



connections

THE BELT RAILWAY COMPANY OF CHICAGO

Belt Launches New Operations Management Center

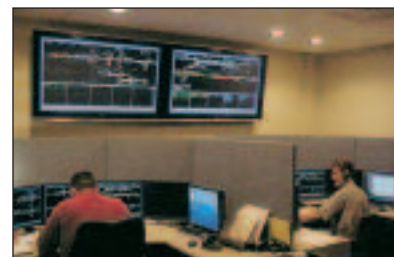
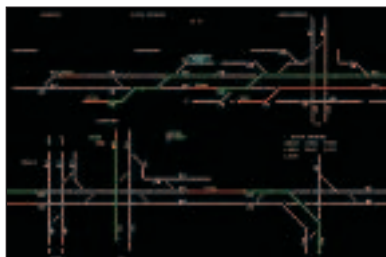
by Wayne Casemore, Consultant

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With today's fast pace and ever changing environment, we must channel all our resources into offering the most reliable, flexible, cost-effective and safe service we can possibly provide to our customers.

The Belt Railway's new Operations Management Center is the most recent tool to allow us to move in that direction while providing for continuous improvement. The Operations Management Center incorporates not only train dispatching activity but also strategic train and yard planning functions under the direction of the manager terminal operations.



On July 24, 2004, the new center opened for operations with the implementation of the Digital Traffic Control System. This train dispatching system incorporates the latest technology and was a joint effort between the Belt and the manufacturer of the system, Digital Concepts, also known as DigiCon. This new system will provide us with the safest and most efficient train dispatching technology available in the marketplace and set the stage for the future.

The user-friendly capabilities, ease of operation, and reliability of the DigiCon system will allow

the dispatchers more time to plan and expedite traffic over the main line. It gives us the ability for future integration with other rail carriers through the use of "161 Messages" (electronic transmission of train data), which is the next step to a seamless operation.

A joint team of Belt and DigiCon people was established to lead the project. The Belt members involved were Charles Ridgeway, who was responsible for all technical specifications and field equipment interfaces; Bob Hardwidge, who took on the role of subject matter expert from a user perspective and carried out the training of the managers terminal operations and train dispatchers;

Jim Zalumsky and Joe Giacopelli, who worked on the interface of the AS400 computer system and mechanization of revenue billing; and Fred Eberhardt, who provided support for equipping the machine and furniture requirements of the new center.

The successful completion of the project was the result of a great team effort between the Belt and DigiCon, with all members working toward one goal. "We look forward to a long-term relationship with DigiCon that will provide us with the safest and most efficient train dispatching

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Dear Fellow Employees and Belt Railway Customers:

During the past year, employees at the Belt Railway have worked hard to provide our customers with safe, cost-effective, quality transportation services. We are currently forecasting record volumes and revenues for 2005. With this increase in traffic, we believe it is even more important to focus our efforts on delivering the quality service and value our customers have come to expect.

Safety: The Belt Railway received a bronze safety award in 2004 from the American Short Line and Regional Railroad Association for its FRA injury ratio of 2.73. Although this ratio was slightly higher than the previous year's ratio of 2.30, the overall severity of injuries has continued to decrease. Congratulations to our employees for their vigilant attention to their personal safety and the safety of those around them. It is our continued expectation that the Belt will have zero human-factor incidents and derailments.

Leadership: In January, the Belt hired Michael Paras as our general manager—transportation. Mike takes the controls from George LaValley, who retired. Before joining the Belt, Mike served as the general manager—safety for the Union Pacific. He has 32 years of railroad experience, holding positions of increasing responsibility at Southern Pacific and Union Pacific.

Capital Improvements: The Belt's Board of Directors continued to show confidence in the

company's long-term future by approving a capital budget of \$15.6 million. Of that, \$5.5 million is earmarked for the maintenance of bridges at 26th Street and Colfax Avenue. Funds are also designated for track and signal infrastructure, including a turnout replacement program, as well as rail, tie, and ballast improvements as warranted. In addition, we are continuing to upgrade our technology systems to provide improved access to, and dissemination of, pertinent information.

Based on our revenue projections, we believe that the Belt can achieve sufficient cash flow to internally fund its 2005 capital budget. This commitment to a capital improvements program helps ensure the ongoing viability of the Belt Railway.

