



connections

THE BELT RAILWAY COMPANY OF CHICAGO

Belt Continues Bridge Improvements

by Roy Gelder, Director of Risk Management and Planning

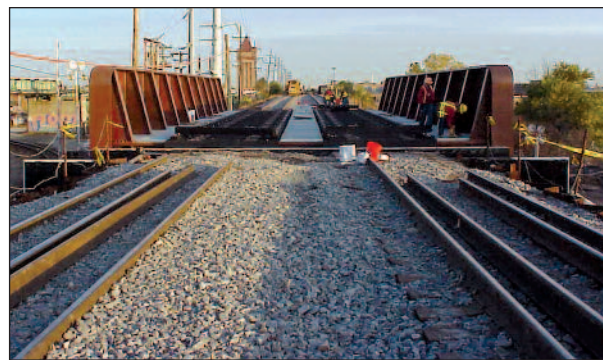
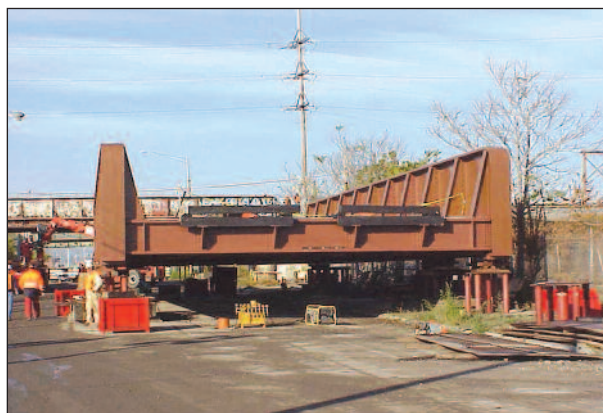
The Belt Railway Company replaced one of its oldest bridges last November, kicking off a major bridge improvements project. Bridge 336, which spans 26th Street east of Cicero Avenue, was originally constructed in 1891. It was the first of 86 Belt Railway bridges to be replaced.

This capital improvements project is needed so that the Belt's bridges can handle heavier car weights and an expected increase in traffic. During the next 25 years, rail traffic is anticipated to grow 50–80 percent, and the Belt needs to be prepared to handle these challenges. The Belt Railway plans to spend \$15 million over the next three years on bridge renewal and upgrades.

The new bridge 336 is an open-deck steel plate girder bridge, carrying two Belt main line tracks over 26th Street. It measures 84'-6" center-to-center of bearings and 87'-0" end-to-end. It has a Cooper Load Rating of E-80, the recommended standard maximum live load value used by Class I railroads for the design of supporting structures and bridges throughout the United States.

This bridge was designed by URS Corp. and fabricated and preassembled in Quebec, Canada. It was then disassembled and sent to the Belt on the Canadian Pacific Railway. A Belt work train transported the girders to the erection site, and Kiewit Western Contractors erected the bridge.

While the bridge was being replaced, the Belt had to temporarily reroute connecting trains over the Indiana Harbor Belt. To minimize disruption to traffic, the Belt imposed a narrow 48-hour time period to accomplish the work. The Belt gave Kiewit Western control of the tracks at 9 a.m. Nov. 1, and the new bridge was set in place by



Top: The new bridge is moved into position. Above: Workers prepare to connect track to the new bridge.

5:30 a.m. Nov. 3 and opened around 11 a.m. that day. During this 48-hour span, workers removed track, demolished the old bridge, rolled the new span into position, and raised it into place with the use of mechanized trailers owned and operated by Barnhardt Crane. The insertion phase of the project went without a hitch.

The total cost of this project was \$2.8 million, of which \$1.5 million was financed by a 20-year IDOT infrastructure loan.

INSIDE

- 2 President's letter; Coffey speaks at security conference
- 3 In memory
- 4 Safety appreciation barbecue; Holiday party
- 5 X-Games medalist Matt Wilhelm; UPS for DownS
- 6 Employee transitions; Service anniversaries; Meet our GM and police chief
- 7 FRA action plan; Safety committee changes
- 8 Eagle Eye winners, military update

Dear Fellow Employees and Belt Railway Customers:

I am pleased to report that the Belt Railway continued to realize operating and safety improvements during 2005. Our operating revenues grew to \$75.5 million in 2005 versus \$73.6 million in 2004, reflecting a 4 percent increase in intermediate switch business. For the year 2006, we expect continued business growth in both intermediate switch business and industry business, the latter being driven primarily by our KCBX transload customer.

