

NEWSLETTER

Issue No. 8

Information for Employees and Customers

Fall/1989

Employee Christmas Parties Scheduled

Missoula: Holiday Inn Friday, December 1

Livingston: Chico Hot Springs Saturday, December 9

Laurel/Billings: Holiday Inn Friday, December 15

> Helena: Colonial Inn Saturday, December 16

The parties are for all employees and their spouse or a friend. Watch the bulletin boards and your paycheck envelopes for more information.

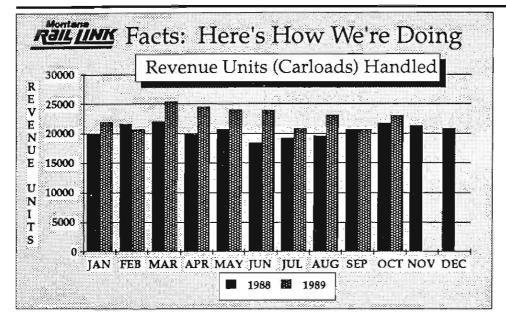
Montana Tunnels Opens New Concentrate Loading Facility in Helena



A Lewis & Clark County Commissioner Linda Stoll Anderson cuts the ribbon officially marking the grand opening of Montana Tunnels' new zinc concentrate loading facility in Helena, Montana September 11. Pictured with her are, (I to r): Tom Weitz, General Manager for Montana Tunnels; H. C. McLellan, Construction Manager, Commonwealth Construction Co.; David Fuller, Lewis & Clark County Commissioner; Ms. Anderson; Russ Ritter, Mayor of Helena; and Larry Huff, Marketing Manager for Montana Rail Link. Also representing MRL but not pictured were Fred Simpson, Executive Vice President; Howard Nash, Marketing/ Administrative Director; Mike Lemm, Trainmaster at Helena; and Milit Clark, Marketing Manager. The \$700,000 state of the art facility is capable of handling up to 50,000 tons of concentrate annually from the company's mine near Jefferson City south of Helena. For more on Montana Tunnels, please turn to page 5.



No. 250, our first EMD model SD40-2 locomotive, was added to the active roster on August 25. Originally BN 6377, the unit received heavy damage in a vandal-caused derailment that occurred at West End, Montana on October 31, 1987, our first day of operation. The unit was completely rebuilt by LRC and is the most extensive rebuild project completed to date. Pictured with No. 250 at Livingston are LRC President Mike Sudol, (left), and MRL President BIII Brodeky.



News Briefs

Current employees will be given first consideration for any new or vacant non-union positions according to a company policy bulletin issued October 25 and posted on all bulletin boards. Any questions about this should be directed to Personnel Manager Sharon Prinzing in Missoula at 523-1436. •

In a recent survey on customer service conducted by **Gerry Larson**, Service Auditor/Customer Relations, 44 shippers responded with a favorable 8.0 average rating on a scale of 1 - 10 (10 being best). Of the four service areas evaluated in the survey, Missoula, Helena, Livingston and Laurel/Billings, Missoula ranked highest. Despite the very good results, we all need to focus more effort in this crucial area. •

Eight SD45 locomotives were purchased from National Helm Leasing October 2. The units had been under lease for several months and will bolster our motive power fleet. They carry 900 series road numbers. •

Three General Electric model Super 7 C30 kit locomotives were tested on our railroad the first week in November. These units are equipped with fuel efficient GE 16-cyclinder engines that develop 3,000 horsepower. •

The Dennis R. Washington Foundation granted \$35,400 during the first half of 1989 in response to applications made by nineteen Montana based organizations. The Foundation administers a consistent contributions program in recognition of the corporation's ability to support the general welfare and quality of life in the communities it serves. A uniform assessment of the Washington Group of companies pre-tax profits is the source of the Foundation endowment. Only earnings from the endowment will be used to fund grant requests. A contribution policy has been adopted that favors the disadvantaged and less fortunate as opposed to cultural and esthetics. •

A second IBM System 38 main frame computer is being installed by the Washington Corporations at a cost of \$45,000. The increased capacity of the computer system will enhance put-through and job processing time according to MIS (please turn to MRL News, page 4)

Homecoming Parade Float A Winner

With the ring of spike mauls on steel, wielded by B&B Supervisor Dave Cook (playing the part of NP) president Henry Villard) and Marketing Manager Larry Huff (as president U. S. Grant), resounding in the crisp, clear air of Saturday morning October 7, Montana Rail Link's float entry in the University of Montana's homecoming parade rolled south on Higgins Avenue in wintown Missoula on its way to taking top industry honors as well as best overa" among the more than 60 entries! The theme chosen combined a historic event: the driving of the last spike of the Northern Pacific completing the first northern transcontinental railway in 1883 and a display of modern railroading complete with a computer, automatic crossing signals, and surveyor's transit. All participants were dressed in period costumes. Jeff Harris, a clerk in the general offices and David Maughan, engineering department draftsman, headed this successful volunteer employee effort.

