ARRC is first and only U.S. railroad to receive LNG-hauling approval

Stars align for LNG-haul demo this fall

The stars are aligning to make a liquified natural gas (LNG)-hauling demonstration possible in early fall. This is an important step toward developing LNG as a potential future line of business for the Alaska Railroad. In October 2015, Chief Operating Officer Doug Engebretson notified employees that ARRC had become the first and only railroad in the nation to receive approval from the Federal Railroad Administration (FRA) to move LNG by rail. This was in response to ARRC’s November 2014 request to move LNG by portable tanks on flat cars.

FRA approval came after year-long coordination among ARRC, FRA, Alaska Industrial Development & Export Authority (AIDEA), Association of American Railroads, Governor Bill Walker’s office, and Alaska’s congressional delegation (Senators Lisa Murkowski and Dan Sullivan and Congressman Don Young).

Scopia online conferencing and web presentation tool in test phase

Technology intros conference tool

The Alaska Railroad is moving toward a web-based conferencing tool that will make face-to-face and voice-to-voice virtual meetings and presentations more accessible to railroaders company-wide. The tool is Scopia. It is currently in the try-it-out phase and should soon be available to any railroader having a device with a screen and internet access.

Consider this recent real-world use:

A railroad Telecom Technician was in the field troubleshooting equipment and needed support from the manufacturer. He used his mobile smart phone’s Scopia app to conference with the manufacturer’s technical help section. Using the phone’s camera, the technician showed exactly what he was seeing on the equipment. In turn, the manufacturer’s representative understood the problem and recommended a solution. By fixing the problem in the field, the railroad technician didn’t have to remove and ship the equipment back to the manufacturer.

Imagine other scenarios:

Mentoring: A newer Fairbanks Locomotive Mechanic is puzzling over a wiring problem on an SD70MAC that is scheduled to power tomorrow’s southbound Denali Star. A veteran locomotive mechanic in Anchorage is asked to assist. Both mechanics fire up a shop notebook computer and log in to Scopia; and the Fairbanks Terminal Supervisor joins the conference on his office computer. Using the notebook’s (See “Scopia: Tele, Video Conferencing” on page 5)
President’s Message: Responding to Listening Session comments

Translating Comments into Actions

By President & CEO Bill O’Leary

During the first few months of 2016, hundreds of you attended Employee Listening Sessions and/or responded to the Employee Engagement Survey. We heard your concerns, ideas and questions, most of which relate to our four engagement focus areas: Accountability, Communication, Teamwork and Training. We are using your feedback to update our Engagement Goals and supporting company and department actions — look for updated 2016-2017 Engagement Goals to be posted on Inside Track under REFERENCES > Plans and Goals > Engagement Plan & Goals.

On July 5, I emailed all employees a summary of Listening Session comments. See highlights below (additional information or follow-up actions are noted in blue-italic):

Accountability

Accountability is up to each employee, at every level. Not surprisingly, the meaning of accountability varied among employees. Some view accountability in terms of job performance, and comments along these lines focused on the consequences for performing poorly. We heard concerns about costly mistakes due to poor coordination of capital projects or asset use, and an associated suggestion to spot check or audit projects to reveal cost control problems. Many of you agreed it is important to enforce consistent and fair discipline, and to follow-up on addressing sub-standard work.

Behavior is part of accountability, according to employees who see supervisors and managers as potential enforcers and facilitators of acceptable behavior. Some of you support greater decision-making authority for front-line supervisors, and others note that managers can avoid disruption and work conflicts through inter-department coordination. Some employees shared their frustration over a lack of courtesy in common areas, such as failure to clean-up or respect others’ property. One employee suggested more accountability examples be added to initial Ethics training and others recommend periodic refresher Ethics training. A flow chart on page 17 reminds Railroaders about company policies and state laws that guide Railroad employee behavior.

Accountability is seen in terms of company resources as well. We heard how one department addresses potential abuse of PPE allowances by requiring old steel-toe boots to be turned in before approving purchase of a new pair. Often employees that work daily with a piece of equipment have insight that doesn’t always bubble up to the top where capital spending decisions are made. Several baggage workers offered an example as they described problems they run into when working around aging baggage railcars. We answered questions about buying office furniture and funding office space improvements. A story on page 8 explains the capital planning and decision process for buildings, departments and offices.

