Crossings: Updated company brand features new public-facing logo

Alaska Railroad branding evolves

Thousands of Alaskans and visitors each year catch a glimpse of the Alaska Railroad’s iconic blue and gold trains as they roll through towns and countryside. Using a very distinctive font, the word “ALASKA” is emblazoned on the side of each railcar and locomotive, emphasizing our role in state transportation. Our passenger trains are easily our most recognizable asset, and we’re capitalizing on that familiarity with a brand refresh, including a new public-facing logo.

Over the course of several months, our marketing firm, Spawn Ideas, worked with leadership from each railroad department to develop a brand that underscores all of our business lines — freight, passenger and real estate. Spawn Ideas presented dozens of inventive designs, but in the end, it made sense to mirror our well-established railcar and locomotive scheme.

We began with a cleaned up version of the “ALASKA” from our railcars, and added “RAILROAD” in larger, clearer lettering, which does not get lost or unreadable at smaller sizes — a fatal flaw in our corporate seal in terms of brand promotion. Despite its graphic drawbacks, we know our corporate seal is recognized by some Alaskans, especially those along the Railbelt or those with direct experience or ties to the Railroad. The railroad’s corporate seal will remain intact and will continue to be used on some internal documents and more formal corporate communication with stakeholders because it is an important part of our history and identity.

Moving forward, you will see the public-facing logo in various styles, from standing alone with elegant drop shadows and lines, to instances where it is placed into a gold and blue stripe similar to the sides of our trains. A company identity and brand guide includes the different logo styles, along with clear guidelines for how and when to use a particular style. The guide is available to all, and will soon be posted on our employee web site.

You will not see a lot of fanfare or an external public campaign announcing the changes. Rather, the rollout will happen in phases. We first introduced Railroaders to the new branding design and logo with the Strategic Plan. Since then we’ve hung new company safety and values posters, revised our letterhead, published advertisements and created some gifts and giveaways that sport the new “look and feel.” In the coming weeks, supervisors will follow-up with employees, providing more information and new branded materials.

In a few months, our new external web site will feature the revamped brand. We will use up current stocks of stationary (letterhead, envelopes, business cards) before ordering the new. Logo apparel and items in our Gift Shop will be phased in as new

*(See “Evolving Brand” on page 3)*
President’s Message: Improving Employee Engagement and Safety

Status on Employee-Focused Initiatives

By President & CEO Bill O’Leary

In 2014, the Alaska Railroad began planning and implementing a number of initiatives aimed at improving employee engagement and safety. Below is a brief status of these initiatives.

Employee Benefits: Our Human Resources (HR) team is providing more information than ever to help employees make good decisions. Quarterly Benefits and Wellness Newsletters that began in 2014 will continue this year. Benefits Journals were recently supplemented with a Medical Plan Tips and Tools brochure mailed to participants in the new Blue and Gold health plans. For retirement planning, employees get updated Summary Plan Descriptions for the 401(k) Plan and the Pension Plan, monthly retirement planning educational items, and access to Vanguard’s calendar of webinars and other online retirement planning tools.

New Employee Orientation: For months, Chief Operating Officer (COO) Doug Engebretson and I have personally welcomed new employees during their orientation. HR added a segment on our Strategic Plan and company values, and these documents were added to the welcome packet. We are currently working to develop a Railroad 101 presentation to acquaint new employees with the organization. This is a step toward automating more of the orientation, so the information is available electronically and on our internal web site. Suggestions for enhancing the new employees’ experience are welcome. Send your ideas to VP Business Management & Corporate Affairs Wendy Lindskoog or to HR Director Susan Lindemuth.

Non-Rep Classification/Compensation: Last summer, Segal Waters was hired to do a Classification and Compensation Study for non-represented positions. Based on Job Description Questionnaires completed by our non-represented employees, the consultant suggests some revised job titles and position descriptions. We are reviewing the study findings to determine possible non-rep classification changes. In addition, we are working on a new non-represented performance evaluation form and process, which may be ready to present by June 2015.

Engagement: Last year, we formed an Engagement Leadership Group and adopted four Engagement focus areas (Accountability, Communications, Training, and Social Opportunities). The group has since developed a 2014 – 2019 Engagement Charter that outlines measurable goals and actions.

Available on our employee web site, the charter’s first edition includes a 2014-2015 Engagement Action Plan, with dozens of initiatives that are already completed or underway.

Communications Focus: Our executive management team members are more accessible. Senior leadership including myself regularly post news and important information directly to employee emails. We are out and about with scheduled in-person field visits, attending different department staff meetings and training sessions, and welcoming new employees during orientation. We are planning to repeat last fall’s town hall meeting forums at least annually. Finally, our efforts to rebuild the employee web site is nearing completion and should roll out early summer. The retooled external company web site will go live in 4-5 months.

Employee Recognition: We are tweaking the program to tie into our company values (safety, integrity, teamwork, service excellence and sustainability). A couple dozen employees recently took part in focus groups in Fairbanks and Anchorage, where railroaders offered insight into how we can better communicate and facilitate our recognition program. We expect to present a revised program later this year. In the meantime, employees can still use the existing Spotlight Award program to highlight individuals and teams who go above and beyond.