(continued, see Float, page 3)

In Memoriam

DEWEY J. OLSON

MONTANA RAIL LINK EMPLOYEES EXTEND CONDOLENCES TO THE FAMILY OF HELENA LOCOMOTIVE ENGINEER DEWEY J. OLSON, 54, WHO SUCCUMBED TO CANCER AFTER AN EXTENDED BATTLE ON SEPTEMBER 21, 1989. MR. OLSON STARTED WITH MRL ON NOVEMBER 18, 1987 AND HAD PRIOR SERVICE WITH THE BURLINGTON NORTHERN, SOO LINE, MILWAUKEE ROAD AND GREAT NORTHERN.

The Newsletter is published by Montana Rail Link, Inc., Issued periodically, and mailed First Class at Missoula, Montana, to all active employees. Readers are invited to submit news items and comments.

Editor: Milt Clark
Associate: Roxanne Smith
Member Association of Railway
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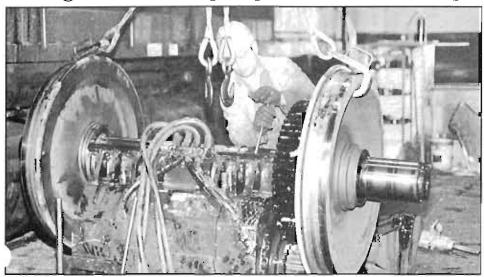
Worth Repeating

Do you think guys like you are the future of Montana?

Yes, I do. Not only in Montana, but America. I think if a lot more people would model themselves after some of the things our companies have done, that is definitely the way to become competitive in today's market.'

Dennis R. Washington in an interview on NBC's Today Show, aired October 4, 1989.

Livingston Running Repair Battles To Keep Locomotives Rolling



< It's a tough job keeping a locomotive fleet with an average age of 27 years running, but the mechanics at Livingston Running Repair have accepted the challenge. General Mechanical Foreman John Wiesch and his staff of 43 have their hands full! A large number of the employees, like Machinist Jlm Smlth, pictured here reassembling a traction motor and wheel set for an SD45, are working extra hours to keep the power available to move trains across our railroad. Motive power availability will improve when the winterization program (units receive new cab doors where necessary, new heaters) has been completed, according to Chief Mechanical Officer Mel Dinius. Also, the proposed 1990 budget calls for a classified locomotive repair program and rewiring of a number of units which will relieve some of the daily pressure put on Running Repair. Helping, too, is Livingston Rebuild Center where heavy repairs and rebuilding is done. Recently outshopped: two SD9's, #604 with a chopped nose and #610 with chopped nose and new 26L brake equipment.

Operation Lifesaver: A Plan to Save Lives

The dangers of grade crossings and trespassing on railroad property are very real. Lives are lost each year because of carelessness and ignorance. The state of Montana, the railroads serving the state and the Montana Operation Lifesaver Council have implemented a safety and education program for school children of all levels as well as adults. Operation Lifesaver is dedicated to one goal: preventing injuries on railroad property through better education.

Burlington Northern locomotive engineer Rick Flink of Whitefish has been appointed state coordinator. Charles Lunde, a locomotive engineer from Livingston is the MRL coordinator. Other MRL committee members are Bernie Bidwell, Program Development; Charles Chambers, Engineering; Vickie Langley, Special Events; and Lynda Frost, Media Relations and Speakers Bureau.

A one-day workshop for orientation and training of volunteers was held in Helena on November 8. These newly-trained Operation Lifesaver instructors will soon be visiting schools, service organizations and businesses all along our line. • MONTANA

Stop Look & Listen

Float (continued from page 2)

Besides those mentioned previously, Deena Harris, Lynda Frost and son Travis, Mary Semmens, Karyn Prestwich, Keela Moss, Afton Dupuis, Loreen Strate, Kelly Sedgwick, Adam Gratz, Dan Lake, Terry Daffe, Chris Ellsworth, Becky Feaster and children, Cactus Young, Gilbert Rodriquez, Kim Redman, Augie Cantu, Pat Ricci and Milt Clark assisted. We are also indebted to Dan Tabish, of Buffalo Embossing, for his valuable assistance and Western Transport for the use of a flatbed trailer.

