



### Company News for MRL Employees

Dispatch Staff: Lynda Frost • Casey Calkins • Pete Lawrenson • Jim Lewis • Pam Schneider • Leon Scoles • Scott Trent • Erin Best

## MESSAGE



*from the  
President*

It is difficult to imagine that Montana Rail Link is 25 years old—unfortunately, that makes us all that much older too. It has been a successful journey thus far, and I

believe that we are positioned well for the next 25 years. Your commitment and contribution to MRL have been the reasons for our success and why I am so bullish about our future.

I encourage you to take a minute to look at the names of the people in this newsletter who have been with MRL since 1987. As I recall, we employed about 700 people in the early days and nearly 200 of those employees still call MRL home 25 years later. I also encourage you to look at the list of new employees in this newsletter—by the end of this year we expect to have hired nearly 180 new employees—the future of our Company.

Why so many people hired, might you ask? Well, as I said above, we do seem to be getting older even though we have kept our youthful appearances! Retirements are on the rise as have been our business levels. Earlier this year, BNSF asked us to help out handling a few daily trains while maintenance work was being performed on their Highline route. Initially, this rerouted traffic was to last for six weeks. Those six weeks have lasted for months and are expected to continue through mid-November. With this sudden and long lasting increase, we were left flat-footed with not enough crews and other resources to handle the new business. Thank you for stepping up to the plate and helping with the added traffic. Additionally, we signed an agreement with BNSF in August that I am confident will result in steadier traffic levels for our Company in the years to come. The reroutes will come to an end soon, however the new contract will likely add a few more carloads. The combination of new business and recent retirements gave us the opportunity to hire the additional people—welcome aboard!

Our Montana-based customers have not fully rebounded to pre-recession levels, although we continue to see improvements. New business opportunities like the wood chip facility in Bonner and various opportunities related to the Bakken oil development have taken the sting out of our Smurfit Stone and other forest product customer losses over the last few years. We have solid future opportunities as well, and I am confident that our great service will win more business for us.

As we all know, our Company is built on Service. And to provide good quality service, we need good quality people like you. I am most proud of our achievements in safety and our quest for Zero injuries and Zero accidents—thank you. You are the reason we are successful. Let's make this year a springboard for attaining once unthinkable goals for our future. Working together, we will keep our Company strong!

Congratulations on our 25th Anniversary...  
and Happy Thanksgiving!

*Tom Welch*

## Sales & Marketing Update

*Jim Lewis, Director Sales & Marketing*

2012 has been a busy year for the Sales & Marketing Department as we continue to work with existing customers and potential new customers. As many of you already know, MRL is fighting to get back to pre-recession volume levels for local and other on-line traffic. The addition of new business, including Tricon's local log program and wood chips from Bonner, has us on an upward trend toward that goal.

Willis Enterprises has been up and running for seven months and has generated 800 carloads; with a plan to ship 1,200 by year's end and over 2,300 in 2013. A permanent chipper and new track is being constructed with completion expected by mid-December. With an estimated investment of \$4 million, Willis Enterprises and Boise Inc. are investing in Montana for long-term fiber supply for Boise's Wallula, WA paper mill.



*Construction of Willis Enterprises in Bonner permanent chipper (October 2012)*

It is hard to believe that Tricon's local log program has been going strong for 18 months. During this period, they have shipped nearly 1,700 loads from Helena, Livingston and Huntley to their mill in St. Regis. This addition of inbound logs has also increased their outbound center-beam shipments.

We have also seen increased shipments from other new customers; including Circle S Seeds in Logan, storage of loaded frac sand cars in Lockwood, rock shipments from Laurel, inbound coal shipments to Graymont in Townsend, slag shipments from East Helena, and others.

Existing customers have also seen growth in 2012. Cement shipments are up 10% compared to 2011, and forest products from all shippers combined are expected to be

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## What's New at TRS

*Casey Calkins, Director Training Rules & Safety*

You could say there's a lot that's new at TRS. In the last several years, our department underwent complete turnover due to three retirements in short order. Now, we are experiencing yet another major transition with **Kim Kautzman** ready to ride off into the sunset upon his retirement in November. I'm getting ready to fill in behind Kim at the Director's position, and we have recently welcomed **Forrest Norby** to our team as a new Manager. **Gregg Cooney**, **Pete Lawrenson** and I look forward to working with Forrest, and we know he will be an excellent addition to our team.

