



2026 NRC – Watco Capital Project Opportunities for Contractors and Suppliers

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Vice President of Procurement



Watco is a full-service
supply chain solutions company

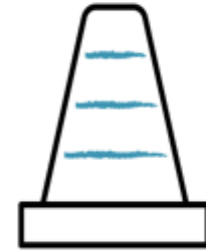
Our Foundation Principles



Value Our
Customers

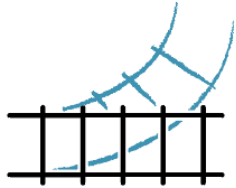


Value Our
People



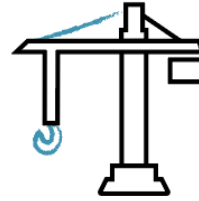
Safely Improve
Every Day

Our Services



Rail

We are experts in all aspects of shipping by rail.



Transloading

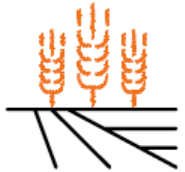
Expert cargo handling at marine and rail terminals.



Logistics

We are a comprehensive third-party logistics provider.

Serving Diverse Industries



Agriculture



Wind Energy



Aggregates



Chemical



Retail



Construction



Waste



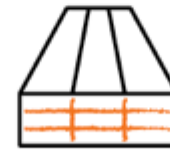
Oil/Gas



Automotive



Coal

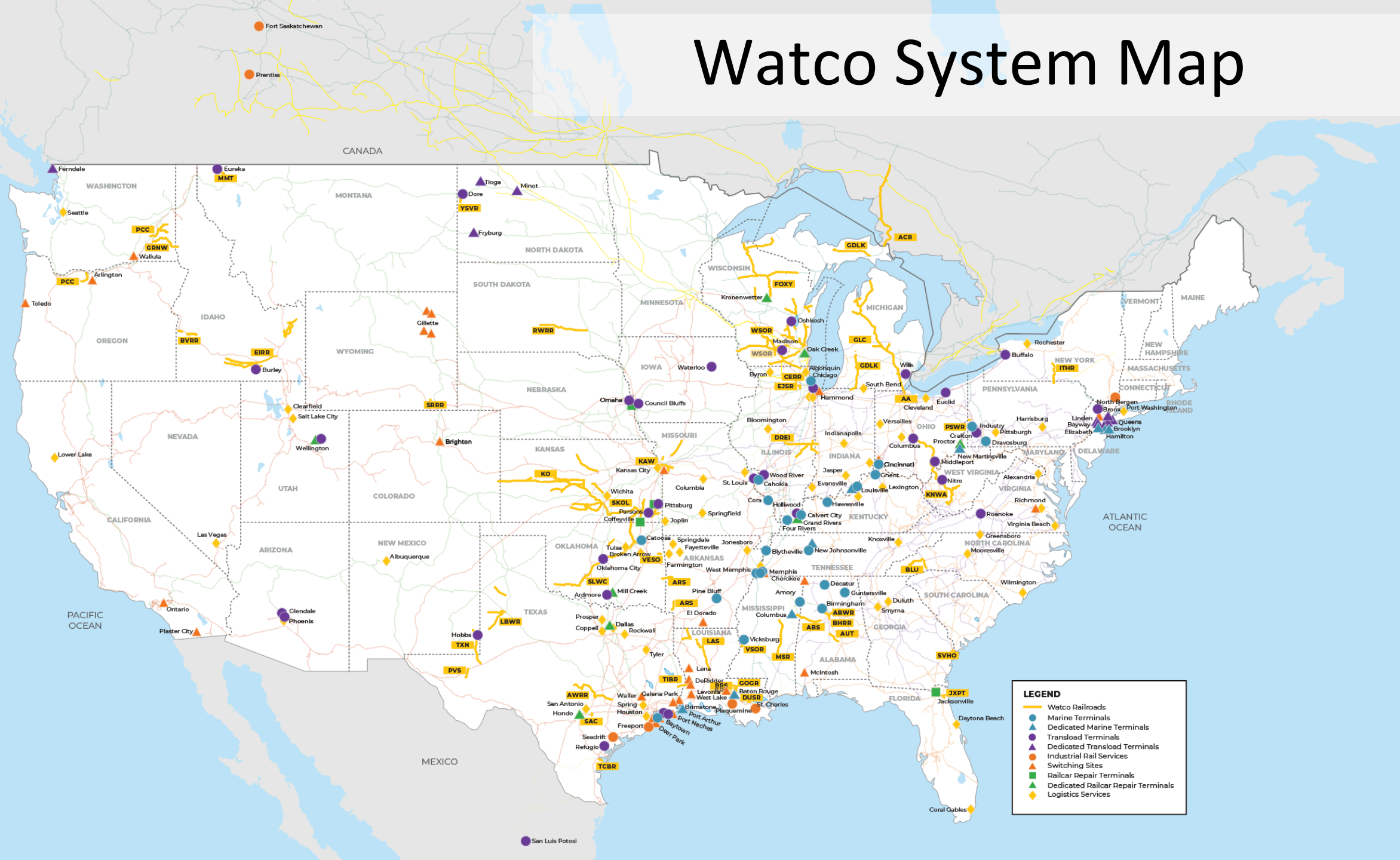


Lumber

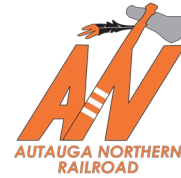