MRL News (continued from page 2)

Director Mike Ragbourn. The new computer is undergoing testing and will be operational by early January.

About 600 "Cedrite" brand composite ties (made of old ties which are shredded, mixed with epoxy and compressed) manufactured by Cedrite Technologies, Inc., a subsidiary of Harmon Industries and more than 700 concrete ties manufactured by CXT of Spokane, Washington have been installed this fall on curves near Lothrop, Trident and Clarkston, Montana. Both types of ties are expected to have greater longevity than hardwood ties and improved gauge holding capability in sharp curves, according to Chief Engineer Rich Keller. •

Helena Yard has undergone extensive upgrading this year with several tracks being lengthened and additional cross-overs installed at a cost of \$750,000. The improvements increase the efficiency of train movements and yard operations as well as virtually eliminate the need to block Roberts Street, a major Helena thoroughfare. •

A special VIP passenger train was run from Bozeman to Laurel and back on Sunday, October 22 in conjunction with a conference on Pacific Affairs held in Bozeman October 20 - 25 and sponsored by the Mansfield Center for Pacific Affairs. Conference attendees included journalists, scientists, government officials and corporate executives representing interests of nations bordering the Pacific Ocean. About 70 people rode the train which was made up of BN business cars Glacier View, Lake Superior, Como, Stampede Pass, Mississippi River and Yellowstone River. •

With winter and cold weather not far off, Cold Weather Update seminars for ontrain personnel are being held at several locations during November to review the hazards of train operations in severe weather. Topics to be covered include the air brake and safety rules, helper locomotive operation, proper clothing, and the new General Code of Operating Rules which became effective October 29. •

TO COMMEMORATE

THE 100TH ANNIVERSARY OF MONTANA STATEHOOD AND IN TRIBUTE TO THE CONTRIBUTION MONTANA RAIL LINK AND ITS PREDECESSORS HAVE MADE, TO THE DESCRIPTION OF THE STATE

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A GREAT CHRISTMAS GIFT IDEA

Rail Industry News

Revenue carloadings for all railroads totaled 13,673,962 through October 14, down 1.2 % compared to the same period of 1988. Ton-mileage for the same period was 785.3 billion, a decrease of 0.2%. (AAR Rail News Update October 23, 1989) •

Modern Railroads Short Lines and Regionals magazine has selected the Kiamichi Railroad as the Short Line of the Year because of its financial and operating accomplishments as well as its successful programs in employee and community relations. The Kiamichi, based in Hugo, Oklahoma, began in 1987 with 230 miles of a former BN line. It has won over a skeptical local community and work force. (AAR Rail News Update, September 27, 1989) •

Burlington Northern announced that 915 grain cars have been selected for its new one-year, short term covered hopper pool, which began September 1. For its August 3 auction, BN received 32 bids from 21 companies for 5,224 cars. The cars will be leased for \$369 a month in this, BN's second annual car auction. Bids ranged from \$349 to \$460 a month for trough hatch, 4600 to 4800 cubic foot covered hoppers suitable for handling grain.

The Southern Pacific has been authorized to provide rail service between St. Louis and Chicago over the bankrupt CMW line for up to 60 days. In an order issued October 16, the ICC authorized the SP to operate over the lines through its St. Louis Southwestern subsidiary. The SP has agreed to buy the 282-mile St. Louis-Chicago line from the CMW for \$22 million. (AAR Rail News Update Octoctober 25, 1989) •

Keeping Track Montana Rail Link

Montana Rail Link Personnel Changes

Gerry W. Larson appointed Service Auditor/Customer Relations with headquarters at Missoula effective August 21. Mr. Larson served previously as a Utility Operating Employee.

Brian P. Heikkila appointed Engineer Training Instructor with head-quarters at Missoula effective October 1. Mr. Heikkila was formerly a locomotive engineer trainer for the Burlington Northern at Overland Park, Kansas. Prior to that, he served as an assistant trainmaster at Spokane and locomotive engineer at Missoula and Whitefish.

Fred J. Ball promoted to Assistant Trainmaster at Missoula effective October 15. Mr. Ball served previously as a Manager in the Compass/YMS department.

