

[Click to Print Now](#)

May 21, 2014, 12:08pm MDT

UP Railroad: New Mexico now on map as logistics hub



Damon Scott
Reporter- *Albuquerque Business First*

[Email](#) | [Twitter](#)

Union Pacific Railroad has just completed the initial build-out of its \$400 million Santa Teresa rail facility, and the size and scope of work done since 2011 is unlike anything else in the state.

Consider that the project has already had an economic impact of hundreds of millions of dollars and has created thousands of temporary construction-related jobs and hundreds of permanent jobs. The project is almost 12 miles

long on 2,200 acres, and the amount of dirt moved around would fill the Great Pyramid of Giza in Egypt.

Zoe Gisela Richmond, director of public affairs and corporate relations for UPRR, told Business First this week that the project has put New Mexico on the map as a logistics hub and distribution center. Santa Teresa now joins cities such as El Paso, Chicago, Los Angeles, Dallas, Portland and others that have similar hubs.

And the work wasn't just a southern New Mexico affair.

"We pulled a lot of resources from the northern part of the state and used Northern New Mexico companies," Richmond said. One of those is Wilson & Co. Inc. Engineers and Architects, which has been with the project since the beginning. David Olson, an associate vice president in the firm's Albuquerque office and a decades-experienced structural engineer, said the project has been the biggest of his career. He said seven of the 10 contractors used on the project were based in the state.

"It's been a very long, hard and exciting project. A landmark project," he said. Of Wilson's 450 employees across the U.S., he said about 150 were working on the Santa Teresa project at any given time. The development has massive fueling components, receiving and departure tracks, administrative headquarters and other intermodal facility pieces.

Richmond said now that the initial build-out is complete, New Mexico companies should take note.

"You can draw a 250-mile radius from the facility, and if you're a business in that circle, you could hire a truck driver and put your product on it to the hub to be shipped to really anywhere in the U.S. That's a competitive advantage," she said. Albuquerque is about 250 miles away from Santa Teresa. "Railroads are at the beginning of the economic pipeline," Richmond said.

The facility was needed, in part, because UP's nearby El Paso hub was reaching capacity. The hubs see products of many kinds, everything from sweaters to iPods. They come to the facility in train cargo boxes and then are put on trucks to end up at Target, Walmart or other retailers. Right now, Richmond said, about 70 percent of products going to the facility are coming from Mexico.

Richmond added that the UP facility built in the Chicago area attracted a Home Depot distribution facility with lots of corresponding jobs. That's a possibility for Santa Teresa as well, she said.

The facility has already spurred ancillary development, such as a new hotel, 24-hour diner, relocation of a trucking company from El Paso and two new housing developments.

Richmond and Olson said the work has been done in anticipation of future expansion. "We have already seen great success and will be expanding. There is immense room for growth."

Richmond said New Mexico businesses interested in potentially using the hub or who are new to rail options



EAGLE'S EYE
Original 250-0000
BEGGS (Dustin Vanover) Photo credit
UP Co

Courtesy Union Pacific Railroad

Union Pacific Railroad has just completed the initial build-out of its \$400 million Santa Teresa rail facility, and the size and scope of work done since 2011 is unlike anything else in the state.

should start at UP.com and click on the "New to Rail? Learn More" button.

A grand opening that marks the completion of the initial build-out is May 28.

Want Albuquerque news in your inbox? Click [here](#) to sign up for our email newsletters.

505.348.8315 | damonscott@bizjournals.com
Commercial/residential real estate, retail, restaurants