We have recognized during these times of change that we are presented with a great opportunity to take a look at how we do business and identify where we can increase our level of efficiency and effectiveness. We have already begun to evaluate and audit our procedures and practices, looking for new or better ways to do things. With continuous improvement in mind, we are not only seeking out ways to be more effective today but, also, ways we will remain highly effective years from now. Engaging employees and remaining connected to daily operations in the field is important to us, and we will continue to be a presence around the railroad, seeking interaction with all groups in the field.

Aside from staffing, some other notable changes affecting TRS are regulatory. In recent years, we have seen a significant increase in proposed rules and regulations, and looking into the near future, we don't see that slowing down. In order to keep on the leading edge within our industry, we recognize the need to take a proactive approach to these regulations. We aim to have a thorough understanding of new requirements as far in advance as possible—before they are in effect—so that we may better educate our employees on the impacts these requirements will have on individuals and daily operations.

Amidst all the changes at TRS and across our Company, we can say with a certainty that one thing hasn't changed: our unconditional commitment to the safety of our employees.



## Legends of the West October 2012



It takes a big crew of smiling faces to serve over 2,500 passengers!





# Congratulations and Thank You

*With MRL since 1987*

# Legends OF THE West

John Alfson  
Jerry Allen  
Dave Amsk  
Dave Anderson  
John Babbitt  
Rod Barber  
Bret Barnes  
Charlie Becken  
Dan Belinak  
Jeff Benson  
Garyl Beskoon  
John Binck  
Leo Block  
Suzanne Bonner  
Verlin Bonner  
Matt Brennan  
Mike Briscoe  
Bill Brodsky  
Mark Brooks  
Terry Burdett  
Alex Cantrell  
Leonard Carden\*  
Craig Carlson  
John Caswell  
Mike Cavanaugh  
Robbie Chandler Jr.  
Marc Coate  
Jim Coleman  
Arne Cook  
Kevin Cook  
Bill Cornish  
Bruce Custer  
Mitch Dahl Jr.  
Roger Demaray  
Eddie Dibble  
Greg Dibble  
Jim Dietz  
Gene Dobson  
Tim Doherty  
Jack Dorsey  
Jay Edwards Jr.  
Mark Elsenpeter  
Paul Elsenpeter Jr.  
Lyle Evans  
Jim Fall  
Roger Fettig  
Rick Fitterer  
Dave Franz  
Mark Frickel  
Garry Fritel

Lynda Frost  
Jack Gabrian  
Lance Graham  
Ron Graham  
Marty Green  
Tom Griffin  
Roberto Guerrero  
Dave Guphill  
Chuck Hancock  
Aaron Hanson  
Russ Hays  
Kirk Henderson  
Chuck Hendrickson\*  
Rex Hoag  
Mike Hodges  
Ray Hoff  
Dick Hofmeier  
John Hood  
Rocky Hook  
Chuck Howe  
Steve Howes  
Les Hull  
Steve Huschka  
Mike Ihde  
Dennis James  
Jeff Jamison  
Steve Jones  
Larry Karls  
Kim Kautzman  
Larry Kays  
Kern Kemmerer  
Terry Kennedy  
Pat Kindsfater  
Dave King  
Allan Knutson  
Jerry Krantz  
Ron Kroll  
Terry Krum  
Andy Kulawinski  
Dan Lake  
Jim Lakel  
Mike Laughnan  
Mark Leischner  
Mike Lemm  
Tom Lemm  
Kelly Lloyd

Gary Loeffler  
Ralph Mackey  
Dan Maedche  
Gerald Marshall  
Randy Martin  
Scott Mattson  
Rob Mayes  
Mark McGrath  
Don McKenzie  
Kevin Mercier  
Dave Metzger  
Rick Mill  
Steven Miller  
Tom Miller  
Gerald Minch  
Larry Minch  
Chuck Mininger  
Alan Moe  
Dave Moffett  
Dan Morley  
Rich Murillo  
Darcy Ness  
Tom Ness  
Allan Oines  
Tim Olds  
James Olson  
Dave O'Rear  
Jim Osborn  
Jay Owen  
Mike Patch  
Bruce Patterson  
Kevin Pelletier  
Rob Perkins  
John Peterson  
Lorna Pettigrew  
Larry Pfau  
Ron Piseno  
Ron Plaggemeyer  
Henry Poeschl  
Kim Redman  
Roy Reineke  
Dean Rider  
Butch Ripley Jr.  
Paul Roberts  
Brian Rogers  
Ron Rolison  
D.K. Roth