The '89 Safety Performance Leaves Much To Be Desired

Safety statics released recently by the Association of American Railroads ranked MRL 18th among 23 Group C railroads reporting (those having less than 4 million man-hours annually). For eight months ending August 31, MRL incurred 85 reportable injuries in 1,319,885 manhours, or a rate per 200,000 man-hours of 12.10. Other selected Group C railroads rankings with man-hours similar to MRL: Florida East Coast #1 with 1.15 injuries per 200,000 manhours; Midsouth #4 with 3.33; Duluth, Missabe & Iron Range #5 with 5.51; and Wisconsin Central #16 with 9.63.

Take Care . . . Not Chances!

Customer Profile:

MONTANA TUNNELS

Montana Tunnels, a mining company with operations in Montana and Nevada, is a subsidiary of Pegasus Gold Inc., a British Columbia, Canada corporation with executive offices in Spokane, Washington. The company produces gold, silver, lead and zinc using open-pit mining methods, heap leaching technology; and conventional milling practices and currently operates five precious metal mines in the western United States. The Montana Tunnels polymetallic mine in Jefferson County, Montana processes 1,250 tons of ore a day which are concentrated at the mine site. The zinc concentrate, 37,000 tons annually, is trucked to the new loading facility in Helena (pictured here) for shipment by rail to the smelter. The loading facility features a hydraulic truck dumper, conveyor



system, electronic belt scale, car mover and a dust recovery system. The concentrates are shipped to Cominco in Trail, British Columbia for smelting. Two hundred twenty persons are employed at the mine site.

We are pleased that Montana Tunnels chose to invest in an industrial site provided by MRL and that we are playing a significant role in meeting their transportation needs. •

Third in a series of articles designed to acquaint us with our customers.

August Detours Keep Crews Busy

MRL crews were extra busy during a four day period following an August 5 derailment on the Burlington Northern at Whitefish, Montana when 32 eastbound and 15 westbound trains were detoured over our line. •

MRL Engineer Saves Day

Hauser, Idaho - October 18. BN Train 103 was making a reduction on Track 3 when the second and third rear cars derailed at the switch due to a worn switch point. Fortunately, Train 195 with MRL engineer R. J. Jones was waiting on an adjacent track. Mr. Jones observed the problem and notified the BN crew to stop the move, averting a potentially serious derailment. MRL has trackage rights over the BN line between Sandpoint, Idaho and Spokane, Washington on which Hauser is located. •

MRL Marketing News

Aimcor has resumed shipments of petroleum coke in one hundred car unit trains from the Exxon Refinery at East Billings, Montana to Roberts Bank, British Columbia for export to the far east.

Test shipments of crude talc were made in September by Southern Talc Company from Twin Bridges, Montana to their processing plant at Chatsworth, Georgia. Talc mined in Montana is noted for its purity and if the tests results are favorable, regular shipments may begin. •

Livingston Rebuild Center recently won a contract with General Electric Leasing to rehabilitate 20 model C30-7 locomotives. The units are now on their way from the Santa Fe in Kansas City routed via Denver Burlington Northern MRL. Both MRL and BN earn freight revenue from the movement. •

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Please help. . . the United Way

Each November, United Way campaigns are conducted in communities that are served by Montana Rail Link.

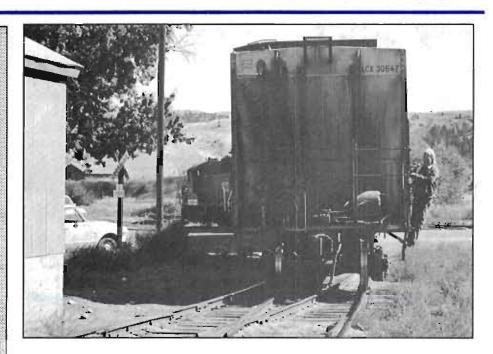
That time has come again.

Our friends and neighbors along our line have needs that must be met. Whatever the need — food, shelter, clothing, counsel, comfort, or help in a family crisis—the United Way is there providing funding for many programs.

At Montana Rail Link, we believe in the United Way and as a supportive corporate citizen we do our share by providing corporate donations; however, each of us should consider personally participating in this drive. Your gift indicates you care and they stay in the community where given. •

United Way





Railroading in the 1980s may be a high-tech business with computers, CTC, and radios, but it still gets down to basics: placing freight cars for customers to load or unload. Above, Utility Operating Employee Ray Swenson, on Train 841, the Livingston - Helena local, rides a covered hopper being spotted at BG Grain Elevator in Bozeman for loading malting barley on September 12. 841's crew that day, pictured below, was (I to r) W. Spence Brown, Assistant Engineer; Mr. Swenson, and Ed Davis, Engineer.

Think Safety First

