

Company News for MRL Employees

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A Message from the President



Tom Walsh

Great things are happening at our Company again this year.... it started with heavier than normal grain, coal and general merchandise

shipments. In February we signed an Agreement with BNSF that I am confident will result in steadier and higher traffic levels. BNSF asked us to handle over 100 detour trains in June and July to reduce congestion for track work on their highline route. We are eagerly awaiting the arrival of 16 new SD 70 ACe locomotives from EMD later this month. And, with John Grewell's retirement at the end of the year, we have new leadership with Mike Lemm as our Vice President of Operations. As most of you know, Mike has spent the last 18 months preparing for his new job. Those 18 months provided him with a wonderful opportunity to get hands-on experience in the Mechanical and Engineering groups and to get to know all of you better. John has had an illustrious 38 year career in the industry and has been instrumental in our successes over the last 17+ years. We will definitely miss him.

All of the things mentioned are new, exciting and are representative of the strengths of our Employees and our Company. **You** are the reason we are successful. Let's make 2005 a year to remember for our great Company!

Tom Walsh

Look for
Employee Survey Results
in Late September

OPERATING UPDATE

by Mark Smith

June 20th was the beginning of a new-hire class with 20 newcomers joining us. The classes will be held in Missoula with 11 people and B of LET facilitators Allan Tims and Doug Grissom. The Laurel class will host nine people with Richard Dawes, Jenny Slater and Tom Salazar facilitating. Thanks to all involved for lending a hand!

The last of the LETP class of July 12, 2004 was promoted during the second week of June. The class was delayed 45 days to help meet man-power requirements for the last quarter of 2004.

Letters were sent notifying 14 individuals of the next LETP class. The class began August 15th at Missoula.



Z-PTLCHC1-16x

Z-PTLCHC1-16x crosses over from the number 1 Main to the Eastward at Shilo departing Laurel for Cicero, Illinois carrying high priority freight. It is one of two "Z" trains and two "H" trains re-routed over MRL for about 35 days due to a BNSF maintenance project on the Milk River Subdivision on the "Hi-Line". The detours, which started the week of June 6th, ran across our property daily, with both "Z" trains running on Wednesdays and Thursdays.

Here they come! Or there they go, as depicted in the picture.

MRL On the Road

by Pete Lawrence

Addressing the security and safety matters for Montana Rail Link and its employees can be exciting and challenging with so many things that impact an outcome. For the past several months, I have met with law enforcement officers across the state to provide an overview of MRL operations, our security needs and information on grade-crossing collisions. To date, about 100 officers have received the information with two-thirds of the officers being Montana Highway Patrol officers who do about 90% of the grade-crossing collision investigations occurring on MRL territory. With a fleet of over 175 motor vehicles and traveling more than 3,000,000 highway miles per year, MRL employees are major users of Montana highways and roads. The officers of the Montana Highway Patrol contribute to our security and safety in their daily patrols of Montana highways, and the more they know about our operations the safer they can keep all of us. In that regard, we all have a responsibility to obey traffic laws and regulations for our own safety and that of other motorists.

Customer Appreciation Train

by Howard Nash

On June 22nd, more than 250 customers and guests representing 86 companies ~ some coming from as far away as Texas, Utah, Nebraska, and Oregon joined MRL and BNSF for a customer appreciation train ride and BBQ.

The day started with a tour of the Dennis Washington Achievement Center and a reception at Railroad Park. Tom Walsh and John Lanigan, Executive Vice President BNSF, welcomed guests and emphasized how important the customer is to our railroads. Tom Walsh asserted that *What we have to sell is service, and our goal is to be the best that we can be at providing service to our customers.*

Legends of the West traveled along the banks of the scenic Clark Fork River to Superior and back to Missoula with the day concluding with an evening at the Washington Grant Creek Ranch where all were entertained by strolling minstrels as they savored a fine western cuisine.