As we consider the remainder of 2005, we are both pleased and challenged by the prospect of record traffic volumes. These months ahead will be a time for all Belt employees to step up and demonstrate to our customers the value and superior service we provide.

Very truly yours,



Patrick J. O'Brien
President

IDOT Plans Underpass Beneath Belt

In an effort to improve traffic flow, the Illinois Department of Transportation is planning roadway changes around the Belt property. An underpass will be constructed beneath the Belt and CSX intermodal yards. Central Avenue will be widened to four lanes between 63rd and 79th streets, just as it is between 79th and 87th streets. In October, IDOT began preliminary engineering work on the project. Funding to complete the project is currently pending in Congress.

O'Brien Speaks to Rail Convention About CREATE Project

In September 2004, Belt Railway President Pat O'Brien gave the keynote speech at the Railway Supply Institute's annual convention. RSI's Executive Director Howard Tonn asked Pat to speak about railroading in Chicago and the proposed CREATE Project.

Pat provided an overview of the industry and current trends, emphasizing that high infrastruc-

ture costs threaten railroads' long-term viability. He also spoke about the history of the Belt and its role in Chicago railroading. Because the Belt is owned by six Class I railroads, it can be seen as a microcosm of the industry.

Pat also presented an overview of the CREATE Project, a historic public/private partnership for freight and passenger rail in

Chicago. The plan calls for creation of five rail corridors, 25 new grade separations, and commercial development of a key corridor in downtown Chicago. The total cost of the project is estimated at \$1.5 billion. At print time, Congress is very close to approving a \$300 billion transportation bill, which will include funding for the CREATE Project.

The Belt Railway Company of Chicago welcomes your comments. Send all correspondence to: CONNECTIONS, The Belt Railway Company of Chicago, 6900 S. Central Ave., Bedford Park, IL 60638. For service inquiries or more immediate assistance, call (708) 496-4000. © 2005 Belt Railway Company of Chicago. Design by Mainline, Inc., Grayslake, Illinois



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THE BELT RAILWAY COMPANY OF CHICAGO
EMPLOYEE NEWSLETTER

HAPPY HOLIDAYS!

The Belt Railway Safety Committee invited Belt employees, family members, and retirees to a Christmas Party on Dec. 11, 2004 at The Lexington House in Hickory Hills. The party featured a buffet dinner, entertainment, and the perennial crowd favorite—Santa Claus.





employee transitions

Retirements
Seven employees have retired from the Belt since our last publication. We wish them a long, healthy, and happy retirement.

- Donald Jorman
Switchman
19 years of service
- Paul Hajek
Electrician
20 years of service
- Kenneth Novicki
Switchman
11 years of service
- Robert Kennedy
Engineer
17 years of service
- William Windsor
Switchman
34 years of service
- David Nicholes
Switchman
35 years of service
- George LaValley
General Superintendent
3 years of service

New Hires

The following people have been hired by the Belt. Please make them feel welcome.

Administration Department

Michael A. Paras

Clerical Department

Dana D. West
Elena M. Cortez

Mechanical Department

Myles V. Fuller
Nicolas Saucedo
Israel F. Soto
Nicolas Guerrero
Javier V. Medina
Charles Austin
George Britton

Police Department

Jason H. Watson
Jeff Panozzo

Signal Department

Abraham L. Gibson
Thomas A. Flannery

Track Department

David L. Uelman
Nicholas D. Hoffman
Demetrius D. Grier
Michael T. Lewis
Tracy L. Woodard

Transportation Department

Kevin Adair
Kristopher Brant
Jason Brazda
Brian Dreyer
Uri Martsinkovsky
David Moro
Robert D. Broussard
James M. Chacon
Eric M. Fountain
Jose A. Lemus
Andrew J. Mangrum
Ryan Maxwell
Shawn E. Nelson
Andrew P. Rouleau
Dennis J. Suerth

around the Belt

Congratulations Times Three!

Mary Griffin, chief clerk in the Transportation Department, and her husband, Jim, are the proud grandparents of triplets. Breanna, Britney, and Brandon were born Feb. 24, 2004 to Mary's daughter Jill Quiroz and her husband, Steve.



The triplets at seven months. Just look at them now!



Congratulations to Linda and David

Best wishes to Linda Rorem of the Transportation Department and David Osterberg, who were married in October in Las Vegas. David is a paramedic for the Chicago Fire Department. The couple resides in Hegewisch.