Safety Face-to-Face: We are stepping up face-to-face efforts to keep railroaders informed and engaged on the safety front. In early February, a Supervisors Safety Summit provided tools and information to pass along to employees to help everyone understand the safety changes and challenges ahead. See the photo story on page 3. We invite all employees to attend quarterly safety meetings to learn how we are doing and where we need more focus. These safety forums complement our efforts to stay in front of pending federal regulatory actions.

Federal Focus: The Federal Railroad Administration (FRA) is taking steps to improve how the rail industry manages safety, including how safety training is documented and delivered. While the Alaska Railroad is already compliant with current law, we are being proactive to meet new federal regulatory requirements anticipated in the next 2-3 years. We are actively working on:

• formalizing safety training for safety-sensitive employees (train and track workers) and train-
President’s Message ...

(continued from page 2)

ers. The FRA will soon be asking railroads to prove consistency and competency within their safety training programs. To that end, ARRC is hiring a Training Manager who will eventually bring all of our safety training under one umbrella, who will ensure consistency in training curricula and testing, and who will manage and track the training among the workforce. This position will also provide a central management point for professional development training. We are interviewing several candidates for this position now and should have the position filled shortly. In the meantime, we are taking an inventory of all training currently provided by various departments, and we are investigating learning management software options.

• developing a Safety System Program Plan (SSPP), as prescribed by the FRA in pending regulations. As reported in an earlier issue of All Aboard, our Safety Department is working on an SSPP, which will replace our current Safety Management System (SMS) document. Fortunately, we are already doing most of the things a formal SSPP requires. We continue to make progress on organizing our program elements into one comprehensive document.

There is a lot going on and more reasons than ever to stay engaged as we work together to make our railroad a great and safe place to work. 

Evolving Brand ...

(continued from page 1)

orders are placed to replace inventory as it is sold. Signs for facilities and vehicles will only be exchanged as they age and need to be replaced.

Our re-branding will better communicate what the Alaska Railroad offers and what sets us apart. We expect the time and modest financial investment to generate a good return in years to come.

Crossings: Carmen union and Railroad have new 3-year agreement

TCU and Railroad sign new contract

TCU Local Chair Jim Abitz, left, and ARRC President & CEO Bill O’Leary shake on the new 3-year TCU labor agreement.

Left: On April 3, the Alaska Railroad and the Transportation Communications International Union (TCU) Brotherhood Railway Carmen Division Local 6067 signed a new three-year collective bargaining agreement. Pictured: Alaska Railroad President/CEO Bill O’Leary, Labor Relations Director Debi English, Manager of Car Operations Ron Thompson, and Carmen / TCU Local Chairman Jim Abitz and Carmen / TCU Local President Al Kinne. Not pictured is national TCU / IAM Assistant General President Carl Tingle, who also signed. (Photos by Stephenie Wheeler)

A Brand & Identity guidebook will provide instruction on how and when to use various versions of the new public-facing logo.
COO Message: Safety stays front and center

Employees engaged on safety

By Chief Operations Officer Doug Engebretson

Safety continues to be front and center as a topic at the table when we meet, and as a focus in the field when we work. In March, I recapped what happened at the Safety and Engagement Summit we held mid-February to ensure every railroad manager understands our safety efforts and challenges. Summit participants were asked to share what they learned during staff meetings, work briefings and other forums. In addition, all the information presented at the summit was compiled into a printed handbook that is available electronically to everyone on our employee website. We all need to be aware of the issues and actions that impact our safety.

Another place that employees can get the skinny on safety is at our Employee Quarterly Safety meetings scheduled in Whittier (south), Anchorage (central) and Fairbanks (northern). Multiple sessions help to accommodate work schedules to allow any employees access to safety statistics, safety program information and progress on our safety goals. If at all possible, we want to see employees attend, and so it was great to see packed meetings at the 1st Quarter meetings.

Whether at a summit or quarterly meeting — we want to engage because this is key to staying safe. That’s why we are not leaving our engagement efforts to chance. We have adopted an Engagement Charter and Action Plan to keep the dialog going in a purposeful way. The plan is posted on the employee website and we encourage you to check it out. We are making headway on our four engagement focus areas: accountability, communication, training, and social networking. Specific tasks are called out in each category, along with the status (done, ongoing, underway, needs further exploration, etc.). The charter helps us track out efforts — from developing better job performance appraisals and establishing a formal safety inspection program (accountability); to hiring a Training Manager and investigating new training management software (training); to scheduling leadership visits in the field and assigning all employees an email (communication); to revamping employee recognition and organizing annual clean-up events (networking).

Good things are happening. Let’s stay engaged and keep the momentum going.