Steel

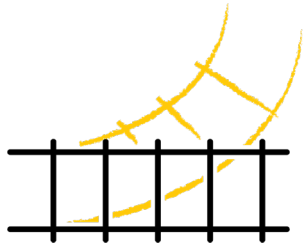
Watco System Map



Our Diverse Family of Railroads



Watco's Numbers



47

Railroads

7,500

Track Miles

28

Contract Switching
Locations

1.1M

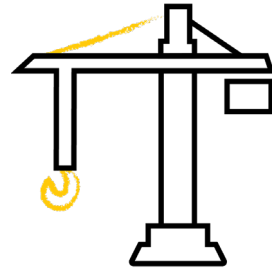
Carloads
Annually

6

Industrial
Rail Services

12

Railcar Repair
Terminals



73

Terminals & Ports

23

Marine
Terminals

17

Dedicated
Facilities

33

Transload
Terminals



15M

Annual
Deliveries

25,000+

Licensed Motor Carriers
Under Contract

\$500M

Freight Under
Management

28

Fulfillment
Warehouses

Business Updates



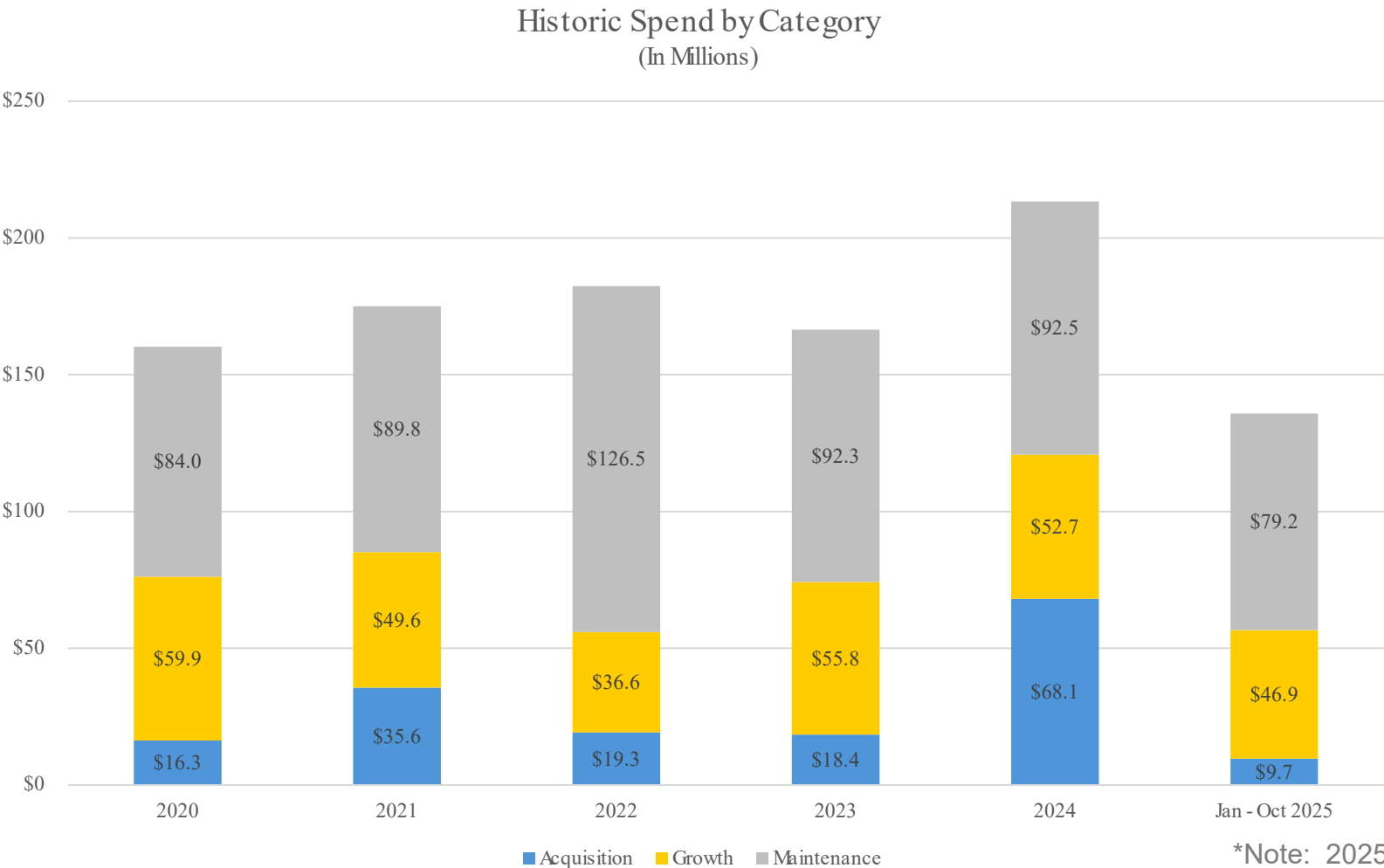
- Acquisition of Great Lakes Central RR as of 10/1/2025, Watco's 47th Railroad
- Dock 5 Rehabilitation and Expansion at Watco's Greens Port Terminal & facilities in Houston, TX
- Project Completion - Rail Yards and Car Wash Facility Addition in Freeport, TX
- Colossal Transport Solutions acquisition – multimodal logistics solutions for industrial-sized, heavy-lift cargo