Congratulations to Sgt. Thomas Leavitt

In August 2004, Sgt. Thomas Leavitt of the Belt Railway Police Department was presented with an honorable mention commendation by the Chicago Police Department for his quick response in helping to apprehend a suspect. According to the citation, on April 23, 2004, Sgt. Leavitt was driving when he observed a struggle between a Chicago Police officer and a suspect resisting arrest. The suspect pulled a gun on the Chicago officer, but the officer was able to knock it away. The officer was having trouble subduing the suspect when Sgt. Leavitt appeared, exited his squad car, and assisted the Chicago officer in placing him under arrest. The suspect's weapon was recovered and was learned to be a loaded Ruger 9mm semi-automatic.

Service Anniversaries

Congratulations to the following Belt employees who are celebrating service anniversaries.

35 Years

- David Nicholes
Transportation
July 7, 1969
- Thomas J. Thomas
Transportation
Aug. 19, 1969
- Roderick Brunson
Transportation
Aug. 27, 1969
- John W. Sanford
Transportation
Sept. 10, 1969
- Ross Sprengle
Car
Oct. 22, 1969
- Thomas A. Charniak
Police
Dec. 10, 1969

Frank W. Horn
Car
Dec. 22, 1969

30 Years

- Rocky Lee Jones
Transportation
Sept. 4, 1974
- Pamela S. Hagen
Administration
Sept. 16, 1974
- David A. Higen
Car
Sept. 16, 1974
- Gary D. Junkunc
Transportation
Oct. 13, 1974
- Thomas G. Sipple
Car
Oct. 14, 1974

Mark A. Houser
Car
Nov. 4, 1974

Joseph Romanowski
Car
Nov. 15, 1974

Mario G. Gonzalez
Track
Dec. 2, 1974

Gregory M. Stofferahn
Mechanical
Dec. 3, 1974

Glen P. Koshiol
Transportation
Dec. 13, 1974

25 Years

Joseph K. Gibaszek
Mechanical
July 27, 1979

Larry W. Kincade
Mechanical
Aug. 1, 1979

Robert H. Fick
Transportation
Aug. 15, 1979

Elizabeth Wojcik
Transportation
Sept. 19, 1979

John Spataro
Car
Oct. 22, 1979

20 Years

Ronald B. Tomasek
Transportation
July 22, 1984
Mark R. Dillon
Car
Sept. 12, 1984

Paul F. Massette
Transportation
Oct. 6, 1984

Clarence Thompson
Transportation
Oct. 21, 1984

Dennis S. Watts
Transportation
Oct. 21, 1984

15 Years

Frederick S. Eberhardt
Administration
Oct. 2, 1989

The Belt Stands Out at Industrial Business Expo

by Rod Wojcik, Director of Agency and Customer Service

The Belt Railway participated in the annual Bedford Park–Clearing Industrial Association’s Networking Business Expo, held in October at the Hilton Oak Lawn. Area businesses set up tables with displays to highlight their company’s products or services. More than 50 companies participated in the one-night event.

Tim Coffey, the Belt Railway’s general counsel, is currently the president of the Bedford Park–Clearing Industrial Association. Tim, along with Pam Hagen, secretary to the president, and Rod Wojcik, director of agency and customer service, represented the Belt at the Expo. They spent the evening talking about the history of the Belt, quoting statistics about



the amount of traffic the Belt handles, and describing the terminal and intermediate operation.

As part of the Belt’s display, Charlie Ridgeway and Mark Ferguson, with the expert help of their Signal Department employees, assembled a portable grade crossing signal, which was completely operational. The crossing lights flashed continuously, but the loud warning bell only rang when activated. Despite the random complaints about being “blocked by a train,” the crowd — especially the rail buffs — liked the sound of the warning bell and wanted to ring it frequently. The signal display was a huge success and a highlight of the event. Good job, Signal Department!

Visitors Enjoy Belt Railway Tours

The Belt Railway welcomed a large number of visitors in 2004. In May, Roy Gelder, director of risk management and quality, and Wayne Kizior, assistant superintendent mechanical, showed Clearing Yard and the car repair shop to a Northwestern University engineering class. A letter from Professor Joseph L. Schofer read, in part: “On the trip home, the students agreed that this was

our best tour of the course. This was not only because the BRC yard is so interesting, but also because of both your knowledge of and excitement about the facility and BRC.”