Doug Engebretson
**Mileposts: Railroad recognized for Guard, Reservist support**

**ARRC receives DoD Pro Patria Award**

During the Alaska Railroad’s regular Board of Directors meeting on April 1, Alaska Aerospace Corporation President/CEO Craig Campbell presented an award recognizing the railroad’s support of its National Guard and Reserve employees.

Formerly an Alaska Lieutenant Governor and Alaska Air National Guard Adjutant General, Campbell is State Chair for the Alaska State Committee of the Employer Support of the Guard and Reserve (ESGR) program. Each year, ESGR grants a series of Department of Defense (DoD) awards to recognize employers.

ARRC Board Chair Linda Leary and President/CEO Bill O’Leary accepted ESGR’s Pro Patria Award, which is presented annually by each ESGR State Committee. Recipients have demonstrated the greatest support to Guard and Reserve employees through their leadership and practices, including adopting personnel policies that make it easier for employees to participate in the National Guard and Reserves. This is the highest level award that may be bestowed by a state ESGR committee.

Employers who have been honored with the ESGR Above and Beyond Award, who have had at least one supervisor or other representative honored with an ESGR Patriot Award (presented to individual supervisors), and who have signed a Statement of Support are eligible for the Pro Patria Award.

**Mileposts: 14 people joined the railroad January - March 2015**

**Welcome New Hires: First Quarter**

<table>
<thead>
<tr>
<th>Name</th>
<th>Department</th>
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<tbody>
<tr>
<td>Kristen McDonald</td>
<td>Real Estate</td>
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<tr>
<td>Christopher Anderson-Cruise</td>
<td>Maintenance of Way</td>
</tr>
<tr>
<td>Christopher Beach</td>
<td>Mechanical</td>
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<tr>
<td>Michael Bennett</td>
<td>Mechanical</td>
</tr>
<tr>
<td>Tony Buma</td>
<td>Facilities - Fairbanks</td>
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<tr>
<td>Douglas Regan</td>
<td>Police &amp; Security</td>
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<tr>
<td>Sidney Johnson</td>
<td>Maintenance of Way</td>
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<tr>
<td>Adam Kincaid</td>
<td>Telecommunications</td>
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<tr>
<td>William Lake</td>
<td>Mechanical</td>
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<tr>
<td>James Ratchford</td>
<td>Technology</td>
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<tr>
<td>Robyn Simmons</td>
<td>Police &amp; Security</td>
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<tr>
<td>Christopher Sopp</td>
<td>Accounting</td>
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<tr>
<td>Amos Sumrell</td>
<td>Maintenance of Way</td>
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<tr>
<td>Jeffrey “Jacob” Turner</td>
<td>Maintenance of Way</td>
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</tbody>
</table>

**Mileposts: Railroaders salute 2 retirees and welcome 5 babies**

**Home Front: Births and Retirements**

**Retirements: Fond Farewells**

- **Journeyman Mechanic Leader John Faeo** retired March 2 from the Mechanical Department after more than 40 years of service.
- **Work Train Foreman Mike Maillet** retired February 3 from the Maintenance of Way Department after nearly 40 years of service.
- **Program Manager for Scheduling, Logistics and Materials Don Worthley** retired January 23 from the Project Management department after nearly 29 years of service.

**Births: New Arrivals**

- **Journeyman Mechanic (Fairbanks) Gerald Schmitz III** and wife Orien welcomed son Dean Anderson Schmitz, born December 30.
- **Journeyman Mechanic Michael Williamson** and wife Lori welcomed daughter Ariana Marie, born December 29.
- **Journeyman Mechanic Matthew Yanney** and wife Rachel welcomed twins Ronan and Amber, born February 10.
Mileposts: Railroaders mark service milestones

Service Awards: First Quarter

1 Year
Janetta Bitton .......................... Accounting
Moeini Brady Jr. ........................ Signal
Karen Brenneman ....................... Transportation
Thomas Covington ..................... Safety
Denise Flowers ........................ Information Technology
Cynthia Douglas ....................... Guest Services
Branden Kressly ....................... Transportation
Aaron LeMere ........................ Facilities
Rachel Maddy ........................ Project Management
Harley Neal ............................ Transportation
Rodney Neal ............................ Signal
Douglas Stephens ...................... Real Estate
Kelbyan Taylor ........................ Real Estate
Scott Thompson ........................ Telecommunications
Kim Wilson ............................ Accounting

5 Years
Troy Knutson .......................... Maintenance of Way
Ronald Lewis ........................ Supply Management
Aaron McRae ........................ Maintenance of Way

10 Years
Edward Ausman ...................... Telecommunications
Marty Jones ............................ Transportation
Sasha Kincaid ........................ Marketing and Customer Service

15 Years
Troy Arquette ......................... Maintenance of Way
Edith House .......................... Grants Administration
Landon Messelheiser ........................ Advanced Train Control Systems
Scott Siegmann ........................ Transportation
Robert Smith III ........................ Transportation

20 Years
Douglas Marks ........................ Maintenance of Way
Robert Niessink ........................ Facilities

30 Years
Carol Fortier .......................... Maintenance of Way

35 Years
Daniel Forsman ........................ Transportation

Real Estate Director Karen Morrissey retired from the Alaska Railroad, effective April 2. Having served 47-1/2 years, she is easily the longest-serving woman in the company’s history. Shortly after Karen arrived in Alaska, she joined the railroad October 9, 1967, during a time when railroading was considered a man’s career. Her first assignment was as a Steno Clerk-Timekeeper for the all-male Operations Shop. As an organized, determined and innovative employee, Morrissey soon managed key administrative functions before being promoted into the ARRC’s executive ranks. As head of Real Estate since 1996, Morrissey’s legacy is a fundamentally sound department.