Capital Projects

Maintenance, Growth and Acquisition

Watco Capital Spend



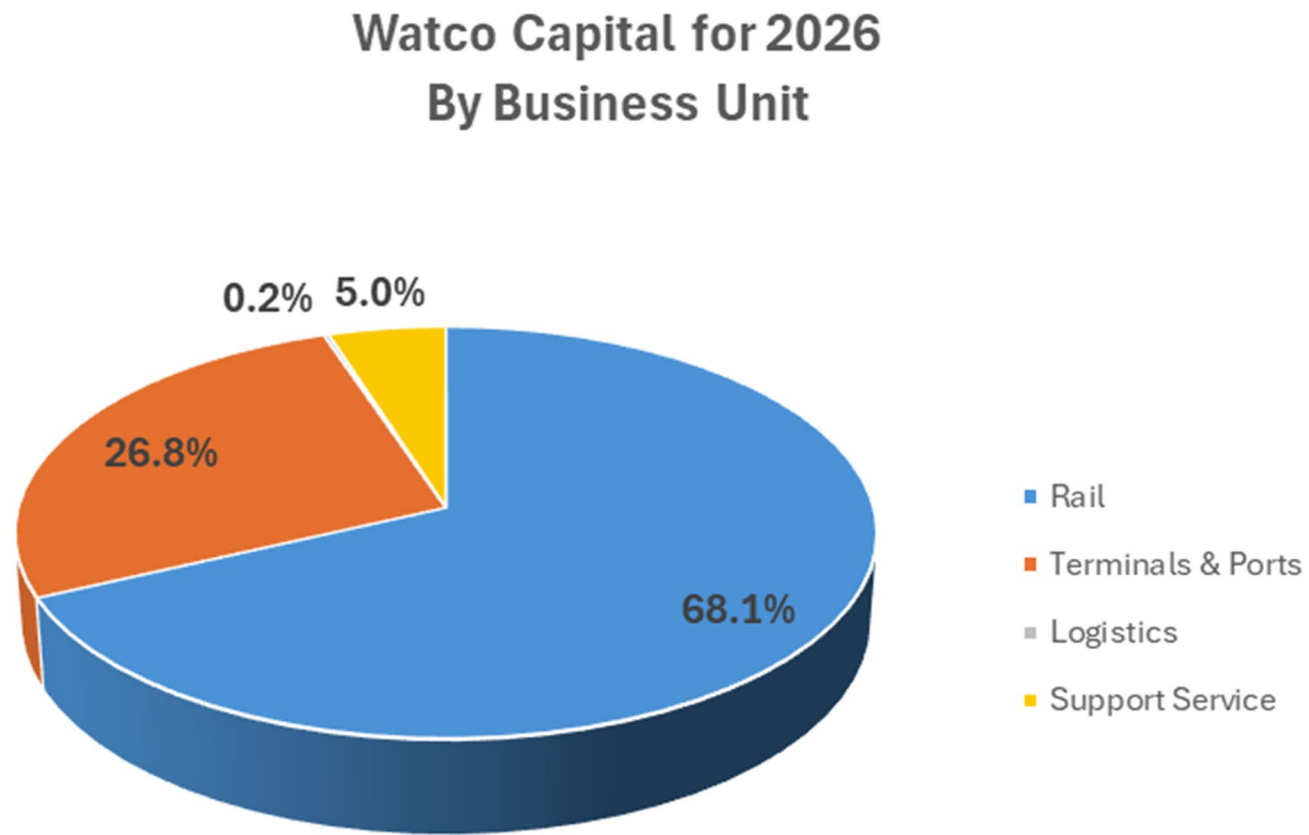
2026 Maintenance Capital increased to \$120M*
*projected