Capital Expenditures: As a result of our continued business strength and our ability to provide a low-cost transportation product in a safe environment, we expect the Belt Railway to generate \$15 million of cash flow from operations this year. This result is critical so we may further improve our infrastructure and continue to provide a premier transportation product.

The Belt Railway spent \$14.1 million on capital expenditures in 2005, compared with \$10.9 million in 2004. We plan to spend \$16 million in 2006 as we upgrade our system to process increasing traffic volumes safely and efficiently. The focus of our 2006 program is continued capital maintenance projects, including turn-outs, tie renewal, and rail renewal. We are also in the second year of a \$15 million bridge improvements project, as described on page 1.

Safety: I want to commend all employees for turning in a superb safety performance in 2005. Personal injuries dropped from 15 in 2004 to eight, and derailments decreased by 10 percent. We will be rewarded by the Harriman Committee with a bronze medal in the Switching and Terminal category. For January and February 2006, we have been particularly successful in reducing human-factor

derailments, down from 15 last year to four this year. Our incidents of run-through switches are down from 25 last year to 11 this year, and our securement efforts are paying off with an 82 percent drop in run-outs of the class yards.

Our expectation is zero injuries, and we consider human-factor incidents unacceptable. You can individually assure your own safety by taking the extra five minutes to perform the task safely and abide by the rules. These are words that are backed by the full faith of all employees seeking to go to work and return home injury-free.

Elsewhere in this issue of *Connections*, you will see evidence of the Belt's long-term commitment to safety, service, leadership, and value. Please read the articles on our capital investment plans, recent improvements on the main lines and west yard, our new additions to the management team, and a review of the Federal Railroad Administration's Action Plan on human-factor incident reduction.

Truly, our future is in our hands. Continuous concentration on taking the safe course each and every day will build on our reputation as the safest and most efficient switching and terminal railroad. We will remain the carrier of choice for our customers and owners in Chicago.

Very truly yours,



Patrick J. O'Brien
President

Tim Coffey Addresses Security Conference

In late January, Tim Coffey, the Belt Railway's general counsel, secretary and director of human resources, spoke to the American Short Line and Regional Railroad Association's 2006 Railway Security Forum and Expo in Washington, D.C.

His talk, "Security Technology: Protecting the Largest Intermediate Switching Terminal Railroad

in the United States," focused on the security measures the Belt has taken to guard against terrorism, theft, and vandalism.

Tim discussed the Belt's high-tech video surveillance cameras, lighting, and buried fiber optic cable, which allow employees to monitor the property around the clock. He also described how the Belt's real-time train consist

inventory provides rapid information about the location of cars and their contents.

Tim concluded with an overview of other practical security measures taken at the Belt: limiting access to the property, cleaning up the right-of-way, communication between Belt police and local law enforcement, and employee training.

The Belt Railway Company of Chicago welcomes your comments. Send all correspondence to: CONNECTIONS, The Belt Railway Company of Chicago, c/o Diane Paczkowski, 6900 S. Central Ave., Bedford Park, IL 60638. For service inquiries or more immediate assistance, call (708) 496-4000.

© 2006 Belt Railway Company of Chicago. Design by Mainline, Inc., Grayslake, Illinois



interchange

THE BELT RAILWAY COMPANY OF CHICAGO
EMPLOYEE NEWSLETTER

IN MEMORY

Belt Railway employees have been saddened by the deaths of six coworkers. We send our deepest sympathies to their families.

Michael Riggi, a clerk in the Revenue Accounting Department, passed away May 22, 2004. Mike was first hired at the Belt in 1971. He left and rejoined the Belt four times, pursuing other interests along the way such as serving in the Marine Corps and going back to school. "Mike was a pleasure to know and work with," said his coworker Diane Paczkowski. "He was a diligent, hard worker. He was also quite a joker and had a comment for just about anything that went on. He would always put a smile on your face. Mike will live on in my memory bank forever."