Railroad employees and several retirees, colleagues from Denali Federal Credit Union (she is on DFCU’s Board), and a number of personal friends gathered April 1 at ARRC Headquarters to pay tribute to Morrissey’s remarkable tenure and service. In turn, she recalled an interesting career and many memorable colleagues.

“The Alaska Railroad has been a truly great place to work. I feel grateful to have worked with, and learned from, so many exceptional people at the railroad,” she said, naming former and current co-workers. Later, Morrissey finished her recollections with a note about former Land Services Manager Rob Hahn who died from cancer in 2013. “Rob always said he felt indebted to me for the knowledge I had, but he always brought great perspective to every issue we dealt with and he taught me so much,” she said.

The April 1 celebration concluded as VP Corporate Planning & Real Estate Jim Kubitz unveiled the plan to name the headquarters clock tower in Morrissey’s honor. (See “Morrissey Retires” on page 7)
Real Estate: Staff Change Significant

Real Estate Director Karen Morrissey’s April 1st retirement is the latest in a string of key personnel changes within the Alaska Railroad’s (ARRC) Real Estate Department that began in 2014 and continued into the new year.

In March 2015, ARRC promoted long-time Leasing Manager Andy Donovan to Real Estate Director, effective March 2015, giving Morrissey and Donovan a month-long transition. ARRC hired Donovan as Leasing Manager in 2002. Previously he worked for CIRI and the Alaska Permanent Fund. ARRC is currently seeking a new Leasing Manager.

In January 2015, ARRC hired Kristen McDonald as Real Estate Contracts and Billing Manager, to oversee utilities permitting and other permitted uses of property outside the railroad right-of-way (ROW). Previously, McDonald worked for the Alaska Department of Transportation.

In February 2014, ARRC hired veteran professional land surveyor (PLS) Doug Stephens. As Manager of Land Services, he is responsible for land surveys, title searches, land ownership issues, patent and survey approvals and maintaining the railroad’s land data. Previously he was working on the Port MacKenzie Rail Extension.

Department personnel who support leasing, permitting and land services functions include:

Aaron Butterer was hired in December 2014 as a Land Services Specialist. He assists Stephens with land management, including field surveying, lease/permit drawings, platting and land database upkeep.

Real Estate Technicians include Kellyan Taylor (hired March 2014), Muriel Lewis (transferred March 2013), Bruce Shelt (hired September 2013) and Christine Flanery (not pictured; she begins April 20, 2015). They provide technical and administrative support for facility use and billing, permit and lease contracts and processing. Taylor reports to Donovan and Lewis, Shelt and Flanery report to McDonald.

In addition, Kelly Reinhardt returned in 2014 as a temporary, part-time Real Estate Technician to help the department catch-up and train during staffing shortages and transitions.

Russell Grandel joined ARRC as an Environmental Engineer, in October 2010. He assists Real Estate and Legal departments in assessing and managing environmental issues and actions related to railroad property. He reports to Donovan.

The Real Estate Department will benefit from Morrissey’s experience a little longer as she returns temporarily and part time as a special services employee in 2015 to help test, implement and provide documentation and training for a new land management software application.

Karen Morrissey retires...

(continued from page 6)
“Connaboose” sounds a bit like a wacky contraption found in a Dr. Seuss storybook. Yet the railroad’s newest fabricated equipment is hardly an imaginative illustration — it’s real and it has a serious role to play in safety.

The Connaboose name comes in part from its foundation (an intermodal container) and in part from its function (a caboose). Here’s why we built it: About a year ago, the Alaska Railroad had to remove the Palmer loop track from service. The loop’s joint owners — Quality Asphalt (QAP) and Granite Construction — stopped using and maintaining the track once their mines were depleted and they moved on to gravel reserves in other areas. QAP and Granite originally constructed the track for looping and loading their aggregate trains. The Alaska Railroad also used the track to loop the Anchorage Sand & Gravel (AS&G) 86-hopper gravel trains that load at the AS&G facility along the Palmer Branch line. By spring 2014, deferred maintenance resulted in the loop’s removal for train operations.

Without the loop, ARRC gravel trains headed for AS&G must now pull into the Palmer wye, and then back up the wye’s north leg, and proceed along the Palmer Branch with the end of the train in the lead. This is essentially considered a three-mile shove and the new procedure requires a trainman to protect the activity while hanging from the side of a hopper car and communicating on a portable radio.