Keeping Track

On the Move

Devin Alfon ~ Class Transfer, now Switchman Trainee from MOW

Stan Boaz ~ now Signal & Communications Supervisor - West, from Signal Laborer, Missoula effective March 1, 2005

Chad Egge ~ Class Transfer, now Switchman Trainee from Mechanical

Chris Flanick ~ Class Transfer, now Electrician Apprentice from MOW

Jay Hart ~ now Assistant Trainmaster/Road Foreman, Helena from Locomotive Engineer, Laurel effective July 16, 2005

Angie Mitchell ~ now Assistant Trainmaster, Laurel from Clerk, Laurel effective March 16, 2005

Mike Rahl ~ now Assistant Supervisor B&B, Missoula from Assistant Roadmaster, Missoula effective March 1, 2005

Bruce Young ~ now Material Manager in Training, Livingston from Assistant Material Manager, Laurel effective May 1, 2005

Look Who's New

Administration

Jennifer Bristow, A/P Technician
Aimee Mathis, Payroll Technician

Assistant Trainmaster
Chad Martonen

Carman Apprentice

Bryan Bartholomew
Dan Burns
Derek Cochrell
Ross Kenyon
Zach LaFlex

Samuel Langve
Cole Leady
Rod Lester Jr.
Brian Rambo
Jason Shores

Electrician Apprentice
Richard Peterson

Extra Board Clerk
Debbie Kemp

Machinist Apprentice
Justin Fievel
Chris Goldade
Kellen Havranek

Hans Hollo
Bob Katz

Maintenance of Way

Jeremy Barnes
Brian Calkins
Chuck Clinkenbeard
Kody Crittenden
Waylon DuBois
Ed Dwyer
Daniel Hansen
Justin Jablonsky
Zach Kirkham
Adam Loefler
David Lucas
Mike Maitland

DeMario Marshall
Casey McCrea
Grant McCready
Shawn McGillis
Chris Nelson
Brian Porter
Mike Remnick
Nick Ruiz
Nate Sink
Travis Tooley
Sean Warren
Trey Wellenstein

Signal Laborer
Tim McEwen
Tim Pope

Rod Snell

Switchman Trainee

Bryan Arlington
Tanner Cochrell
Jim Doty
Ken Doty
Chris Fairlee
Cody Folkord
Jason Ganoe
Dustin Ingersoll

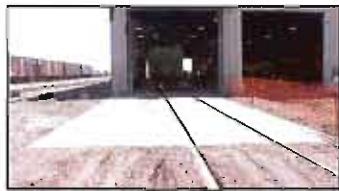
Dustin Knutson
Chad Leishman
Dylan Manry
Tony McLees
David Newman
Bobby Selby
Mike Smart
Ron Weed

Retirements

James Ferrell April 29th
Ronald Hanni April 18th
Sunny Johnson May 31st
Jeff McCandless July 31st
Randy Strending June 30th

Laurel Car Shop Expansion

by Jack Gabrian



Laurel Car Shop

Approved in the 2005 Capital Budget, the Laurel Car Shop was authorized to expand the cement pads on each end of the building. This project was done by the Bridge and Building Department with work starting on June 1st of this year. To accomplish this task without completely closing down the Car Shop, only one of the two tracks was taken out of service in order for them to excavate the ground below.

With one track in service, it was necessary to find another location in order to repair cars. This was important, as it would have been impossible to keep up with the workload. The old Car Shop was the place to go and, with help from our friends in the Operating Department, it was arranged that bad order cars would be spotted there. The mechanical work forces were divided into two different work locations. This took extra work on the operating end to accomplish and has been running with very few problems arising. In order to accommodate the B&B and Mechanical Departments, it has taken a great deal of "team spirit" for both departments to work with each other in a small location and not get in each other's way; and most importantly, doing this without any one getting injured.

The pads being installed on each end of the shop are 50' in length and 40' wide. Under each rail there is 24" of cement in order to jack cars safely. Howard Wilkinson and his B&B team have been working hard to keep on pace with the projected date of mid-September, which is closing in fast. Again, a big thanks for all those involved in the project. Without a true team effort of all three departments, this feat could not be accomplished.