2026 Growth \$TBD

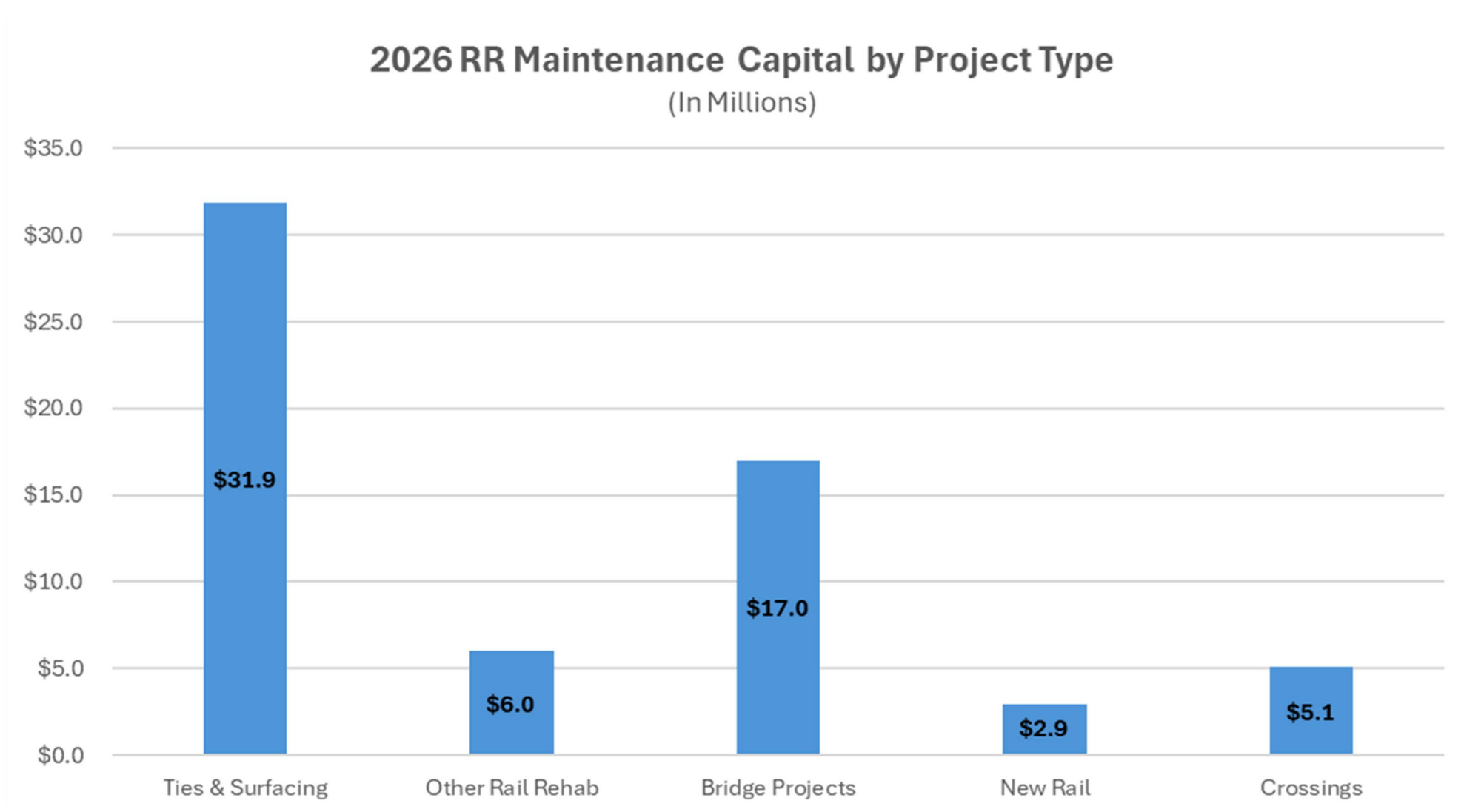
2026 Acquisition \$TBD

*Note: 2025 Q4 numbers still in process.

2026 Capital by Business



2026 Railroad Capital Maintenance Projects



*Note: 2026 budgetary estimates only

CRISI Projects Update

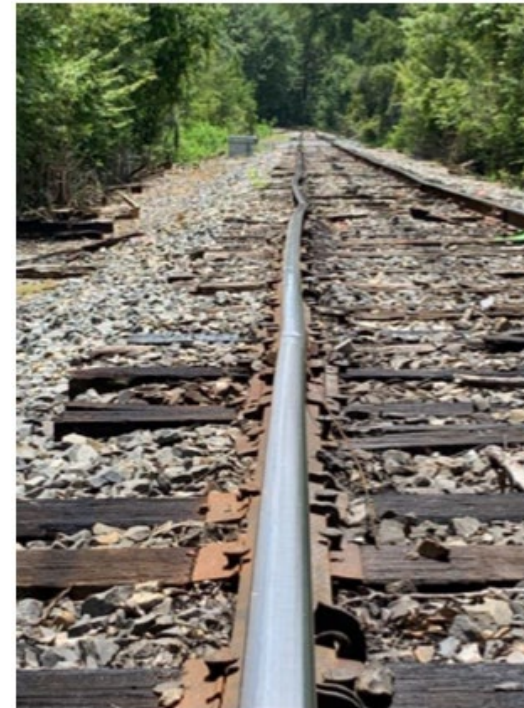
LAS CRISI Project – FY 22 Award

Est Project Spend: \$21mm

Anticipated Obligation: Q2 2026

Scope: Design and construction for track-related improvements, repairs, and replacement of specific bridges and culverts.