To address safety concerns, a team was formed with United Transportation Union (UTU) representatives and staff from Railroad Safety, Transport-
Connaboose ...

The group discussed options including use of the 701 “Bud” car or an existing caboose, or acquiring another caboose. But the idea with the most potential was building a mobile shoving platform equipped with a shelter. Once the team agreed on key features and forwarded the wish list to Mechanical, seven Carmen and two Journeyman Mechanics executed the plans.

With a flatcar foundation, the shoving platform includes a shelter fashioned from an intermodal conex-style container to keep trainmen out of the rain and snow. The shelter is outfitted with LED solar-powered back up lights, seats, hand holds, emergency air valves on each end with hand holds and sill steps to make getting on and off much safer.

At a cost of about $30,000 for material and labor, the project got underway in late September 2014 and concluded early February 2015. As safety-driven as the Connaboose may be, the men who designed and fabricated admit they had some fun working on it.

Sidings: Pension Plan and 401(k) Deferred Savings Plan updates

Atéssa (ah-TAY-suh) Benefits, Inc. is taking over recordkeeping duties for the ARRC Pension Plan. The Pension Plan Committee selected Atéssa to replace Vanguard, which announced it would no longer offer Defined Benefit recordkeeping services. We anticipate a smooth transition over the next few months. This change only impacts the Corporate Pension Plan. The 401(k) and 457 Plans remain with Vanguard. Stay tuned…we’ll keep you informed as we near the transition date.

401(k) News — Vanguard recently announced it will adjust the allocation model for its Target Retirement Fund series. Target Retirement funds are designed to gradually transition from a growth-oriented portfolio to more conservative holdings as the retirement target date approaches. Vanguard will be significantly increasing the overall weight of international securities (both equities and fixed income) for all the Target Retirement funds.

International equity exposure will be expanded from 30% of total equity exposure to 40%, and international fixed income from 20% to 30%. Vanguard says its decision aims to enhance global diversification and decrease volatility. The change will not affect the overall mix of stocks and bonds in each fund. The allocation changes are expected to be completed by the end of 2015. The ARRC 401(k) Plan currently has 12 Vanguard Target Date funds in the investment line-up (Vanguard Retirement Index Funds from 2010 – 2060).

Contact Retirement Specialist Pam Reil at 265-2273 or Retirement Plans Manager Theresa MacLeod at 265-2346 if you have questions or need assistance with retirement topics.

Crossings: Railroad seeks other options for PTC funding

More progress has been made towards funding Positive Train Control (PTC). In addition to the nearly $70 million spent by ARRC on the project since 1997, the State of Alaska added over $34 million in funding over the past two years to pay for the nearly $160 million project. With $55 million left to go, and the state facing an incredible fiscal crisis, it became necessary to look for other options to fund the unfunded federal mandate. In order to narrow the gap, ARRC is planning to take advantage of lower interest rates to issue new debt in conjunction with refinancing old debt backed by FTA formula funds to come up with $37 million of the needed funding. Since ARRC is a state owned entity, legislative approval is required to issue new debt. Representative Steve Thompson of Fairbanks introduced House Bill 140 (HB140), which would allow ARRC to issue the additional debt. House Bill 140 passed out of the Alaska House of Representatives unanimously on March 31 and had the first of two hearings in Senate Committees on April 7. Barring anything unexpected, HB140 is expected to be heard in Senate Finance sometime the week of April 12 and then on to the Senate floor.
Plasma, diodes, pressurized sodium, metal halide, fluorescent, incandescent, lumens, kelvins… terms like these pepper a discussion with Facilities Director Paul Farnsworth, Facilities Maintenance Supervisor Chris Corbeil and Facilities Maintenance Electrician Doug Falgoust during a recent visit to the Anchorage Yard shops. The men outlined efforts to test and install new lighting technology; and explained the factors for judging how well a new lighting technology is working:
1. Brightness and reach
2. Power use
3. Color
4. Lifecycle costs for bulbs and fixtures

In the Anchorage Car Shop, lighting was upgraded from high pressure sodium (HPS) and metal halide bulbs to fluorescent tubes that last longer, emit better light, and save about 60% in expense. In the Headquarters Building (GOB) T-8 fluorescent lighting replaced T-12 fixtures several years ago, yielding a 30% power savings.

For decades, large high/low pressure sodium (HPS / LPS) or metal halide bulbs in hooded fixtures hung from the ceilings in Anchorage Heavy Equipment and Diesel shops. Late last year, Facilities began replacing sodium and halide lighting with light-emitting diode (LED) panels that produce whiter and brighter light, used less power, and burn out less frequently. The result: Same amount of light at half the cost.

In February, Facilities began testing light-emitting plasma (LEP) in a few shop areas. Housed in boxy enclosed fixtures, a single tiny LEP bulb casts double the brightness and reach of older lighting technology.

Each lighting technology has pros and cons, said Falgoust. For example, LED light tends to fade beyond 20 feet and does poorly in heat. LEP is still so new that quality control can be an issue. On the other hand, LED and LEP offer dimming capability and are much more efficient. Facilities typically evaluates new lighting at least a year before deciding to keep, replace or expand its use.