In September, 200 people — four busloads! — toured the Belt as part of a Know Your Chicago symposium sponsored by the University of Chicago. Dorothy Hawley of Know Your Chicago sent the following letter

to Roy Gelder, who led the Belt tour: “All Know Your Chicago subscribers are accustomed to good, informative presentations, but you set a new standard with all your historical data and a level of enthusiasm that was contagious. Thanks for introducing us to your fascinating yard/hump operations. It’s been a pleasure to learn from you and be able to see all those careful and skilled workers in action.”

Belt Launches New Operations Management Center

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technology available in the marketplace,” said Patrick O’Brien, Belt president. “We are now in a position to reliably handle the increased traffic volumes predicted over the next few years in the Chicago area.”

Charles Ridgeway, the Belt’s signal supervisor/manager engineering safety, added, “The cutover was so smooth and flawless that anyone not watching was not aware it had taken place. In my 30-plus years in the railroad industry, it was the most efficient and prob-

lem-free cutover I have experienced.”

Over the past year, traffic growth has been spiraling upward with no end in sight. With this growth, our customers are putting more and more pressure on the Belt to increase traffic volumes through Clearing Yard and on main line operations. We cannot afford to sit back and wait but must be proactive in exploring new technologies and processes to ensure we remain the railway of choice in the Chicago corridor.

“In one of the most heavily congested areas for rail traffic in Chicago, the Belt train dispatchers are some of the most talented people in the industry,” commented George LaValley, former general manager transportation. “Now with the implementation of the DigiCon dispatching system, with all its technological advancements, we have now positioned ourselves to handle rail traffic more expeditiously than ever before in the past.”



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Military Service Update

Spec. Mike Morgan and Capt. Adam Wojcik enjoyed well-deserved R&R visits at home this fall, and both found time to stop by the Belt to say hello.

Mike has been serving in Iraq with the 153rd Engineer Battalion of the South Dakota Army National Guard and is currently stationed at Camp Duke near Najaf, Iraq. He is the son of Augie and Berni Morgan. Augie serves the Belt as a clerk in the Car Operations Department.

Adam has been deployed to Iraq since January 2004. He is now back in Kirkuk, Iraq, and still in command of the 25th Field Artillery Detachment. On the day he visited the Belt, Adam also spoke about his experiences in Iraq at Brother Rice High School in Chicago and Drexel Elementary School in Cicero. Adam is scheduled to leave Iraq and return to Hawaii, hopefully by February 2005. Adam is the son of Lynne and Rod Wojcik, the Belt's director of agency and customer service.

Our best wishes for safety and good health go to Mike and Adam from everyone at the Belt.



Belt President Pat O'Brien (at left) and proud dad Rod Wojcik welcomed Capt. Adam Wojcik to the Belt.



Spec. Mike Morgan stands by a bulletin board at the Belt filled with news from Belt family members in military service.

Donate Your Old Cell Phones

A recent report on MSNBC highlighted a young brother and sister pair in Massachusetts who are collecting old cell phones for recycling. Their program, Cell Phones for Soldiers, uses the recycling proceeds to purchase prepaid phone cards for soldiers overseas in Kuwait, Iraq, and Afghanistan.

The article was posted at the General Office Building asking Belt Railway employees to bring in their old phones and join in the cause. In response, Belt employees brought in more than 50 old cell phones and batteries which the Belt shipped to Massachusetts. Thanks to all of you for your support.

If anyone still has any old cell phones or batteries they would like to donate, please bring them to the General Office Building's North Entrance and we will make sure they are sent on to Cell Phones For Soldiers.



Supporting Our Troops

Since the war in Iraq started, the Belt Railway has generously mailed several packages to Spec. Mike Morgan, Capt. Adam Wojcik, and Capt. Mark Blank. Packages are a huge day brightener for these soldiers and are greatly appreciated.

Recently, Michele O'Donnell, wife of Mike O'Donnell, Mechanical Department superintendent, along with her community prayer group decided to make up additional packages for soldiers who had not been receiving anything from home. Michele and seven other women from the Homer Glen area put together snacks, treats, toiletries, books, games, magazines, and letters of support and encouragement. The Belt then mailed them to five soldiers under the command of Capt. Wojcik.

This is a great testimony to the warmth and compassion of the extended family of the Belt. Good job and thank you, Michele and friends.