Teamwork

The absence of teamwork often boils down to a lack of understanding, according to employees who recommend departments be required to conduct regular staff or status meetings to ensure employees know how they fit into the railroad team. Understanding how each of us can contribute to successful Positive Train Control depends upon the teamwork of nearly all company functions. Some employees mentioned greater teamwork occurs during the busy summer season, and wonder how this cohesion can carry into slower winter months. Just as understanding can build teamwork, we heard how constant criticism and blame toward other departments and employees can tear down the team spirit.

Communication

Many employees agree that intra-company communication relies more and more on technology, to include use of email, internet and mobile devices to access information on the Inside Track web site, on the network and through email messages. In late June, we mailed a memo reminding employees that all Railroaders have a company email address. A story on page 12 recaps the main ways to Plug into Company News. A few employees asked about better tools for conferenced communication and we told them about Scopia. See the story on page 1 where we explain the online conference tool that will soon be available company wide.

Comments about communicating within and between departments were heard at all the Listening Sessions. Employees say department heads can do more to talk to each other. Employees also said they would appreciate a response when submitting a Facility Maintenance or a Technology Help Desk request — our Technology and Facilities

Comments about communicating within and between departments were heard at all the Listening Sessions. Employees say department heads can do more to talk to each other. (See “President’s Message” on next page)
CFO Message: Step up individual performance one task at a time

Oil sector slowdown impacts freight

By Chief Financial Officer Barbara Amy

By now, you will have seen the May financial report from Finance and you already know that ARRC’s financial performance missed the mark by $1.1 million. You also already know that the miss was largely a freight revenue problem. While we are still ahead of our original budget of $9.3 million for 2016 by about a half million dollars due to positive variances through the first four months of the year, May’s report shows signs of difficult times ahead for the freight side of the business. The slowdown in activity on the North Slope due to weakness in the energy markets is a driver in the underperformance and is having an impact across a variety of ARRC’s freight business lines.

With that as a stage-setter, we are currently working on our June reforecast and revisiting budget assumptions for the second half of the year. As we are not through the process yet, it’s difficult to tell where we will come out, but I suspect that we will be forecasting net income for 2016 at a lower level than we are at now. We will also be taking a look at ARRC’s capital spending plan and batten-downing the hatches, so to speak. Unbudgeted requests for capital projects that come up between now and year-end that either are not mission critical or cannot show a solid value-added return on investment are not likely to go far. At the same time, we will continue to work the revenue and expense initiatives identified last December, and in some cases, moving recommendations forward in an effort to capture revenue growth and/or cost savings.

Following closely on the heels of the June reforecast will be the start of the 2017 budget cycle. While there are headwinds in the freight business, we have one key advantage and that is that ARRC is the low-cost mode of freight transportation, so to the extent that our customers are looking to save money on their freight movements, we are positioned to help them do that.

I once read about a professional tennis player who was preparing for a major match against a much stronger opponent. To prepare and focus on the task, she papered her hotel room with post-it notes that said “hold” and “break” in reference to her service game. To win the match against all odds, she prepared to step up her performance by focusing on one task at a time: hold your service game; break your opponent’s service game. If she could prevail on each task and not become overwhelmed by the match in its entirety, she would win. Likewise, we each own some part of ARRC’s success as we navigate through difficult waters. We can look at the energy markets and the state’s economic situation and become overwhelmed by the challenges, or we can each ask ourselves, how can I step up my game so that we can, as a team, come through this and come out ahead?

President’s Message...

The absence of teamwork often boils down to a lack of understanding.

involved with PTC. In particular, employees mentioned PTC training for locomotive mechanics in Fairbanks, and for Signal and Telecom technicians who need 2 years on the job experience to be proficient. The ability to track training requirements for individual employees and the effort to standardize mandatory training materials is supported by hiring a Training Manager and purchasing a Learning Management System. It will take time.