Ray Bartholomew, a clerk in the Car Operations Department, died March 17, 2005. He had served at the Belt since 1992. "Ray was a chef and would bring in treats every Saturday," said his coworker Joe Russo. "He was from New Orleans, and would share wonderful stories about his hometown and his railroad career before the Belt. We miss him a lot."

On August 6, 2005, Belt Railway Chief of Police **Mark O'Donnell** passed away from a sudden heart attack. Mark had joined the Belt as chief of police in August 1998.

Mark was instrumental in organizing the Belt's annual Safety Appreciation Barbecues. "Every year Mark would plan and prepare everything," noted Diane Paczkowski. "He took pride and loved doing it. He took care of all the details from

purchasing the dinnerware all the way to ordering the ice cream truck. He was out from early in the morning along with Ron Strong, Randy Smith, and the rest of his cooks and crew until late at night helping with the set up, cooking, and clean up."

Others wrote the following thoughts about Mark in his memorial guestbook: "Mark loved his work and his enthusiasm was contagious. The Belt Railway is a better place for his professional background and his love of the work. ... It was very obvious that he enjoyed police work. His energy and passion were endless. ... Mark brought incredible energy to whatever he did. He was a fun guy whose smile and laughter will be remembered by all of his pals."

Robert "BJ" Woestman, a switchman with the Belt since 1993, died October 3, 2005. "BJ was liked by all and always tried his best to get the job done," said Michael Shore, assistant superintendent operations.

Paul Massette passed away December 26, 2005. He had recently retired after serving as a switchman with the Belt since 1984. Michael Shore stated: "Everyone will remember Paul for his eagerness to always get the job done."

James Miles, a switchman and engineer with the Belt since 1992, passed away February 21, 2006. "James will be remembered for being someone who stood his ground and stood up for his beliefs," Michael Shore said.



Michael Riggi



Ray Bartholomew



Mark O'Donnell



BJ Woestman



Paul Massette



James Miles

SAFETY APPRECIATION BARBECUE

The Belt held its annual Safety Appreciation Barbecue on June 2, 2005. Food was served from 6 a.m. until 5 p.m. to accommodate three shifts of employees. This was the last barbecue prepared by our late Chief of Police Mark O'Donnell. We dedicate this event to him, for all his efforts to make these events successful and enjoyable for Belt employees.



HOLIDAY PARTY



The Belt held its annual Christmas party for employees, families, and retirees on Saturday, Dec. 10, 2005 from 12 noon to 4 p.m. at The Lexington House in Hickory Hills. Guests enjoyed a buffet dinner, wonderful entertainment, and a visit from Santa Claus.



X-Games Medalist Goes Back to School—with a Message

Matt Wilhelm has a full-time job many young people dream about—he gets paid to ride his bike.

At age 27, Matt has won numerous medals as the top American flatland bike rider, traveled the world to compete and perform, and pocketed the \$25,000 grand prize on the FOX-TV show “30 Seconds to Fame.” He also happens to be a magna cum laude graduate of Millikin University in Decatur, Ill., an avid saxophonist, a motivational speaker at schools—and the son-in-law of Jan Tyrrell of the Belt Railway’s MIS Department.

Matt, who is married to Jan’s daughter Kathy and lives in Aurora, Ill., describes flatland riding as similar to breakdancing on a bike. He began flatland riding as a teenager and started competing in the X-Games and other extreme sports competitions as a college senior. He also gained experience performing at festivals and schools with a team called Fastbreak.

“The schools were always the most

fun because the kids were really excited to see something so amazing during their school day,” Matt said.

Even though he finished last in his first X-Games competition, he did not give up—a message he likes to share with students. Matt continued to practice and has been winning medals ever since in places such as Brazil, Japan, Korea, Portugal, Canada, and the United States. He performs regularly at Universal Studios in Orlando, Fla., and has toured with the Campaign for Tobacco-Free Kids and the Go For It! Roadshow along with Olympic and professional athletes.

Matt is using his talents to inspire students to make healthy choices and follow their dreams. He has launched a career as a motivational speaker and performer at schools, wowing kids with his extreme bike skills and mixing in positive messages. He covers a variety of topics—bike safety, self-esteem, nutrition, academics, non-violence, and saying no to drugs and tobacco.