Jim Russell  
Eric Sampson\*  
Dane Sark  
Dave Schuyler  
Leon Scoles  
Patty Seabaugh  
Doug Sharbono  
Peggy Sheldon  
Tom Shunkwiler  
Mark Sigler  
Don Smith  
Dale Smith  
Ken Southworth  
Tom Sparano  
Rick Stabio  
Dale Stevenson  
Paul Stockton\*  
Gary Strever  
Ron Stutterheim  
Ray Thies  
Orville Verlanic\*  
Dan VonBergen  
Scott Wagner  
Joe Walker  
Tom Walsh  
Jesse Walton  
Jeff Weeks  
Val Weishaar  
Larry Weninger  
Cathy Wilson  
Leonard Wombolt  
John Woods  
Joe Zawada

*\*recent 2012 retirees*



1987-2012

## Company-Wide Gift Celebrating 25 Years

This September, steak fries were held in Billings, Laurel, Livingston, Helena, Missoula, and Thompson Falls. Employees gathered under sunny skies to munch on steaks with all the trimmings. The Safety Committee was on hand to distribute personalized rail book ends to each employee as pictured at right (employees hired between January 1st and October 31st of this year will receive their gifts in November). Thanks to everyone who assisted in facilitating the event and gift distribution!

## Happy Holidays!

Employees will again be receiving a holiday ham which can be picked up at your local Albertson's store between Thanksgiving and Christmas Day. Watch for your ham certificate enclosed in your MRL Christmas card.



## A Close Call

*Leon Scoles, Supervisor Signal Helena*

In August an east bound train with **Chad Jolley** and **Jason Ostler** at the controls was running on a clear signal toward a crossing at MP 11.7 on the 3rd Subdivision. As they came out of the cut and around the corner, they spotted a four wheeler in camouflage paint tipped over on the tracks. Two young kids in dark clothing were trying to get it back on its wheels. In spite of traveling downhill on the mountain grade, poor visibility caused by the curves and the big cut; this alert train crew's awareness of the situation allowed time to get the train stopped within two feet of the four wheeler – very remarkable under these conditions.



*Chad Jolley & Jason Ostler*

After stopping to see that the kids were alright and talking with them about rail safety, the crew helped upright the four wheeler and got the youngsters sent on their way home. With only a little road rash, a bent up wheel and some tattered nerves, the kids learned a very hard lesson and were very lucky to have these two men behind the controls of this train.

## Order Your Safety Wear

MRL has ANSI Class 2 compliant T-shirts, sweatshirts and jackets available for sale. T-shirts are lightweight and cost \$16-18 (depending on size). Sweatshirts are polyester fleece and cost \$32-40 (depending on size and style). Safety jackets include a hood and fleece liner and cost \$64. To purchase, download the order form on the "Forms" page of the MRL Extranet. Orders placed each month will be delivered the following month. Please allow at least 3 weeks for delivery.



## 25th Annual Golf Invitational Events

Over 300 attendees participated in the 25th Annual **Missoula Golf Invitational**. Everyone enjoyed themselves while golfing at Canyon River Golf Club, Missoula Country Club or The Ranch Club followed by an afternoon barbecue at the Grant Creek Ranch. Youth Homes Missoula was the recipient of fund-raising efforts conducted throughout the two day event.

The 25th Annual **Laurel Golf Invitational** was held in August. This year, nearly 180 attended, golfing at Lake Hills Golf Club or Peter Yegen Golf Club. Attendance doubled at the afternoon barbecue held at Zoo Montana. Thanks to everyone who joined in the fun at both events!

## Online Auction an Enormous Success!

Employees of MRL and other Washington Companies raised over \$15,000 in May's online silent auction to raise funds for Youth Homes Missoula and Special K Ranch (Columbus). The silent auction offered more than 150 items and services donated by local businesses as well as our very own employees. The Washington Foundation generously matched funds raised in bids to bring the total raised for these non-profit organizations to over \$30,000! Thank you to everyone who participated!

## Christmas Shopping

Get all of your Christmas shopping done in one quick stop! Visit [www.montanarail.com](http://www.montanarail.com) and check out the MRL Store page for your gift giving this year.

## Bike for Shelter

Nearly 30 volunteers from MRL and other Washington Companies devoted a Saturday in May to help make the 12th Annual Watson Children's Shelter *Bike for Shelter* event a success. Volunteers ran the barbecue and served food and drinks. This large carnival-like event is always fun for everyone and raised over \$70,000 to support WCS, the only emergency shelter in western Montana for young children in crises. Thanks to all the fantastic volunteers - this event would not be possible without their commitment!