- 36 Turnouts of various sizes (RBM & SMSG)
- 24,000 Ties and Surfacing
- 55,680 LF of 115# Rail (320' sticks)
- 29,171 LF of 115# Rail (80' sticks)
- 15 Bridge/Structure Improvements



KNWA CRISI Project – FY22 Award

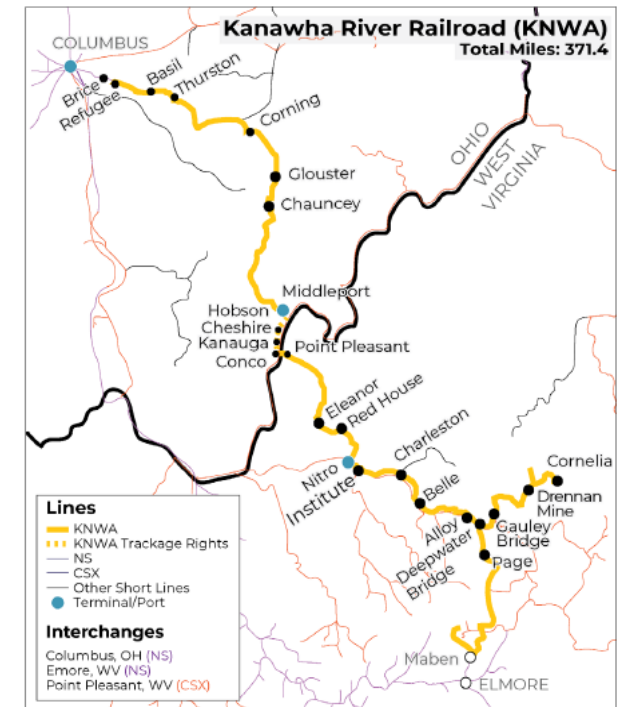
Est Project Spend: \$32.5mm

Anticipated Obligation: Q2-Q3 of 2026

Scope: Design and construction for track-related improvements and rehabilitation to specific bridges, improving approximately 180 miles of the Kanawha River Railroad (KNWA).



- 57,040 LF of curve replacement of 136# rail
- 60,000 Ties and Surfacing
- 37 Crossing Surface Improvements
- 27 Bridge/Structure Improvements



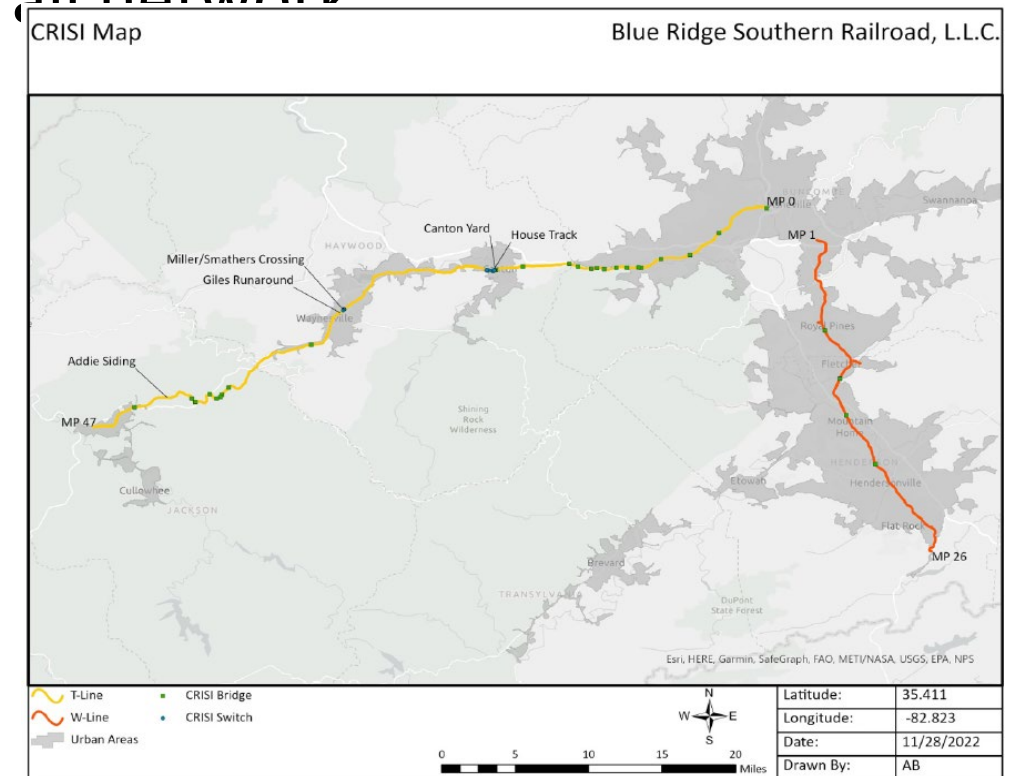
BBLU CRISI Project – FY22 Award

Est Project Spend: \$16.8mm

Anticipated Obligation: Late Q2 of 2026

Scope: Design and construction to improve specific bridges and track-related components on the BBLU's 72-mile rail network