Your input is indeed important. Members of our Engagement Team, and myself, very much appreciate you for taking the time. If you want more details about the comments we received, be sure to check out my July 5 email. It is posted on Inside Track under NEWS > Leadership News > 2016 Leadership News.
ARRC has been working with Karl Alexy from FRA's Hazardous Materials Division to ensure we are meeting the conditions outlined in the FRA's approval letter. While the demo is not an FRA requirement, a number of operating conditions must be addressed in planning and preparing for the demo. The demonstration plan calls for two empty ISO tank containers to be shipped from Japan to Anchorage, and to be filled with Alaska LNG from the Titan plant near Port MacKenzie. FRA representatives are anticipated to be on-hand to observe the ISO tanks loaded onto a flatcar and hauled north as part of ARRC’s regular northbound freight train to Fairbanks. After Fairbanks Natural Gas offloads the gas into storage for later distribution to community customers, the empty ISO containers will be re-loaded onto a flatcar and added to the regular southbound freight train headed to Anchorage. The railroad hopes to complete four or more round-trip demonstration hauls by mid-October.

The ARRC team spearheading the planning and preparation includes Chief Operating Officer Doug Engebretson, VP Marketing & Customer Service Dale Wade, Maintenance of Way Superintendent Lloyd Tesch, Freight Marketing Director Tim Williams, Safety Director Tom Covington and Environmental Operations Manager Matt Kelzenberg. They are working to ensure that the operating stipulations in FRA’s approval letter are met, including adequate communication and training. FRA says train crews must be made aware of the characteristics and hazards of LNG, which is supercooled to negative 260 degrees. Likewise, emergency responders along the rail route must be trained on LNG characteristics, hazards and response methods. To prepare, Engebretson, Covington and Kelzenberg recently underwent LNG training. In turn, Kelzenberg will educate train crews, while Covington will meet with and train community responders once the ISO tanks arrive in early September. Training must be done and documented before the demonstration.

Quarterly rail flaw inspections are required for LNG transport. ARRC already conducts rail flaw detection work semi-annually, and the next inspection is scheduled early to mid-September in time for the demo.

The two 40-foot portable cryogenic tank containers comply with T75 regulatory standards that call for fortified tank walls and protective structures around the tank. Containers are on loan from Japan Oil Transport (JOT), which regularly hauls LNG throughout Japan. The containers are manufactured by Hitachi, one of several T75-compliant ISO tank makers interested in Alaska’s LNG market.

Representatives from Hitachi, other ISO tank manufacturers and the FRA are expected to observe the October-timed demonstrations. Results will be reviewed with FRA to ensure regulators are satisfied with ARRC’s ability to safely move LNG. If all goes well, ARRC will continue to look for opportunities to develop an LNG line of rail business that can meet Alaska’s growing energy needs, particularly in Interior Alaska. The timing is important, given other LNG-related planning and strategies. For example, Salix, Inc. is currently talking to AIDEA about building a larger scale LNG plant nearby the existing Titan plant to help meet natural gas demand in Fairbanks and other Alaska communities.

For more details about the FRA’s approval to move LNG, see the COO’s Oct. 15 and Nov. 2 memos, which include copies of the FRA approval letters posted on Inside Track > NEWS > Leadership Team News > 2015 Leadership News.
MILEPOSTS: Garner recognized as Guard and Reserve supporter

RAILROADER RECEIVES PATRIOT AWARD

Alaska Railroad Transportation Superintendent Jon Garner was recently awarded the Patriot Award from the Employer Support of the Guard and Reserve (ESGR) program. ESGR is a Department of Defense program established in 1972 to promote cooperation and understanding between Reserve and Guard service members and civilian employers. ESGR awards recognize employers for policies and practices that support participation in the National Guard and Reserve. The Patriot Award is presented to an individual supervisor and typically stems from a nomination submitted by a Guard or Reserve member. In this case, Conductor / Brakeman James King nominated Garner for being very supportive of King's military service as a Specialist in the U.S. Army Reserve, as well as being supportive of other railroad employees as they fulfill their Reserve and Guard commitments.

Scopia: Tele, video conferencing...

(continued from page 1)

built-in camera, the Fairbanks mechanic captures an image of an electrical component that stubbornly refuses to engage. The Anchorage mechanic videos a troubleshooting procedure to pinpoint the necessary repair.