Happenings in Engineering

by Randy Gustin

The fire season has arrived in Montana and MRL employees are again faced with additional requirements and restrictions. As of August 15th, Stage 1 restrictions were in place on most of MRL east of Helena, while stage II restrictions governed the western portion of MRL. Stage 1 restrictions prohibit open flames and limit smoking to barren areas, while stage II restrictions are much more stringent, with requirements which can have a large effect on work crews and operations. Under stage II restrictions, the following acts are prohibited from 1:00 pm to 1:00 am: Operating any internal combustion engine; Welding or operating acetylene or other torch with open flame; Using an explosive; (A patrol is required for two hours following cessation of all work as described above); Operating motorized vehicles off designated roads and trails.

This can have a large effect on maintenance activities. MRL personnel are also required to carry water and firefighting tools when they are working in restricted areas. In response, some crews are beginning their shifts earlier to maximize productive work before 1:00 pm. MRL has developed a good record in the past for being conscientious and professional, and as a result has retained the right to perform emergency work even after 1:00 pm, with additional requirements to ensure that no fires are ignited.

Despite the additional restrictions, the work season is in full swing for crews. Gang 1953 recently completed major tie projects for 2005 with approximately 85,000 ties installed to date and 15,000 ties remaining to install with smaller crews at various locations across the railroad. Gang 1953 is now installing rail across the system and has completed installation of six miles between Billings and Laurel (the largest out-of-face rail relay ever undertaken on MRL) and is working westward.

Other crews are hard at work. The B&B Department is working on major projects at Garrison Tunnel and the Laurel Carshop in addition to normal maintenance activities, while the Signal Department is converting the signal system between Toole and Paradise to CTC and removing the last of the semaphore-type signals from the system. When this signal project is complete, our entire mainline with the exception of the portion from East Billings to Laurel will be CTC.

Safety Poster Contest Winners

Natasha Ball, age 10 ~ Daughter of Steve Ball
McKenna Barkac, age 10 ~ Daughter of Bart Barkac
Rachael Cheff, age 10 ~ Daughter of Christy & Jim Cheff
Kimberly Cook, age 16 ~ Daughter of Kevin Cook
Brenton Dorsey, age 8 ~ Son of Jack Dorsey
Megan Eisenmann, age 14 ~ Daughter of Mark Eisenmann
Katie Fuller, age 2 ~ Daughter of Terry Fuller
Laurin Hart, age 9 ~ Daughter of Jay Hart
Jace Keim, age 5 ~ Grandson of Mary Keim
Lexy Maurer, age 8 ~ Daughter of Tom Maurer
Seth Penninger, age 5 ~ Son of Harlan Penninger
Bethany Van Doren, age 6 ~ Daughter of Jamey Van Doren
Austin Wells, age 12 ~ Son of Brian Wells

MRL

Golf Invitational

by Ted Hageman

For the past 18 years, Montana Rail Link has been host to two golf outings annually, one in late June, in Missoula and August, in Laurel/Billings. Volunteer employee committees do a great job and have fun planning and organizing these events. Their hard work and skills throughout the years have made each outing successful and unprecedented in the railroad industry.

Throughout the years the outings have grown from 50-60 golfers to 400-500, on three courses in Missoula and over 300, on two courses in Laurel/Billings. This year's Missoula outing drew over 450 and Laurel/Billings is expecting over 300 participants. All employees and their guests, local customers, and our suppliers from all over the country are among the attendees.

Grant Creek Ranch provides a beautiful setting for all golfers in Missoula to enjoy the award ceremony and a great barbecue style dinner. ZOO MONTANA in Billings provides golfers with not only a great dinner, but also zoo animals for younger guests to enjoy.

Both Outings have distinguished themselves as premiere events throughout the industry with suppliers nationwide seeking invitations each year. Suppliers are extremely generous in their support, with much of the expense covered by them, including prize donations. Employees and their guests are charged a nominal fee, while customers are guests of MRL.

What a great opportunity for employees, customers, and suppliers to get together in a social setting for a little fun and a much needed break from everyday business. Even though fun is the main focus, we all know that networking provides opportunities for us to learn from our customers and our suppliers.

Dates to Remember

Griz Tailgate

Missoula

October 15

SAFE Days BBQ's

October 24-28

All Locations