, "If I don't do it, who will?" So in November 2014 he bought the 3-acre property in Williamston, installed 1,600 feet of track, and worked out an arrangement with Komatsu. By 2018 the business had grown to 40 high-value carloads headed for various U.S. destinations. The wheel loaders are manufactured at Komatsu's plant in Newberry, 68 miles southeast of Williamston.

Finally, Greenville & Western handles overhead traffic for Pickens, including shipments for a Michelin tire plant in Greenville and CMC Recycling in Anderson, and a couple of paper companies in Anderson and Honea Path. The overhead constitutes approximately 13 percent of Greenville & Western's business.

Operations are comparatively low key over in Aiken, where current customer needs warrant only twice-weekly service.



Of course there's the Grace kaolin plant in North Aiken, and just north of it another kaolin facility operated by Active Minerals International LLC. Just east of the railroad's Aiken terminal is Carolina Eastern, a feed and seed operation, as well as the headquarters plant of AGY Holding Co., a glass fiber products manufacturer. The railroad also offers car storage.

#### LOOKING AHEAD

Hawkins is candid about the challenges facing running short lines like his. Asked what keeps him awake at night, he is quick to answer. "In a nutshell, I'd say its growth of traffic and diversification of traffic. Cash is king, and you need traffic to have cash and you need diversification with that traffic to protect you from the economic storms."

Active as a real-estate investor, Hawkins has worked to secure on-line properties with potential for future traffic. In the end, though, his business proposition for customers is only as good as what he can deliver via CSX and Norfolk Southern, whose priorities are centered far from two small South Carolina towns. "It can be frustrating," he says, "trying to grow either road by marketing new opportunities in a world



Greenville & Western GP9 No. 3751 leads a short freight along a portion of the former Piedmont & Northern electrified right-of-way at Belton, S.C., in 2009. Jim Owens

where the reality is we have very little or no input about the total through rate with our Class I interchange partners."

For the moment, whatever Norfolk or Jacksonville is thinking is of secondary concern to Allen Gibbs and Wayne Shaw, who now have the last duty of the day deliver those 1,290 tons of kaolin loads down the hill from Aiken to NS at Warrenville. It's only a few miles, but the 4201 is at the east end of the train, so Gibbs is obligated to back through the Aiken cut with Shaw riding the rear as a flagman — in the pouring rain. All in a day's work on a Carolina short line. I

KEVIN P. KEEFE retired as vice presidenteditorial for Kalmbach Publishing in 2017.