- 14 Turnouts (RBM)
- 18,710 LF of 136# Rail (320' or 80' sticks)
- 800 LF of 115# Rail (80' sticks)
- 480 Switch Ties Replaced
- 39,640 Ties and Surfacing
- 1 Crossing Upgrade
- 29 Bridge/Structure Improvements

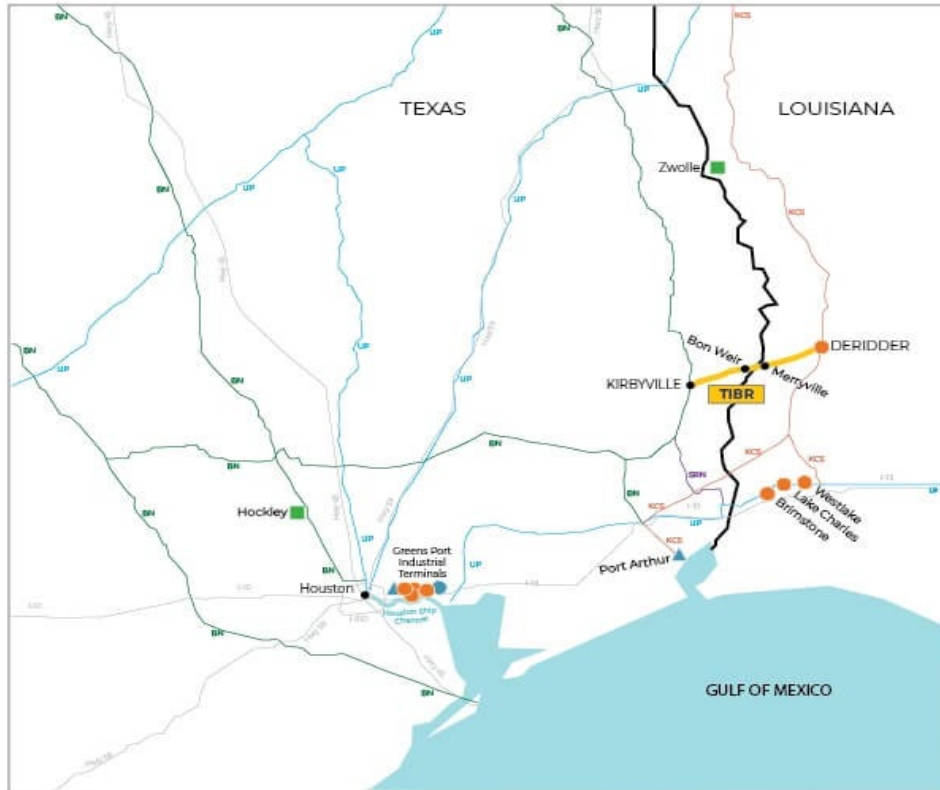


TIBR CRISI Project – FY23 Award

- Est Project Spend: \$50mm
- Anticipated Obligation: Q2 of 2026
- Scope: Track rehabilitation and bridge improvements for the Timber Rock Railroad from Derider, LA, to Kirbyville, TX.
 - 21,120 LF of 115# Rail Upgrade
 - 44,000 Ties and Surfacing
 - 29 Bridge/Structure Improvements