Customer Service: An excited customer calls the Railroad’s Freight Marketing office in Anchorage to request a trailer with time-sensitive cargo be added to the barge headed for Whittier the next day. The trailer will arrive at the Seattle dock that evening. Using the desktop Scopia application on company computers, ARRC’s Freight Account Manager conferences with Seattle and Whittier Marine Operations Managers, and an Accounts Receivable Technician. Scopia guest log-in information is emailed to the trailer owner who conferences on his laptop. Guest log-in information is texted to the truck driver, who will join in on his phone once stopped in Portland to refuel. The connected group works out loading and unloading logistics, completes the necessary paperwork, and accommodates the last-minute barge addition.

According to Telecommunications Director Joe Carlton, Scopia represents a much-needed evolution from older teleconferencing technology to a more modern and robust feature-rich system. “The Railroad’s current conferencing system is a mix of outdated equipment no longer manufactured or supported,” said Carlton. “This leaves ARRC vulnerable to having no conferencing capability at all should equipment fail.”

Scopia was chosen for a number of reasons:

- Scopia is easy to use.
- Scopia supports teleconferencing, video conferencing and web presentations. While similar to Webex, it is hosted on ARRC’s system.
- The price is right. ARRC does not pay additional fees and can use it as much as needed.
- Browser-based, it works on any PC. It works on most browsers, but best on Internet Explorer.
- ARRC’s old conferencing system accommodated a very limited number of concurrent callers. Scopia can handle up to 80 users per meeting.
- ARRC gets unlimited mobile licenses on either iOS or Android, so it’s available for smartphones and tablets.
- Scopia can be used with audio-visual equipment in conference and training rooms. It is already integrated with the new video system in the HR Conference Room, and is still compatible with older equipment in the Board Room and Anchorage Operations Center Room 202.
- Scopia can connect people inside and outside the company.

Railroaders in Technology, Advanced Train Control Systems, Signals, Safety and Telecom are currently trying various features, determining support needs and confirming system stability. The Help Desk and Technology Department are developing an installation and training plan to include written guidance and instructional videos that will be posted on the Inside Track employee web site. Stay tuned.
## Mileposts: Railroaders mark service milestones

### Service Awards: Second Quarter

#### 1 Year
- Elliott Amundson-Clyne  
  Bridges
- Peter Blake  
  Project Management
- Andrea Brainerd  
  Guest Services
- Jerrod Brown  
  Mechanical
- Toni Curry  
  Corporate Affairs
- Christian Davis  
  Mechanical
- Christine Flanery  
  Real Estate
- Beth Fleischer  
  Technology
- Adam Headdings  
  ATCS
- Russell James  
  ATCS
- Steven Kunemund  
  Signal
- Ashley Long  
  Guest Services
- Joseph McKee  
  Maintenance of Way
- Mike Milazzo  
  Guest Services
- Jesse Moose  
  Project Management
- Jarvis Rabb  
  Maintenance of Way
- Joy Rivera  
  Accounting
- Shannon Sanderson  
  Guest Services
- Lauren Shinn  
  Transportation
- Amy Smith  
  Project Management

#### 5 Years
- Charles Estes  
  Maintenance of Way
- Stephen Hupe  
  Mechanical
- Sean Korshin  
  Transportation
- David McKinley  
  Mechanical
- Joseph Reinhardt  
  Signal
- Matt Romine  
  Mechanical
- Tim Sullivan Jr.  
  Corporate Affairs

#### 10 Years
- Ben Ahrens  
  Transportation
- Bradley Blattler  
  Maintenance of Way
- Michael Budd  
  Maintenance of Way
- Danillo Corre  
  Maintenance of Way
- Duke Creighton  
  Maintenance of Way
- John Cusack IV  
  Maintenance of Way
- Andrew Dekreon  
  Technology
- Douglas Falgoust  
  Facilities
- Shawn Grimes  
  Maintenance of Way
- Emily Hoffman  
  Accounting
- Kathy Kraft  
  Police & Security
- Brian Lindamood  
  Project Management
- Delbert Sellards  
  Maintenance of Way
- Richard Surakus  
  Mechanical
- Bob Thomas  
  Technology
- Ted Woodward  
  Transportation

#### 15 Years
- James Coltellaro  
  TOFC/Mechanical
- Chris Corbel  
  Facilities
- Jethro Greenbaum  
  Transportation
- Todd Lemay  
  Mechanical
- Edna Racicot  
  Transportation
- Stephenie Wheeler  
  Corporate Affairs