“Now that I have all of these awards, accomplishments, and unique stories from competing and traveling the world, I love sharing them with the

students,” Matt said. “The X-Games and action sports in general have been the fastest growing trend with kids in the past several years. It just seems like a great fit to be able to bring something into the schools that kids want to see, and also give them a message in a way in which they will accept it.”

Matt’s competition season begins in late spring, and he already has plans to compete in Europe this year. To learn more about Matt or booking a show for a school, visit his website at www.probikeshows.com.



UPS for DownS

Jim Ford of the Belt’s Transportation Department and his family are active leaders in the United Parent Support for Down Syndrome, a support group for families and people with Down syndrome. Jim’s oldest son, Jack, has Down syndrome. UPS for DownS sponsors workshops, activities, newsletters, and events for families, kids, siblings, educators, and others in the community.

Every spring, as part of its fundraising, UPS for DownS has a bowling event that includes the sale of raffle tickets. The Belt Railway Company and its employees have been very supportive of UPS for DownS — and lucky, too. Last year, Ruth Kester of the Accounting Department won the grand prize of a 32" flat-screen TV. Expect to see Jim around the Belt in the coming months with raffle tickets in hand. Tickets are \$1 each or six for \$5.



Jim and Jack Ford present Ruth Kester with her grand prize.



employee transitions

Retirements

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

Jose Esparza
Foreman, Track Department
30 years of service

Kenneth Pelletier
Mentor, Transportation Department
11 years of service

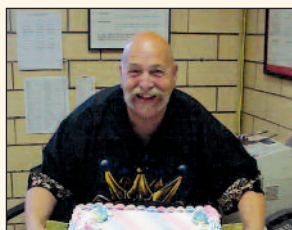
Larry Legault
Clerk, Stores Department
13 years of service

Thomas J. Thomas
Switchman, Transportation Department
36 years of service

Patrick Powers
Crewboard Clerk, Transportation Department
48 years of service

Ronald Bidochka
Clerk, Car Operations Department
12 years of service

Joseph Spano
Superintendent-CTCO,
Transportation Department
34 years of service



Kenny Pelletier



Larry Legault with his family



Patrick Powers with his wife and grandchild

Meet Our General Manager and Police Chief

Michael Paras joined the Belt Railway Company as General Manager, Transportation



on January 1, 2005. He started his railroad career as a clerk with the Denver & Rio Grande Western Railroad in 1972 while still going to high school. After graduating from the University of Utah, he worked as a switchman, brakeman, conductor, yardmaster, and trainmaster, and was qualified as a locomotive engineer. He later held assistant superintendent and superintendent positions at the Southern Pacific and Union Pacific in Chicago, Denver, and Omaha. His most recent position prior to joining the Belt was as general manager, safety initiatives with the Union Pacific in Omaha.

Michael Romano joined the Belt Railway Company as Chief of Police on



January 9, 2006. Prior to joining the Belt, he served 28 years as a police officer for the Berwyn Police Department, retiring on January 7, 2006. The past eight years, he was in command of the investigation unit and the tactical unit. He has also held positions of detective, sergeant, lieutenant, and shift commander. He is state-certified in homicide investigation, evidence collection, and fire investigations. "My goal is to continue to keep a high standard of integrity in the Police Department and to work with all employees of the Belt to keep a safe environment," Mike said.

New Hires

Please welcome the following people to the Belt.

Bridge & Building Department
Elvis Medina

Car Department
John Evans
Ed Gibson, Jr.
Ben Schmeier
Juan Sota

Clerical Department
Raquel Bernal
Michael Kuntz
Krystle O'Donnell
Candice Sylvester

Mechanical Department
Oscar Corona
Bernard O'Boyle

Signal Department
Michael Golich
James O'Brien

Track Department
Rogelio Ruiz

Transportation Department
Jerome Beasley
Donnie Blount
James Crnogorac
Bryant Harrison
Edward Newton
Maxwell Ryan
Timothy Sharpley
Radoslaw Sproch
Darrell Wiley

Service Anniversaries

Congratulations to the following Belt employees who celebrated service anniversaries in 2005.