TIBR CRISI Project – FY23 Award



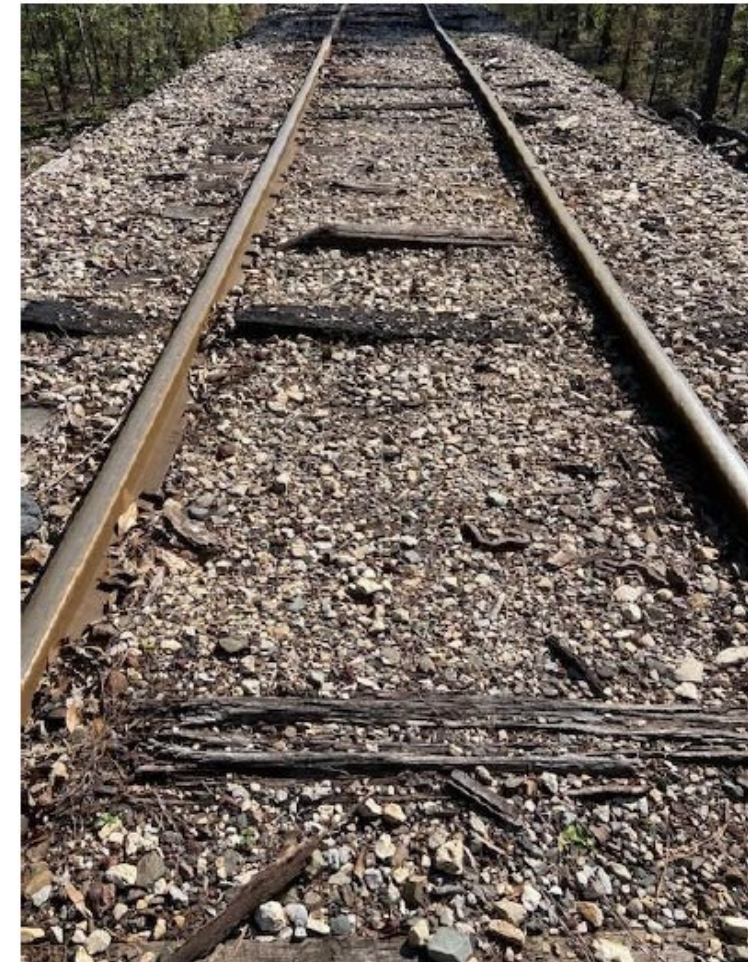
LEGEND

- Timber Rock Railroad (TIBR)
- KCS
- UP
- BN
- SRN
- Terminal/Port
- ▲ Dedicated Terminal/Port
- Switching
- Mechanical Services

Interchanges

Kirbyville - BNSF

Total Miles: 17.5



SLWC CRISI Project - FY23 Award

Est Project Spend: Up to \$37mm

Anticipated Obligation: Late Q3 of 2026

Scope: 120 miles of track rehabilitation, 48 bridge structure improvements, and one grade crossing upgrade along the Stillwater Central Railroad and BNSF Railway corridor.

- 96,000 Ties and Surfacing
- 1 Crossing Surface and Signal Upgrade
- 48 Bridge/Structure Improvements



GLC CRISI Project – FY21 Award

Est Project Spend: \$42.68mm

Anticipated Bidding: Q1 Bridge, Q3 Track of 2026

Scope: Preliminary engineering, final design and construction for various improvements to bridge structures and track-related components on the GLC's Ann Arbor and Cadillac Subdivisions.

- 41.25 miles of Cut-and-slide
- 4.25 miles of CWR Install
- 31,700 Ties and Surfacing
- 5 Turnouts of various sizes
- 11 Bridge/Structure Improvements



RWRR STC23 Project

- Est Project Spend: \$10.39mm
- Anticipated Obligation: TBD
- Scope: Preliminary Engineering, Final Design, and Construction to improve bridge structures and track-related components on 47 miles of the RWRR's network.
 - 31,600 Ties and Surfacing
 - 5 Bridge/Structure Improvements



Growth Projects & Project Management Team

Watco Project Management Team (PMT)

Team primarily works in conjunction with Real Estate Team on Watco's Growth & Acquisition Projects

- Civil Engineering, Project and Construction Management services from design to implement, collaborating with both internal & external customers
- Procurement services also provided on most projects

Project Breakdown:

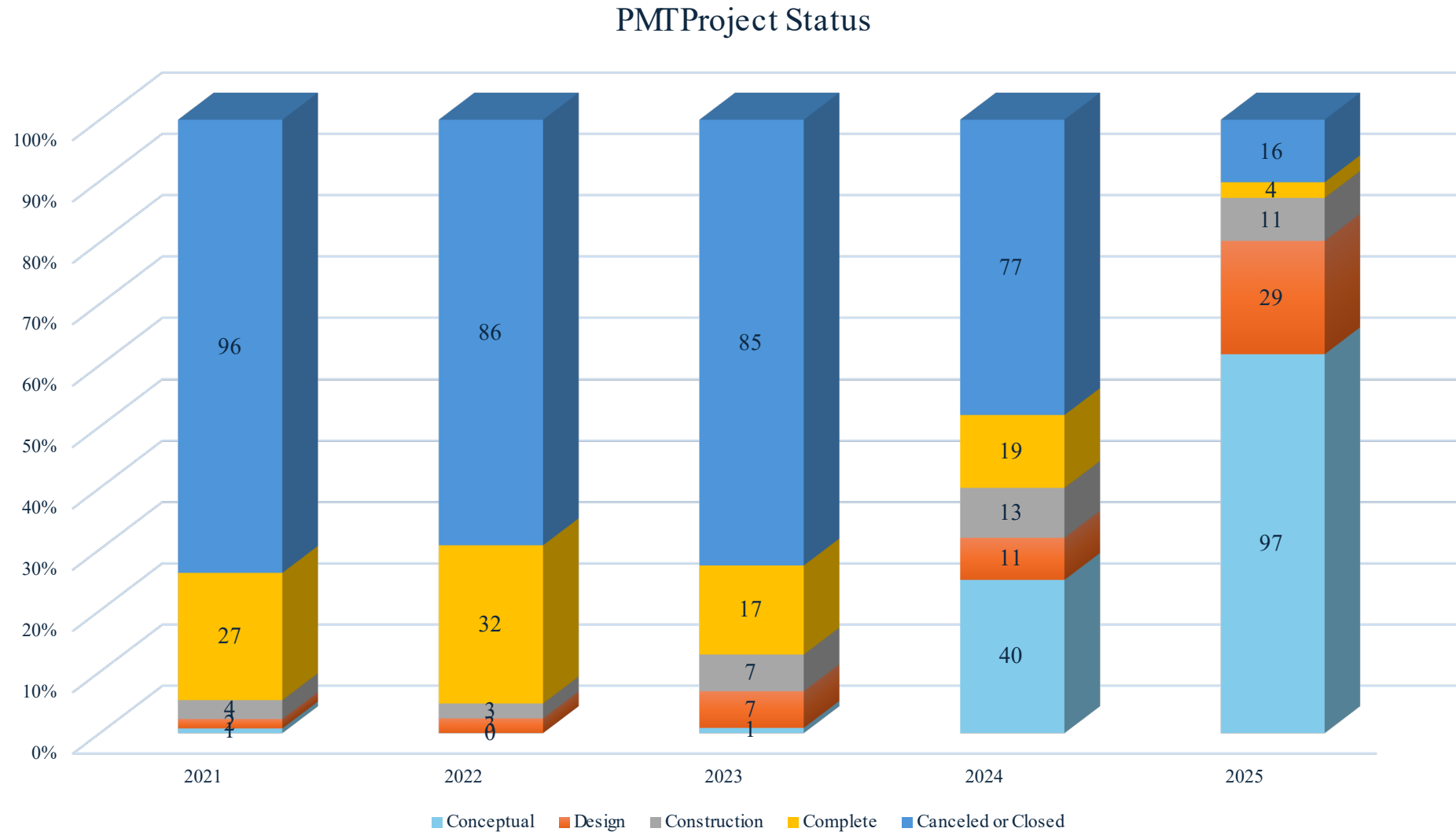
Commercial Growth or Expansion Opportunities – 75% to 80% of Projects

- Rail, Terminal & Ports, Logistics, Car Shops
- Project investment amounts vary dependent upon scope

Balance of Projects (~ 20% to 25%) comprised of the Following:

- Strategic Maintenance or Infrastructure Improvements
- Emergency Repair or Replacement

Project Volume By the Numbers * (The Last 5 Years)



* Includes All Project Types Listed on Previous Slide

Terminal & Ports Projects

Port Projects:

Multiple Locations for transload of product from ship/barge to storage and rail – Fertilizer Facility - Greenville, MS; Jersey City, NJ; Cement Storage and Transload, Memphis, TN

Rail Expansion for unit train loading and unloading:

Ft. Saskatchewan, AB (2026 – 2028 Timeframe) – Design Phase

- ~60K TF of rail
- ~58 Turnouts various sizes

Donaldsonville, LA – Planning Phase

- ~126K TF of rail
- ~31 Turnouts of various sizes

Corpus Christi, TX Rail Expansion;

- 4,300 TF of rail

Ardmore, OK – Phase 3 Expansion

- ~1,500 TF of rail
- ~2 Turnouts of various sizes



Terminal & Ports Projects

Refinery expansions involving rail car storage cleaning and repair – Multiple TX, Louisiana & Canada Locations (still in planning phase)

St Charles, LA

- 4,010 TF of Rail
- 6 Turnouts of various sizes

Yard Expansion – Greensport, TX

Greensport Rail Yard Expansion

- 2,000 TF of Rail
- 3 Turnouts of various sizes

Barge Dock Modifications – Pine Bluff, AR; New Johnsonville, TN



Rail Capacity Improvements

Proposed Expansion Projects in process:

Rail Yards:

Savannah, GA

- 4,100 TF of Rail
- 4 Turnouts of various sizes

Cheyene, WY

- 1,500 TF of Rail
- 2 Turnouts of various sizes

Customer Sidings:

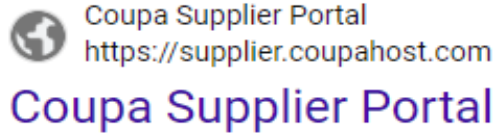
Twin Falls, ID; Newton, KS; Lawton, OK; several others



General Information

Working With Watco

- **Suppliers must be set up in Coupa CSP to transact business with Watco**



- **Contractors need to provide the following information to our purchasing team:**
 - Signed Master Service Agreement
 - Valid Insurance Certificate
 - Watco Contractor Safety Course & Signed Third Party Safety Policy
 - Some areas require TWIC
 - Some areas require Owner Access Agreements
- **Watco solicits proposals from qualified suppliers in range of projects.**
- **Watco may require contractors to provide Performance and Payment bond.**

Key Contacts

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Thank-you!

Discover the **DIFFERENCE**