#### 20 Years
- Roy Thomas  
  Engineering Services

#### 30 Years
- Julie Zappas  
  Legal
Spike Awards in Second Quarter 2016

Gift Shop Team

A crack team of Gift Shop and Depot Services Associates helped the Alaska Railroad Gift Shop mark an exceptional 15-month period of sustained and remarkable growth. The team includes Gift Shop Inventory Technician Nicole Kofoid; Anchorage Gift Shop Sales Associates Rosalinda Fretwell, Sherwin Pe Benito and Shannon Sanderson; Denali Depot Services Associates Ellen Maculsay and Josephine Ramos; and Fairbanks Depot Services Associates Ellen Maculsay and Josephine Ramos; and Fairbanks Depot Services Trainee Ashley Long. Although the majority of depot sales staff are seasonal, many return year after year, bringing their knowledge, efficiency and customer service back to build a team that is as strong as ever.

Total Gift Shop sales realized a near-13% year-over-year hike in revenue, from $594,665 in 2014 to $670,205 in 2015. The group continually budgeted revenues by wide margins. For 2015 alone, actual revenues of $670,205 were $120,205 over the $550,000 budget. First quarter numbers showed a continuing trend into 2016. Sales proceeds from January-March of 2015 totaled $40,455. During January-March 2016, proceeds totaled $60,623 — that's a whopping 50% increase! Of the five sales categories — Anchorage Gift Shop, Fairbanks Gift Shop, Denali Gift Shop, In-House Sales and Internet Sales — the latter grew the fastest. Internet sales grew by more than 22% from 2014 ($34,184) to 2015 ($41,799). So far in 2016, Internet sales are still growing by leaps and bounds (135%), as evidenced by first quarter 2015 online sales ($6,943) compared to 2016 first quarter online sales ($16,281). Such growth is directly attributable to the employees who have worked hard to maximize sales with each passenger and customer that walks through the doors. Their purchase suggestions on sales items such as the Ride Guides really add up. For example, Ride Guide sales nearly doubled from 4,362 guides booklets sold in 2014, to 8,529 booklets sold in 2015.

Signal - Telecom - Dispatch Team

Twenty-five railroaders comprised a cohesive multi-department team that helped mitigate serious train delays due to the loss of a key communication site on Sunday, May 29, the day before Memorial Day. Signal Department responders include CTC Foreman Shannon Jenson, CTC Signal Technician Tim Malley, Signal Maintenance Manager Rodney Neal and Signal Maintainers Moe Brady, Josh Kuznicki, Tim Lewandowski, Tony Nakjua, Allen Reynolds, Scott Vietmeier and Shane Webb. The responding Technology / Telecom team includes Telecommunications Manager Brian Studinski, Telecom Work Leader Andrew Brandal, Telecom Engineer Brian Thompson, Telecom Radio Technician Scott Thompson; Network Engineers Wes Saunders and Brian Scheid, and Telecom Technicians Edmund Ausman, Kasey Cavyell, Glen Collinson, Tobin Dorman and Adam Kincaid. And, those from Dispatch included Chief Dispatcher Arlene Rhoades, Train Dispatchers Michael Alfaro and James Pype, and Train Dispatcher Student Lauren Shinn.

A lightning strike to the Cottonwood site’s antenna caused a shelter fire that damaged the equipment and cut commercial power. As a result, we lost codeline communications to seven control points critical to train operations over 30 miles of track from Birchwood to Pittman. We also lost dispatch radio to the Wasilla area and communication to the Wasilla section. The initial situation caused a delay of more than 2 hours to a freight train required to reduce its speed and stop at each switch to inspect. Knowing such long delays would also happen to every train traversing this area, a team comprised of Telecom, Signals and Train Dispatch personnel quickly responded. This team’s professionalism and work performance over a holiday weekend ensured delays to six scheduled trains were drastically reduced from 4 hours to less than one.

Here’s what happened: When the urgent call came midway through the Memorial Day weekend, no one hesitated to report. Signals and Train Dispatch employees quickly began developing and implementing a plan to station personnel at the control points in advance of all trains to visually verify switch positions and manually line signal indications. By doing so, trains could move at maximum allowable speeds and avoid having to stop at each switch and signal. This action reduced delays by 15 minutes per control point. The on-duty Train Dispatcher worked directly with the Signals personnel in the field to ensure safe train movement, and facilitate successful train operations. Meanwhile, the Telecom team developed and implemented a communication restoration solution within 24 hours using materials on-hand. In remarkable time, the Telecom team gathered the requisite materials and gear and deployed to Wasilla, where they set up a temporary mobile communication shelter and a generator power source, and installed radios, network equipment and temporary antennas to restore communication service at multiple sites. This was critical to relieving Signal maintainers who had reached their hours of service.

