

INDIANA HARBOR BELT

SAFE START

AWARENESS NEWSLETTER

FIRST QUARTER 2012

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“No one intends to get hurt, but there is an element we all must contend with: the unexpected.”



“The Greatest Show On Earth®” is Ringling Bros. and Barnum & Bailey’s motto for two circus productions that annually travel across North America.

Traditionally, one of the shows kicks off the holiday season with a four-week run in Chicago, opening after Halloween and performing daily through Thanksgiving weekend. These performances occur at the Allstate Arena for the first two weeks, while the second two weeks’ shows are at the United Center.

Ringling Bros. operates two circus trains, the red and blue units, which tour on a two-year schedule and alternate in visiting Chicago. After the second year, each show is completely reformulated, so audiences can enjoy a new production each fall.

The mile long circus train passes Control Point Cal Park.



Welcoming the Circus Train

Ringling has a century-old tradition of moving from show to show by rail. This year, the circus experienced a problem with the location it normally used to park the train while playing in Chicago; therefore, circus personnel were under a time constraint to find a new location.

That unfortunate circumstance became an opportunity for Indiana Harbor Belt Railroad.

Joe DeMike, manager of transportation for Ringling Bros., was coming to Chicago to scout out a new location to park the train. DeMike has known Leo Pauwels, IHB director of Industrial Development & Pricing, since high school. One night, discussions turned to the problem where to park the train.

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Customer profile: Safety-Kleen

Safety-Kleen was established in 1963 by Ben Palmer. Currently it has two oil re-refineries, one in East Chicago, Ind., and the other in Breslau, Ontario. Safety-Kleen has become a cornerstone customer to Indiana Harbor Belt Railroad's success. It enables companies like IHB to fulfill their promises to the environment.

The East Chicago-based organization pushes beyond recycled thinking, breaking new ground and creating an environment that's good for business and the planet. They collect and recycle used oil, which enables IHB and other businesses to see more green in their operations and more profit in their bottom line.

In 2008, Safety-Kleen unveiled its new EcoPower Motor Oil to consumers. Compared to conventional motor oil, it takes up to 85 percent less energy to produce EcoPower. This environmentally friendly motor oil is only sold at The Duke of Oil quick lube stations in the Chicagoland area.

With its "Closed-Loop" infrastructure, Safety-Kleen puts the same approach to work for the industries it serves, empowering businesses to go green and grow. One "Closed-Loop" gallon can be re-refined to make the same amount of high quality motor oil as 42 gallons of crude oil. The re-refining process returns more than 140 million gallons of used oil to the marketplace as clean pure lubricating oil, including motor oil, which helps people and businesses.

"Safety-Kleen is a vital partner to IHB in our continued efforts to stay environmentally compliant with local, state and federal regulations," said Dan Shirley, environmental manager. "Safety-Kleen has provided IHB with reliable products, excellent service and peace of mind knowing that our waste stream is handled through environmentally friendly processes."

The East Chicago plant re-refines and recycles most of the company's used petroleum products from vehicles, locomotives and track equipment. It provides secondary containment for most of the liquid products stored in 55 gallon



drums through spill decks designed to capture accidental spillage. The plant also recycles oil filters from locomotives and track equipment.

Safety-Kleen currently collects and recycles the waste accumulated in all of IHB's locomotive retention tanks that are pumped into 300-gallon plastic totes. Depending upon the quality, Safety-Kleen either recycles the used oil into resellable new oil or sells the waste oil to be used as heating fuel. It also re-refines the oil that goes into U.S. military vehicles.

The Dolton, Ill., plant is a recycling solvent center served by CSX Transportation. However, this plant re-refines and recycles the dirty solvent from the parts washer service it provides IHB. The parts washer is a free-standing device employees use to insert and clean their tools.

In the past two years, Safety-Kleen's volume was approximately 9,200 railcars. This level of traffic ranks them as one of IHB's top five customers.

Lopez goes about business confidently

The journey of Juan Lopez to the Blue Island Hump Tower involved staying the course and working his way up the ladder.

Lopez began as a conductor, a role he held five years before becoming a yardmaster two years ago.

He found the transition from conductor to yardmaster to be smooth.