*Bike for Shelter volunteers take a moment for a group photo.*

## Did You Know?

In partnership with the Dennis & Phyllis Washington Foundation, MRL offers the Employee Family Scholarship Program offering up to \$8,000 in lifetime financial assistance to each member of your family attending an accredited academic institution.

Funds may be used for post-secondary education at any accredited institution in the amount of \$1,000 per semester to a child (no age limit) or spouse of an employee who has worked with the company for at least one year. *Students must submit their application no later than 30 days after the school term has begun.* For details visit [www.montanarail.com](http://www.montanarail.com) and click "Scholarships & Grant-in-Aid" on the Employee Tools page.

# SAFETY 2013

# CONTINUE THE CHALLENGE





## 25th Anniversary Employee Train

Held in early October, the *Legends of the West* employee train commemorated the history of Montana Rail Link and 25 years of excellence! Seven trips carrying a total of 2,500 people traveled between Dixon and Laurel. Passengers enjoyed the ride and spectacular fall scenery while enjoying a meal packaged in a limited edition tote bag. Thanks to all who participated and helped to ensure this event was an enormous success!

Many thanks to the following for providing the photos seen here: Kyle Brehm, Molly Blakely, Alan Burns, Shelly Goff, Doug Heckman, Rich Keller, Michelle Leiby

## Keeping Track

### On the Move

**Jeff Benson** • Was Trainmaster,  
Now Assistant Superintendent

**Emery Boyer, Cory Brown, Dan Coomes,  
Jeremy Rusnell** • Were Track Laborers,  
Now Switchman Trainees

**Mary Ann Buck-Heisserer** • Was Revenue Technician,  
Now Operations Analyst – Missoula

**Casey Calkins** • Was Manager Training Rules & Safety,  
Now Director Training Rules & Safety

**Brandon Duryea** • Was Mechanical Foreman,  
Now Trainmaster – Laurel

**Kyle Erickson** • Was Clerk,  
Now Temporary Yardmaster – Laurel

**Aaron Haddick** • Was Carman,  
Now Mechanical Foreman – Laurel

**Brad Hanson** • Was Work Equipment,  
Now Supervisor Work Equipment

**Andy Martin** • Was Track Laborer,  
Now Signal Laborer

**Forrest Norby** • Was Assistant Roadmaster,  
Now Manager Training Rules & Safety

### Look Who's New

**Business Administration Intern**  
Jessica Smith

**Carman Apprentices – Laurel**  
Destry Berst, Jeremy Halvorson,  
Bo Laughery, Pete Loomis,  
Dennis Sitzman

**Clerks**  
Shara Blair, Tom Hoyer, Nick McAtee

**Electrician – Helena**  
Kyle Patterson

**Electrician Apprentices**  
Matt Dean, Nate Krause, Chris  
Wight

**Hostler – Helena**  
Bryant Grove

**Hostler/Laborer – Laurel**  
Holden Knutson

**Machinist Apprentices – Missoula**  
Josh Larsen, Buck Normandy

**Material Laborer – Livingston**  
Jeff Meyer

**Mechanical Foremen – Laurel**  
Erik Banks (rehire), Tim Cousineau,  
Dustin Todd

**Signal Laborers**  
Steve Arant, Brandon England,  
Garrett Rasmussen, Jason  
Schumacher

### Retirements

Kevin Albrecht, *Mechanical Livingston*  
Leonard Carden, *Engineering Livingston*  
Richard Curtis, *Operating Helena*  
Douglas Garcia, *Mechanical Helena*  
Doug Grissom, *Operating Missoula*  
Chuck Hendrickson, *Engineering Missoula*  
Curtis Hughes, *Engineering Laurel*  
Ray Massing, *Mechanical Laurel*  
Thomas Noble, *Mechanical Laurel*

### Switchmen Trainees

Steve Antill, Josh Bachler, Eric Berg,  
Jeremy Bernhard, Wade Bernstein,  
Wes Braten, Mike Buchheit,  
Martin Cheff, John Cooper, Brett  
Doberdruk, Meghan Eisenmann,  
Rick Farnes, Tylor Field, Andrew  
Guirguis, Matt Handlan, Louie  
Harper, AJ Haskell, Josh Holloway,  
Chris Johnson, Kent Lang, Josh  
LaRoque, Doug Leeds, Cameron  
Lloyd, Drew Margrave, John  
McNaught, Elmer Mork, Tony Murr,  
Brady Nelson, David Nelson, Justin  
Newton, Bryce Norton, Mark Olsen,  
Ethan Painschab, Ryan Perry, Shane  
Pick, Justin Powers, Alex Radabaugh,  
Chance Schwartz, Robert Seaman,  
Calin Sidwell, Garrett Sowder, Josh  
Stedman, Andrew Stobie, Tyler  
Summers, Ken Thomas, Gabe  
Whitford, Curt Wilcox