All Aboard 7 2ND QTR 2016

35 railroaders nominated for Silver Spike Team Awards April - June
On Track: Formalize and take credit for mentoring efforts

Office Upgrades: Plan for Projects

During our recent Listening Sessions in late April and early May, the topic came up about how office upgrades for such items as new desks, chairs, carpeting and cubicles are considered, approved and implemented within our budgeting process.

Securing an office upgrade boils down to three factors: 1. an individual department’s planning; 2. company capital priorities; and 3. available funding. Departments control factor one. The department heads are responsible for planning and budgeting for the office environment needs of their personnel — from replacing aging furniture to modifying inefficient office space.

The Facilities Department is not responsible for furnishing or even remodeling department spaces. They have different fish to fry. During twice-per-year visits to each railroad building, Facilities identifies projects to save energy (lighting and insulation, for example), prevent weather damage (roof repair, for example) and mitigate safety risks (electrical upgrades, for example). This department’s energy-saving efforts have made remarkable progress:

- Anchorage Yard Boiler: Cut annual natural use by 57% (2014 vs. 2007)
- Anchorage Car Shop: Reduced annual electricity use by 58% (2014 vs. 2011)
- Anchorage Heavy Equipment Shop: Reduced lighting electricity use 61% (2015 vs. 2014)
- Fairbanks Car Shop: Reduced natural gas heating use 20% (2015 vs. 2014)
- Seward Dock Terminal Building: Reduced heating fuel use by 19% (2015 vs. 2014)
- Emission Reduction: Natural gas reduction alone equates to 2,811 fewer metric tons of Carbon Dioxide emitted.

In terms of space remodeling, Facilities focuses on common areas like restrooms and break rooms.

Whether identified by the Facilities Department or requested by another department, building and office improvements must vy for very limited dollars. Upgrades are only approved where supported by analysis and need. Some money is set aside for projects identified by the Facilities Department. And, some money is made available for department upgrades because railroad leadership understands that furniture does wear out and remodeled spaces can make a big difference in worker productivity and customer service.

Furnishings or upgrades costing less than $5,000 can be expensed as part of a department’s budget if approved during our annual budget process. Projects that cost more than $5,000 must be vetted through the capital request process.

So how does an office project become a contender for capital funding? Requests should reflect a plan that clearly shows you’ve done your homework, said Facilities Director Paul Farnsworth. Homework includes:

A. Make a case for why your proposed capital improvement is needed. Explain how changes will improve workflow, boost productivity and morale, and/or avoid injury. Note how many people stand to benefit, including department staff and internal or external customers.

B. Develop a plan and budget with expert help.

Farnsworth stressed the importance of involving the right expertise early in the process.

- Consult with the Facilities Department to clarify what can and cannot be done, to account for other facility projects, to identify potential savings, and to develop a budget for the work that Facilities technicians would need to accomplish.

- Consult with Technology for insight into needs for telephone and network connections, cable lengths, and equipment to fulfill specialized needs; and to calculate the cost of materials and technician time. Note: Departments should distinguish between office furnishings and computers because computers, for example, are covered under a separate and existing capital refresh plan. The refresh plan calls for computers to be upgraded on a staggered timeline, so that each year some of the oldest models are replaced.

- Consult with Furniture Vendors. For example, in Anchorage, Arctic Office Supply will visit the office and provide expert advice on office layout and furnishings, a plan diagram, and a budget with budget options.

C. Plan for the pitfalls. As you develop a project plan and case for budget approval, consider the following.


- Time equates to money. A well thought out and implemented plan can save us money. For example, vendor discounts equate to savings, but schedule and approval delays can affect those discounts.

(See “Capital Budget Planning” on next page)
**Capital Budget Planning...**

(continued from previous page)

- It may make sense to replace desks, chairs and other furnishings for everyone in the department at once, knowing the upgrade must last at least 10 years. Or, it may make sense to replace one or two desk/chair sets per year, depending upon existing office furnishings and the availability of funds. When planning, keep the company's financial status in mind.