Each year, Facilities spends several thousand dollars to install and evaluate lighting options. “More often than not, we offset the initial cost with lower operating expenses and better working conditions,” said Farnsworth.
Sidings: Facilities finds more savings in railroad car shops

Car Shop Capers: Saving more energy

The Facilities Department, working with user groups, continues to help save energy in railroad car shops, where high electrical and heating bills have been the norm.

2014 was the first full year that a new power monitoring and notification system was in place in the Anchorage Car Shop. As reported earlier, commercial customers typically pay a “demand charge” to guarantee a “peak” level based on the previous year’s maximum draw. In 2012, the shop’s total 2012 electrical expense was $242,000 and of that, $98,000 (40%) was the demand charge.

In late 2013, Facilities installed a system that continually measures the shop’s total electrical draw. A strobe light notified workers when power use gets too close to a set level. Thanks to the system and Mechanical employees, billed peak demand dropped by half, from a high of 685 kw at the end of 2012, to a low of 347 kw in 2014.

A by-product of the focus on peak demand is an overall awareness among employees who now routinely turn equipment and lights off when not in use. As a result, overall electricity use dropped dramatically as well, from 1.85 million kilowatt-hours (kwh) in 2013 to 983,000 kwh in 2014.

The numbers tell the story. The Anchorage Car shop’s annual electrical bill dropped from $242,000 in 2011 to $154,000 in 2014 — a 36% reduction.

In Fairbanks, new efforts are yielding some promising preliminary results. This winter de-stratifying fans were installed in the Fairbanks Car Shop. The fans mix warm and cold air that would otherwise settle into layers, creating hot and cold spots. Since November, feedback from workers confirm that the workplace environment has improved with more comfortable and consistent air temperature. Relatively less heat has been needed as well. Facilities estimates an energy savings of $7,000 (even accounting for the milder winter) for the first two months the fans have been in place. The railroad should be able to recoup the $30,000 investment in fans within a year of normal heating loads.

The Anchorage Car Shop uses a lot of power. Recent efforts to monitor electrical use has helped to reduce overall demand. (Photos by Judy Patrick)
James Ratchford joined the Alaska Railroad (ARRC) as Chief Information Officer (CIO) on January 22, 2015, and in this role, he heads the Technology Department. He is responsible for all aspects of ARRC’s information technology (IT) applications and systems, to include data center, network, telecommunications and radio.

“114 people applied for the CIO job and there were many high-caliber candidates in the bunch,” said ARRC President / CEO Bill O’Leary. “Jim was a clear finalist and during the interviews, he stood out as an experienced and thoughtful manager. We’re lucky to have him on our team.”

Before moving to Alaska, Ratchford held a number of executive IT posts in Washington state. He was Senior VP of Technology for MUSIC Group Services, a global music product holding company; CIO for Seattle Public Schools; Technical Services Director for Walt Disney Internet Group; and IT Infrastructure Director for Boeing Employees Credit Union.

While in Seattle (2002-2014), Ratchford also contributed many volunteer hours to develop the local technology trade as president and board trustee for the Society for Information Management (SIM), Seattle Chapter, an association of CIOs, senior IT executives and other IT leaders. In addition, he served five years as an advisory board member for the University of Washington (UW) SIM / Informatics Program.

At home in the CIO realm, Ratchford has contacted several CIOs in local and state government, and private business, to discuss common challenges in Alaska. For example, he has had conversations with the State of Alaska’s CIO about where the railroad and state can help each other in light of dwindling budgets. And, he’s connected personally with the University of Alaska CIO to discuss student internships, and speaking and teaching opportunities.

“114 people applied for the CIO job and there were many high-caliber candidates in the bunch,” said ARRC President / CEO Bill O’Leary. “Jim was a clear finalist and during the interviews, he stood out as an experienced and thoughtful manager. We’re lucky to have him on our team.”

The Alaska Railroad’s Technology group includes some talented and hard-working people, and I look forward to working with them to meet the railroad’s technology and telecommunications challenges and opportunities.

Jim Ratchford, CIO

Ratchford is the youngest of four siblings. All three brothers served a tour in the military (one Air Force and two Navy). Jim followed suit, and then some. Having attained the rank of Chief Master Sergeant, Ratchford retired from the United States Air Force (USAF) in 2001 at the culmination of a 28-year military career. While in the Air Force, he accepted such challenging assignments as Data Operations Center Director, Security Systems Program Manager, and IT Operations Director. He held his final position as General Manager of IT Operations Europe for nearly five years.

“Whether in the public or private sector, leading is about respect and investing in people,” Ratchford said about his approach to management. “The Alaska Railroad’s Technology group includes some talented and hard-working people, and I look forward to working with them to meet the railroad’s technology and telecommunications challenges and opportunities.”