"I've used the knowledge from being a conductor here as yardmaster," Lopez said. "I know where all the variables are when out on the job, so it's worked toward my advantage."

He has enjoyed his seven years on the railroad.

"Every day is different," Lopez said. "I'm hoping for a long career."



Juan Lopez, yardmaster



With an assist from IHB, the Ringling Bros. and Barnum & Bailey Circus comes to Chicago.

Circus Train

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"This was an opportunity to demonstrate IHB's ability to respond to a customer's need," Pauwels said.

After discussions with Jim Sheppard, Senior Director Commercial Operations, and General Manager Jim Roots, it was decided that it would be a good piece of business for IHB. Sheppard saw the Circus Train as an opportunity to demonstrate customer commitment and explore a non-traditional revenue stream that would help further diversification of IHB's traffic base.

The Circus Train is 59 cars long and requires approximately 5,300 feet of track.

"It's quite a challenge, finding a location big enough for the train that allows access for the performers and daily

support of the train," DeMike said.

The train consists of three sections: stock cars where the animals ride; passenger cars that serve as the crew and performers' home away from home; and flat cars, which carry the props, rigging, costumes and supplies for the performances in special trailers. Those trailers are unloaded by driving them off the end of the cars at a crossing using portable ramps.

"This is why finding a location that is suitable can be difficult," DeMike said. "It already was late July, and we were about 100 days to opening night."

Pauwels had worked on rehabilitating the transload site in Norpaul Yard and thought that would be a suitable place for the train to settle.

IHB Superintendent Transportation and Mechanical Operations Dan Kelley and Pauwels toured Norpaul with DeMike to see if that site would work.

"After agreeing to a rough plan, the

other departments really went into high gear to make this happen in time for opening night," Pauwels said. "We demonstrated our ability to respond on short notice."

In short order, IHB negotiated a five-year contract, developed an operating plan and made several improvements to the Norpaul site.

"Each department came through with flying colors, and everything was in place for the red unit's arrival Oct. 31 coming from their last show in Toledo," Pauwels said.

After a successful run in Chicago ended Nov. 27, the circus loaded up, the train was reassembled and departed Norpaul for Indianapolis via CSX.

"Working with IHB gives us the flexibility to interchange the Circus Train with any carrier in Chicago, depending on the show's tour," DeMike said. "The superior facility in Norpaul and the great people at IHB were the icing on the cake."

Ambitious agenda follows injury-free month

"I would like to go injury free the whole year. I'm not satisfied with one month. I want to go 12 months."

Those are the words of Senior Road Foreman Dave Newkirk, urging his crews to keep up the safe work habits after an injury-free November.

Dale Packard, superintendent of terminal operations, also was pleased about the Indiana Harbor Belt's perfect month.

"It's been a tough climb, and we look forward to starting fresh in 2012," he said. "We're getting people refocused, so let's

see if we can progress."

IHB had a busy 2011, business and man-hour wise, as it continued to progress.

"It's all connected," Packard said. "Going injury free back in 2009 was nice to do too, but man-hours were down then."

While the weather has been somewhat mild this winter, no one is taking it for granted. Employees and managers know climate can be a day-to-day challenge, but winter awareness is high and

everyone has their PPE.

"Right now, we're starting to get inclement weather, so we're being proactive on getting everyone geared up," Assistant Terminal Superintendent Jim Gidney said. "But, we're right on track for 2012, doing everything we can to keep employees safe."

IHB added a safety day during which employees go to opposite railroads and view how others work safely. This is a way to learn from others before reinforcing safety at their own facility.

Easton remembered fondly

Steve Easton was regarded by supervisors and peers as one of the premier locomotive engineers ever to work for the Indiana Harbor Belt Railroad. Following nearly four decades of service, he retired Jan. 31.

Those who knew Easton for most of his career had effusive praise.

"Besides being an excellent engineer, he is one of the finest gentleman I have ever had the pleasure to meet," said Dale Packard, superintendent of terminal operations. "Steve is a caring individual with a positive attitude in all that he does, takes great pride in his work and was a top flight mentor to all of new hire employees assigned to work with his job."

Packard explained that Easton ably mentored new hires and taught others what they needed to know, no matter the craft.