- Consider budgeting for a small contingency to cover the things that you would not expect, but often happen during a renovation.

- Include employees and other stakeholders in the design and product selection process so you get an upgrade that truly works.

  “The bottom line: In these tight financial times, it is more essential than ever to do your homework and determine what is truly needed for workspace functionality versus nice-to-haves,” said Vice President Business Management and Corporate Affairs Wendy Lindskoog. “Management understands that stuff wears out and that periodic upgrades are needed. We hope this provide a roadmap for future considerations.”

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**Mileposts: 74 people joined the railroad April - June 2016**

**Welcome New Hires: 2nd Quarter**

Matthew Berry ...................... ATCS
Ryan Benedict ..................... Maintenance
Tait Bennett ...................... Guest Services
Mark Binder ....................... Maintenance
John Bjorgaard .................. Maintenance
James Bostic ..................... Maintenance
Martin Boyle ..................... ATCS
Andrea Brainerd ................ Guest Services
Erik Bronczyk .................... Guest Services
John Ryan Butler ................. Mechanical
Christopher Campbell .......... Maintenance
David Chouinard ................. Guest Services
Jazmin Clay ....................... Guest Services
Daniel Coomes .................. Maintenance
Devon DiPentima ................ Guest Services
Dixie Dittbrenner .............. Guest Services
Caleb Eastham .................. Guest Services
Dustin Escalante ................. Guest Services
Paulo F’amu’li .................... Maintenance
Holly Fair ......................... ATCS
Samuel Fonow .................... Maintenance
Chris Freer ....................... Guest Services
Rachel Garcia .................. Guest Services
Dustin Gaubatz ................ Maintenance
April Gold-Wetzel (FAI) ...... Guest Services
Kayla Grimes .................... Guest Services
Kassandra Hupe ................ Guest Services
Blake Jernigan ................ Transportation
Hunter Johnson ................ Guest Services
Nicole Kiana .................... Guest Services
Caitlyn Lewis .................. Transportation
Samual Little .................... Maintenance
Andrew Lyon (FAI) ............ Guest Services
Ross MacDougal ................. Maintenance
Emily McMahon ................ Guest Services
Jessica McCarver ............... Guest Services
Jessica McCollough ............ Guest Services
Jocelyn Murchie ................. Guest Services
Julie Myers-Foster ............ Finance
Brooke Neel ....................... Guest Services
Matthew Newkirk ............... Guest Services
Pieter Nieuwland ............... ATCS
Brian Northcutt ................. Maintenance
Jac Norvell-Moormaugh ........ Guest Services
Eliza Oldham .................... Guest Services
Colleen Ou’rts ................. ATCS
Jacob Page ....................... Maintenance
Klark Pennings ................. Mechanical
James Pype ...................... Transportation
Frederic Ready ................ Mechanical
Joseph Saelens ................ Mechanical
Leilani Sala ....................... Guest Services
Micah Samuelson ............... Maintenance
Tekla Shaw ...................... Guest Services
Rick Shell ....................... Legal
Tristan Stokes ................ Guest Services
Tini Suemai ..................... Maintenance
Eric Tatera ....................... Guest Services
Danielle Warbington .......... Guest Services
Scott Wells ...................... Guest Services
Elizabeth Whisenhant ........ Guest Services
David Williams ................ Maintenance
Stephen York .................... Guest Services
Supervisor Training Curriculum is shaping up with 5 of 12 courses

Training Update: Teaching, Mentoring

By Toni Curry, Training & Development Manager

Many people at ARRC are responsible for delivering training. In 2015, more than 40 people attended the comprehensive three-day Methods of Instruction course presented by human resources consultant Lynne Curry, PhD. The object of the course is to standardize training tools and methods across the Railroad and to ensure trainers are qualified to provide training in their respective areas of expertise. Another Methods of Instruction course will be offered in-house in 2016. If you, or other members of your department are responsible for providing training, whether in a classroom, on-the-job or in less formal forums, keep an eye out of the course announcement and plan to attend.