As a world traveler (Germany, other western Europe countries, Hong Kong, Philippines, Singapore, China, Turkey, Arizona, California, Maryland, Texas and Washington) Ratchford admits a penchant for adventure and good food. He was drawn to the railroad in part for location. “Alaska has such diversity and culture, and the people here are some of the most welcoming I’ve come across,” he said. “I look forward to exploring with my family.” Ratchford resides in Anchorage with his wife Birgitt and son Erik.
Mileposts: 2014 Financial Statements available on website

ARRC releases, posts annual report

The Alaska Railroad posted its annual report by the April 1 statutory deadline. Audited financial statements show $14.1 million net income on total revenues of $167.3 million (including operating and real estate revenue of $125.1 million; and grant revenue of $42.2 million). The 2014 net income is about $200,000 less than 2013, a remarkable outcome given the year’s dramatic declines in revenue from two major freight business lines.

Continuing decreases in export coal- and petroleum-hauling business lines became clear in the spring, but due to cost containment efforts implemented in 2012, 2013 and 2014, as well as growth in other business lines, ARRC has been able to weather the economic downturns.

“...”

Crossings: Controller warns of Fraudster sophistication

Beware imposters, fakes and tricks

By Controller Wendy Richerson

What is imposter fraud?

Imposter fraud is a fraudster that poses as a person or entity you know and trust. Fraudsters may contact you by phone, email, fax or mail.

What does it mean to you?

Fraudsters try to trick you so they can obtain your credit card user ID and password, or your bank account user ID and password or fool you into giving out your credit card information or other vital information like your social security number. Fraudsters may use the information to steal your money or steal your identity.

Fraudsters are getting more and more sophisticated. The best advice: If you receive unsolicited e-mails or phone calls (you didn’t initiate) from what looks like your bank, or credit card provider DO NOT respond! Do not become a victim. Delete the e-mail or hang up.

Example: Last week I received an e-mail from a Fraudster imposing as Bank of America. The e-mail looked legitimate as it contained what looked like the Bank of America logo. The e-mail indicated that I had exceeded my password reset attempts and I should click on the link to reset my password.

I know it was a Fraudster, because I did not initiate a request to reset my password.

What does it mean to Alaska Railroad?

Alaska Railroad Finance/Accounting has adopted all of the Best Practice recommendations to ensure the Railroad does not fall victim to Imposter Fraud or Vendor Fraud. These best practices are designed to stop fraudulent checks from being cashed or to prevent paying fake invoices or fake vendors.

To help us to continue to safeguard Railroad assets:

- All bank related questions should be redirected to Wendy Richerson at 265-2513 or Richersonw@akrr.com.
- All vendor/accounts payable related questions should be redirected to Michelle Maddox at 265-2664 or MaddoxM@akrr.com.
- All customer/accounts receivable questions should be redirected to Emily Hoffman at 265-2650 or HoffmanE@akrr.com.
During the first quarter, the Alaska Railroad repeatedly shined as a team when faced with difficult situations. The three stories below illustrate how well and successfully we work together, across departments, to come to the rescue of customers, community residents... and even ourselves!

**Ski Train Mishap**

*Editor's Note: The following is an account that came in a letter from March 14 Nordic Ski Train customers Lucy and Brian:*

It was a beautiful day in Curry, as we moseyed off of the train, taking a leisurely pace. We figured with the snowpack we'd skip out on the skiing and just enjoy ourselves with a little sledding. It was a relaxed time.

But then disaster struck. On our last run of the day, Brian managed to smack his nose against the plastic edge of the sled. Blood gushed. Railroad employees swooped in. First we were found by Conductor George [Huling] and his stalwart co-Conductor. [Editor's Note: the train crew included Student Conductor Amelia Carpenter and Engineers Davy Registe and Kevin Bergrud. Conductor Harry Ross and Road Foreman of Engines Matt Shaw were also onboard and Special Agent Jason Nielsen also assisted]. Then EMT Nick P. arrived and worked to staunch the blood. Ew.

A decision was made to run us to Talkeetna in the hi-rail. [MOW Section Foreman Doug Marks] valiantly drove us there, but to no avail. They had a "real" emergency and the staff couldn't help us. So Paul kindly drove us back to the depot in Talkeetna and talked the train into stopping for us, so we could make it back to Anchorage.

Since I wasn't the one with the broken nose, I had always wanted to ride in a hi-rail, this was quite the adventure for me. Brian claims he wasn't in pain, and now has a guaranteed memorable costume for next year's train "Broken Nose Guy".

All told it was a fun and fascinating trip. Many, many thanks to all of the railroad employees who helped us out, bagged the bloody sled, and got us home again.

**Scout's Broken Leg**

*Editor's Note: Police & Security Chief Agent John Bennett shared the following account of the railroad's response to a call for help.*

Without hesitation, when Police & Security, MOW and Train Dispatch came to a Boy Scout’s rescue on Saturday, April 4. The medical assist began about 9:45 a.m. when the wife of a Boy Scout Troop leader called the Anchorage Depot to report an emergency at the Curry Reserve, where about 20 people associated with Scouting Troop #210 were permitted to camp overnight. The troop leader had contacted his wife by satellite phone to report that a 13-year-old scout had broken his leg while hiking the night before, and they were hoping to catch a train to transport the boy to a medical facility.