Easton and his wife, Peggy, a nurse, have seven grandchildren between them. They are considering a move to Florida at some point. Easton enjoys playing golf, often with fellow IHB retirees.

"In my opinion, a finer human being would be tough to find," Packard said. "He will be sorely missed by all of us."



Locomotive Engineer Steve Easton retires Jan. 31 after 37 years of service.

Perkowski a 'car man'

Mariusz Perkowski was in college and wanted a job, therefore he sought out Indiana Harbor Belt Railroad. After interviewing with the Mechanical Department, he was hired as a carman in April 2011.

Perkowski has a basic knowledge of automobiles, which helps since he does a lot of physical work, including welding and inspecting. He found his biggest challenge is learning air inspections and knowing all the processes step by step. He said the foremen have been very helpful, as have fellow employees with more tenure.

Perkowski also has strategies for staying safe.

"Observe what's going on around you," he said.

"And once you are out there, you will get to know jobs better and how to work safely."

Perkowski is never far from mechanical work, as he enjoys repairing cars as a hobby.



Mariusz Perkowski, carman

Spano joins IHB

Joseph Spano joined IHB as general superintendent-Operations in mid-March. Spano has more than 40 years of railroad transportation operations experience. He spent 34 years at the Belt Railway of Chicago, where he was general superintendent. He then spent seven years at the Canadian National Railway, again in transportation operations. Spano and his wife, Isabel, reside in Homer Glen, Ill. They have three children and five grandchildren. We are pleased to have Joseph join the IHB family.



Joseph Spano, general superintendent-Operations

Learning to save lives

CPR is not just a safety measure, but a way to save a person's life. With that in mind, Indiana Harbor Belt Railroad held classes last month in both Illinois and Indiana.

Under the instruction of Police Chief and Manager of HazMat Rob Olszowka, CPR classes were held in Gibson Yard Jan. 13-16 and Blue Island Terminal Jan. 18-19. Overall, more than 80 people completed the class.

Olszowka, who has been teaching these methods 20 years, said that when he started, classes were eight hours; now they're just 90 minutes. The CPR class is required by all managers and electricians and open to any other employee who wishes to participate.

Classes begin with compressions, which serve as the emphasis of training. Additionally, attendees learn how to call the appropriate responders for help and how to use an automatic external defibrillator. Instruction is offered in adult and child CPR.

As the guidelines changed in 2012, new students and those desiring recertification were invited to attend.

"Because we've stayed proactive, we have better than one in four employees trained in AED," Olszowka said. "That is remarkable for a company. Every railroad, police car on duty, and almost all facilities now have one."

IHB generally tries to offer CPR classes every January, since certifications expire in that month. And, perhaps most importantly, no one is turned away.

Locomotive engineers ready to begin

The railroad continues to welcome new faces under the tutelage of Senior Road Foreman Dave Newkirk and Road Foreman Mike Carter.

Nine individuals, ranging from two months to two years experience, continued to go through training to become locomotive engineers. Like others, they attended classes at the CSX REDI Center in Atlanta.

"They're pretty new to transportation and the railroad," Newkirk said. "The class is working out in the field and we will be able to turn them loose on their own soon."

Newkirk and Carter said the students should all qualify as locomotive engineers by March, then be dispersed across the system, from Gibson Yard to Norpaul.

New locomotive engineers include:

Chris Admave	Art Martin
David Bish	Christian McCullough
Adam Diaz	Chris Saenz
Ronald Engelhaupt	Quentin Sanders
Keith Kuntz	Adrian Vallejo



Locomotive Engineer Ernie Jones, left, receives certificate of appreciation from Senior Road Foreman Dave Newkirk upon his retirement.

Jones closes out stellar career

Ernie Jones, whose career commenced in 1979, retired as 2011 came to a close.

Jones began as a switchman, but was promoted to locomotive engineer in February 1980.

"Everybody who worked with him liked him, especially his students," said Senior Road Foreman Dave Newkirk. "Ernie was patient and easygoing."

Hillegonds trains for the future

Don Hillegonds has been with Indiana Harbor Belt Railroad for less than a year, but is already aspiring to be a trainmaster. He began training for that role in November.