### Track Laborers

Drew Blotkamp, Jack Fitzpatrick,  
Darian Haberlock, Dan Hunter,  
Travis Peters, Kyle Pronovost, Derek  
Rashall, Mike Richards, Dean  
Stebbins, Chris Szody, Pat Young

**Trainmaster – Laurel**  
Melissa Keating

**Yardmaster – Laurel**  
Nathan Bailey

Larry Rehmer, *Mechanical Livingston*  
Eric Sampson, *Engineering Missoula*  
John Smith, *Mechanical Missoula*  
Penny Snyder, *Dispatch Missoula*  
Scott Spring, *Operating Missoula*  
Paul Stockton, *Engineering Helena*  
Michael Turley, *Operating Laurel*  
Orville Verlanic, *Engineering West End*  
Daniel Walker, *Operating Missoula*

## 2012 Hiring Hits Record Pace

*Scott Trent, Chief HR Officer & Pam Schneider, Director Human Resources*

During 2012, MRL has been hiring new team members at an unprecedented pace compared to hiring practices over the past decade. Consistent increases in traffic volumes are responsible for our hiring upswing. Looking back over the past three years, MRL hired an average of 50 new employees annually to keep pace with attrition through retirements and resignations.

While hiring has occurred in all departments this year, the Operating Department has added over 100 team members to meet increasing demands for more switchmen and engineers. The Mechanical Department has also added 28 new members to its ranks, while hiring in the MOW Department remains stable as does MRL's Administration group.

In our commitment to hire the *Best of the Best*, MRL has strengthened our due-diligence process in order to reinforce our *Hire Hard – Manage Easy* philosophy. In addition to checking references, we utilize the services of a professional background search organization. In our efforts to fully and responsibly screen candidates before extending a job offer, we examine Department of Motor Vehicle (DMV) records, national and county criminal databases, validate Social Security numbers, and confirm educational requirements.

## Keeping Watch

*Pete Lawrenson, Chief Security & Safety*

Montana Rail Link experiences various types of theft that impact our operation every year. From signal copper wire to track material and major items like power tools and solar batteries; persons illegally access MRL property and commit the criminal act of theft. 2012 has not been an exception with multiple thefts of copper wire and track material. Fortunately, the majority of people committing these crimes are identified, apprehended and successfully prosecuted, and as of today, 11 people are awaiting prosecution for felony theft of MRL property.

In almost every incident of theft, the suspect is identified and apprehended because of someone – an MRL employee or citizen – recognizing a suspicious act and promptly reporting the act to law enforcement or directly to MRL. Theft is a serious crime punishable by up to 10 years in prison, but more importantly, theft impacts MRL's operation and employee's safety.

It is critical for employees to accept responsibility for monitoring their work environment for suspicious individuals and acts in order to reduce MRL's exposure to theft. When something looks out of place or irregular in behavior, it probably is, and employees need to respond timely and as good witnesses. With the volume of tools, equipment, material, and facilities spread across the MRL railroad, securing the railroad is enhanced by team work. Preventing theft secures our operation and jobs.

## Sales & Marketing Update

*Continued from page 1*

over 6,000 annual carloads; an increase of 4,000 carloads from our low point in 2009. This increase is slowly erasing the 10,000 carload deficit caused by Smurfit Stone and other forest product customer closures a few years ago.

There will be many more opportunities in 2013 that include the addition of new customers and growth from existing customers. The three refineries in Laurel and Billings completed maintenance projects in 2012 that should result in volume growth in 2013. We are expecting growth in asphalt, coke and fuel as the refineries run at higher capacity. Pacific Steel in Billings is relocating to Lockwood and will be installing a car shredder which has the potential to triple their rail volume.

This growth would not be possible without the support and dedication of our employees in the field and the main office; including Operating, Customer Support, Mechanical, and MOW. Time after time, you have stepped up to provide superior service to our valued customer, and for this, the entire Sales & Marketing team thanks you. Your dedication to safety and service is what makes MRL great. Keep up the good work!

## DATES to Remember

### December 7th

Laurel Christmas Party

### December 8th

Livingston Christmas Party

### December 14th

Helena Christmas Party

### December 15th

Missoula Christmas Party