Special Agent Johnny Evans was in the depot and took the call. He quickly coordinated with Train Dispatcher Will Hughes, who advised there were no southbound trains through the area that day, however, an MOW crew was working about 30 minutes from the Curry site. Evans connected with MOW crew lead Kris Kinney and requested the MOW hi-rail vehicle to transport the injured boy. Kinney and Track Laborer Samuel Shaffiner arrived on site and transported the troop leader and the scout to Talkeetna, where the boy's parents were waiting to take their son to the hospital.

“This was another fine example of the ARRC coming together as a team to respond to a critical incident and help out the parties involved,” said Chief Special Agent John Bennett. “Outstanding!”

**Aurora Out of Commission**

*Editor's Note: On Sunday, March 15, the Aurora Winter Train was unable to operate as usual between Fairbanks and Anchorage due to brakes not working on one of the passenger coaches. Without the coach, the train didn't have enough seats for all passengers. Railroaders quickly came up with a plan B, and here's what one customer had to say about our response:*

Regarding the March 15 Aurora Winter Train, we wanted to let you know that as a family that had been hoping for a train ride that day, while disappointed, we were pleased with the response and effort that the staff put forth that morning. I've lived here all my life, and I know that in Alaska, in mid-winter, “stuff happens”, and you have to roll with it sometimes. I was impressed with the efforts of your employees, and their ability to put together an alternate way to get to Anchorage on short notice.

They assembled the coaches, and a large amount of food and drink for the passengers in a short period of time, and the coach ride to Anchorage, though not a train ride, was enjoyable. Your staff maintained a pleasant attitude working with everyone in the terminal, even when a few passengers got a little anxious. I was impressed with the professionalism that they all showed.

... We will continue to support the Alaska Railroad in the future for the well-run organization that it is.
Wye of it: Community Open House slated for May 9

**ARRC prep for Fairbanks Open House**

The Alaska Railroad’s 2015 “Railroad Days” community open house is scheduled for 10:00 a.m. to 2:00 p.m. on Saturday, May 9. Railroad Days events provide Alaskans with a unique opportunity to interact with railroaders and to learn about the state’s railroad. The open house features popular FREE train rides, along with static displays of railroad locomotives, railcars and other equipment that afford an up-close, hands-on experience. The 9th Army Band ensemble will add to the festive atmosphere, playing popular and upbeat music. Several activities re geared toward children, such as railroad balloons, tattoos and Operation Lifesaver giveaways, all staffed by railroad volunteers.

ARRC is again providing a fund-raising activity to benefit a local Fairbanks area Scouting troop that will sell affordable hot dogs, snacks and beverages. Our Fairbanks Depot gift shop and rail ticket counter will also be open, and we will be offering Open House specials featuring amazing deals on summer rail travel. Let your friends and neighbors know!

The Alaska Railroad organizes Anchorage and Fairbanks open house events in alternating years, with the Anchorage open house held during even-numbered years and the Fairbanks open house held during odd-numbered years.

The pre-season open house is typically preceded by annual clean-up efforts as the railroad gears up for the busy summer months. This year is no different. We are tentatively organizing clean-up events in Anchorage, Whittier, Wasilla and Seward April 28-29 and May 7 in Fairbanks. Stay tuned for more details on how / when to volunteer.

**Crossings: Police Chief reminds railroaders to keep an eye out**

**If you see something, say something**

*By Police & Security Chief Agent John Bennett*

During the spring and summer months, warmer weather means we will begin to see more activity either on the tracks or within the right-of-way (ROW). It is incumbent upon all of us as Alaska Railroad employees to keep an eye out. If you see something that looks suspicious or “just does not look right” please gather as much information as possible (description of person/vehicle, license plate, milepost, direction of travel etc.) and report it to the ARRC Police & Security Department. If at all possible, take a photograph.

There may be other occasions when you see people and machinery working in the ROW, or too close to the tracks without an ARRC employee providing protection. If so, please report the location of this activity to ARRC Projects or Police departments. It is not uncommon to find out that some people are doing work within our ROW without the proper authorization or permits, so please…

**IF YOU SEE SOMETHING, SAY SOMETHING!**

**ARRC Phone Numbers:**

- Police related/suspicious activity, call Track Watch 265-2463
- Projects Office, call 265-2347
- Real Estate Office, call 265-2465
- Train Dispatcher, 265-2315 or 2316.
All Aboard is always looking for photos of employees and railroad operations to share in the newsletter. At year end we draw from the names of folks who submitted a photo. One lucky submitter receives $200 in gift certificates. To participate, submit photos to Stephenie Wheeler by email or company mail. Digital cameras should be set to “fine” or “high resolution” to ensure photos are suitable for print. Questions? Contact Wheeler at 265-2671 or WheelerS@akrr.com.