40 Years

Elijah Thomas
Transportation
May 25, 1965

Jack R. Germann
Car
July 21, 1965

Charles J. Jacob
Signal
August 23, 1965

35 Years

James T. Cavanaugh
Transportation
January 30, 1970

William F. Hembold
Signal
March 10, 1970

Michael Sewerynow
Car
May 8, 1970

Richard C. Catron
General Accounting
June 3, 1970

Ronald C. Russin
Signal
June 24, 1970

Robert J. Mannypenny
Mechanical
July 14, 1970

Regina Cruse
General Accounting
July 20, 1970

Jeffrey L. Gingrich
B & B
September 4, 1970

Gregory A. Drozd
Transportation
September 18, 1970

Kenneth J. Lindsey
Transportation
October 21, 1970

30 Years
Antonio L. Ponce
Track
June 6, 1975

Frank L. Manderino
MIS
June 10, 1975

Henry J. Franke
Mechanical
July 14, 1975

Edward D. Vojcak
Mechanical
October 28, 1975

25 Years

Hugh J. Simon
Car
April 7, 1980

Robert J. Strejc
Transportation
April 7, 1980

James F. Vasicek, Jr.
Transportation
April 7, 1980

Zachary F. Ziobro
Car
June 16, 1980

20 Years

Robert C. Whitmore, Jr.
Track
May 13, 1985

Dennis M. Bennett
Transportation
May 19, 1985

Tommy R. McCulley
Transportation
May 26, 1985

Samuel W. Cole
Track
June 3, 1985

Joseph F. Lazzara
Track
June 3, 1985

Timothy E. Coffey
Administration
December 9, 1985

15 Years

Jan K. Tyrrell
MIS
August 16, 1990

FRA Sets 2006 Action Plan for Critical Rail Safety Issues

by Roy Gelder, Director of Risk Management and Planning

The Federal Railroad Administration has published a 2006 update to its Action Plan to address a rising train accident/incident rate.

From 1995 to 2004, train accidents per million train miles rose 11 percent, from 3.67 to 4.09. These train accidents are incidents with more than \$6,700 in track, signal and equipment damage. While injury rates have declined, the report states that “recent train accidents have highlighted specific issues that need prompt government and industry attention.”

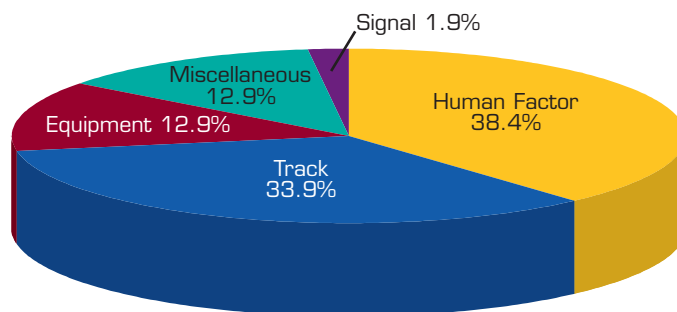
The FRA identified human factors as the most frequent causes of the accidents/incidents during 2000–2004. Ten leading human-factor causes account for 58 percent of the human-factor incidents: switch previously run through or switch improperly lined, combined, 20.4 percent; shoving movement, absence of person on point, 11.2 percent;

shoving movement, failure to control, 4.2 percent; cars left out to foul, 4.2 percent; failure to secure with handbrake or tie sufficient brakes (combined), 7.2 percent; and passed couplers, 3.0 percent.

These are also the top causes of our train accidents and incidents at the Belt Railway.

Looking at total incidents, both reportable and non-reportable, switch previously run through or improperly lined comprised 32 percent of human-factor incidents, and all shoving incidents (absence of person on point and failure to control, combined) were 12.8 percent of Belt incidents.

Causes of Accidents/Incidents: 2000–2004



Additional initiatives by the FRA in the action plan include addressing fatigue; improving track safety, particularly at joint bars; improving hazardous materials safety; strengthening the compliance program; and fostering further improvements in highway-rail grade crossing safety.