Having worked in logistics for FedEx in Arizona the past two years, the native Hoosier finds many familiar duties on the railroad to his prior job, especially getting shipments to their destination.

"It's basically the same principle," he said. "You may not know when the shipment is going to move on the railroad, but you know it is going to happen."

Hillegonds said one reason he joined the railroad was to use his experience in a similar career to become an asset to the railroad in a management role. He's also noticed differences during his first few months on the ground in the yard.

"This is a much larger scale, and your

limitations are much higher in terms of when you can travel," Hillegonds said.

But overall, he enjoys dealing with different people, doing his job the best he can and those days when everything flows smoothly. Hillegonds also counts on his transition to trainmaster being seamless.

"The railroad helped me by giving me a job, so I want to help it perform and move in the direction it wants to move," he said.

Hillegonds looks forward to learning alongside trainmasters and, being still relatively new, gaining everyone's trust.

He loves hockey and plays whenever possible. Having a 10-month-old daughter, he appreciates time at home.

As Hillegonds continues to gain railroad experience, he becomes more impressed, seeking to always be professional and respectful to the business.

"I want to represent the railroad whether on or off duty," he said. "You take care of what's taking care of you. There's sometimes a view of railroading from people on the outside, but everyone here speaks and acts professionally."

As for now, Hillegonds plans to maintain safety and look toward a secure, bright future.

Don Hillegonds, who is preparing to be a trainmaster, enjoys playing hockey in his spare time.



SAFETY BOARD NUMBERS

As of Feb. 10:

Argo Terminal:

T/E 322
M/W 940
M/E 5513

Blue Island Terminal

T/E 44
M/W 351
M/E 444

Gibson Terminal

T/E 161
M/W 115
M/E 299
G/A 642

Norpaul Terminal

T/E 16
M/W 3352

This newsletter appears under direction of the Indiana Harbor Belt Railroad management. For news coverage, contact Ari at the newsletter office by phone at 402-475-6397, fax 402-475-6398, mail information to 1845 S. 11th St., Lincoln, NE 68502-2211, or email ari.kaufman@newslink.com. This material is intended to be an overview of the news of the IHB. If there are any discrepancies between this newsletter and any collective bargaining process, insurance contracts or other official documents, those documents will govern. IHB continues to maintain and reserves the right, at any time, to alter, suspend, discontinue or terminate all plans and programs described in this newsletter. This newsletter is not an employment contract or any type of employment guarantee. Any photo submitted may be used. Anyone who submits a photo retains all rights to the image. However, by submission you give the newsletter permission to use your photo(s) in all related media. Thanks to everyone who contributed to this newsletter, including but not limited to, Joe DeMike, Linda Keating, Dave Newkirk, Leo Pauwels and Paul Wratten.

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New hires aplenty in Mechanical Department

The Mechanical Department is where you will find fresh faces, as four new carmen joined Oct. 31.

Kyle Brosius comes from a railroad family, with at least three members enjoying careers in the industry, one of those on the Mechanical side. Most recently, Brosius worked as a carpenter, but liked the opportunity IHB presents to not only work with his hands, but learn something different. He's currently learning all the federal and safety rules with the assistance of veteran employees and fellow new hires.

Robert Flannery's uncle worked for IHB as a hearing officer.

"He took care of people really well," Flannery said. "I've been trying to get on board, and it finally happened."

He had been involved with intermodal railroading since high school, but sees more room for advancement with IHB.

Zach Willfond was referred to the railroad by a friend in Mechanical, who recommended he apply. Before going back to school, his last job was at Menards. He said the railroad has been a big change, but a good one.

"There are always new things to learn, and it sets you up for a great future," he said. "It's been a very steady industry, and the people are great."

Rob Straatman was a car mechanic four years, then



IHB welcomes new carmen, from left, Rob Straatman, Robert Flannery, Kyle Brosius and Zach Willfond.

worked at a steel mill before joining IHB.

"I was bouncing around, but knew this was a place to be," he said. "The benefits were great too, so I went for it."

Straatman has experience in welding and fabrication with repairs.

All four carmen mentioned how safe IHB is and how often safety is stressed. They enjoy the opportunity to work inside or outside.