Safety Committee Undergoes Changes

by Roy Gelder, Director of Risk Management and Planning

At the January meeting of the Belt Labor Management Safety Committee, we said good-bye to several long-term participants in committee activities and hello to new members ready to take up the challenges.

Each of our retiring members (shown at right) has participated for many years. They consistently set an example for all to follow and persistently pushed important improvements at the Belt Railway.

The Belt Labor Management Safety Committee now consists of the following members: John Lucio, Car Department, Committee Chair; Don Mytnik, Yardmaster; Germaine Bolden, Switchman; Tim Sharpley, Switchman; Joe Chacon, Switchman; Ed Everett, Engineer; Juan Morales, B&B/Track; and Sandy Granholm, Clerk.

So What's the Plan?

The committee has accepted responsibility for several components of the 2006 Safety Process. The committee will continue periodic industry switch track audits, skate audits, switch audits as well as creating and delivering Quality Safety Meeting presentations to employees companywide. QSMs deal with sources of injury as well as derailments, and are an opportunity to get at and discuss root causes of incidents. Our vision is to operate free of injuries and incidents.

Contact any one of the members of the Safety Committee to get assistance in taking care of your concern. The previous members are also a resource for help with problems and corrections.



Retiring members of the Belt Safety Committee gather for a group photo with Belt President Pat O'Brien. Shown are (back row, from left) Pat O'Brien, Engineer Bill Foulk, (middle row, from left) Switchman Pete Andrews, Yardmaster Marty Taron, (front row, from left) Roy Gelder, Machine Operator Matt Ludwig, Track Inspector Leo DeLeon, and Diesel Shop Machinist Hank Franke.



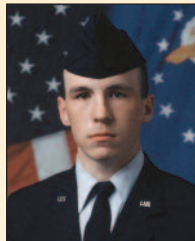
**The Belt Railway
Company of Chicago**
6900 S. Central Ave.
Bedford Park, IL 60638
www.beltrailway.com

Emergency Telephone: (877) 844-4911, In-House Ext. 4133

North America's Premier
Switching Terminal Railroad

Military Service Update

Paul T. Granholm, Jr., the son of Paul and Sandy Granholm, graduated Jan. 6, 2006 from the U.S. Air Force Basic Military Training. Paul is currently doing his technical training at Keesler Air Force Base in Mississippi. He is specializing in computer operations and system communications. Paul's mother, Sandy, works in the Belt's Car Accounting and Revenue Department.



The Belt Railway sends its thanks and best wishes to all the men and women serving in the military. We appreciate your efforts!

If you have news about a service member in your family, please send it to *Connections*.



The Belt is also continuing to collect old cell phones for recycling. The old phones are being shipped to Cell Phones for Soldiers, which uses the proceeds to purchase phone cards for soldiers stationed overseas in Iraq, Afghanistan, and Kuwait. Phones may be dropped off at the North Entrance of the General Office Building.



Belt Names Eagle Eye Winners



The following 12 employees recently received Eagle Eye Awards from the Belt. Congratulations to:

... **Carleton Billingham**, for his observation and action taken to prevent a serious derailment.

... **Bill Lohman**, for reporting a defective frog on switch in the East Classification Yard at the hump end.

Bill's quick observation and response prevented a possible derailment.

... **Robert Hicks, Sr.** and **Jack Strejc**, who noticed sparks flashing in the North District. They notified Hump Conductor **Nick Zegar**, who quickly called Humpmaster **Rob Jordan**, who in turn called the trainmaster on duty. Due to quick response from all men, a serious incident was prevented.

... **Michael Petrungaro**, who observed Train 11 in foul of the lead on the north end. Damage was prevented because of Mike's observation and quick response.

... **Kevin Wern, Kevin Adair,** and **Mark Michon**, for keen observation and handling of a high-wide pink message car for the EJE.

... **Michael J. Pye** and **Ronald B. Tomasek**, for keen observation and reporting of damaged track on the west leg of the hump wye.

Belt Switchman Helps Out at Lemont Safety Village

John Lesnicki, a Belt switchman in the Transportation Department, worked on a caboose at the Oct. 29, 2005 Halloween Hoedown at Lemont Safety Village. John handed out candy to

more than 700 children when they came out of the haunted caboose. The Safety Village said it was a big success and thanked John for his help.