A few people are taking advantage of the new Mentoring program. Mentoring is an informal, relationship-based method of learning more about the business of running the Alaska Railroad. It gives Mentees a chance to spend some one-on-one time with another ARRC employee with more, or different business experience. If you are a non-represented employee, and you would like to be a Mentor or Mentee, please contact Toni Curry, Manager, Training and Development at CurryT@akrr.com.

Employees mentioned training in several of the listening sessions, but in most cases, didn’t provide specifics. It would be helpful to know:

- Exactly what type of training you want to see.
- Identify existing training that needs to be improved, and describe in what way.

Is the on-the-job training high quality? Is there a specific course that has gotten stale? Are you (and others) getting little benefit from “self-taught” instruction that boils down to a PowerPoint presentation and signing a roster? General requests for “more and better training” don’t provide enough information to help us make informed decisions on where to invest training dollars. Please send details to Toni Curry, Manager of Training & Development at CurryT@akrr.com.

There are now five courses completed for the Supervisory Training curriculum. Several people have taken the Customer Service course, and the Teamwork course was recently taught as a pilot course in Fairbanks. Courses on Effective Listening, Recognition, and Leadership Essentials will be piloted by the end of summer. Be on the lookout for course announcements in August! Questions? Contact Curry at ext. 2468 or email CurryT@akrr.com.

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- Identify existing training that needs to be improved, and describe in what way.

Is the on-the-job training high quality? Is there a specific course that has gotten stale? Are you (and others) getting little benefit from “self-taught” instruction that boils down to a PowerPoint presentation and signing a roster? General requests for “more and better training” don’t provide enough information to help us make informed decisions on where to invest training dollars. Please send details to Toni Curry, Manager of Training & Development at CurryT@akrr.com.

There are now five courses completed for the Supervisory Training curriculum. Several people have taken the Customer Service course, and the Teamwork course was recently taught as a pilot course in Fairbanks. Courses on Effective Listening, Recognition, and Leadership Essentials will be piloted by the end of summer. Be on the lookout for course announcements in August! Questions? Contact Curry at ext. 2468 or email CurryT@akrr.com.

Fairbanks Carmen and TOFC Equipment Operators learn re-railing

Fairbanks Mechanical derail training

This spring, Fairbanks Carmen participated in an annual derailment training class led by Mechanical Supervisor Mike Ervin. Training took place on the south end of the Fairbanks Carshop. Several Trailer on Flat Car (TOFC) equipment operators also attended to learn about the derailment equipment and the re-railing process.

Photos below taken by Katrina Martolano, Manager, Fairbanks Freight & TOFC.
Railroaders can help educate friends, family via social media sharing

Promote safety to ‘Pokeman GO’ fans

The popular Pokemon GO game has inspired sometimes intense play activity since the interactive app was released on July 5. The game encourages players to use mobile devices to find and capture Pokemon characters that appear on screen against real-world backgrounds. To interact with a character, players must be within 40 meters of the “way points” where characters may be found. Most way point locations — known as “Pokestops” — are local businesses and landmarks, including around the Alaska Railroad. The railroad has anecdotally learned about several Pokestops around railroad facilities and within railroad land reserves. In Anchorage, these include (but may not be limited to) the historic Locomotive #1 monument and Quyana Park signs across from the Anchorage Historic Depot, the ARRC Headquarters Building clock tower, the Bridge Restaurant over Ship Creek and, most concerning, the back doors on the platform side of the Anchorage Historic Depot. In Fairbanks, the community water tower and Fairbanks Depot have been identified as Pokestops.

ARRC Chief Special Agent John Bennett referred to several reports around the country that tell of people being hurt and killed while being distracted by the game. People who are hyper-focused on the game have ignored risks and dangerous situations in the environment and paid a heavy price. Bennett reminds Alaska Railroad employees to keep an eye out and be vigilant around the workplace. “If you see Pokemon players glued to their cell phones in areas they should not be, please re-direct folks to safer areas off our property or notify the Police and Security Department at 265-2463,” he said.

While the railroad is investigating how to request the game-maker remove restricted areas from the game system, this may not happen quickly, if at all. In the meantime, Railroaders can also help spread the word to family and friends in conversation and through their social media networks. ARRC has posted Pokemon GO-specific safety messages on our Facebook, Twitter and Instagram pages. These should be shared or re-tweeted to promote public safety.

Railroad Safety works with Mat-Su fire and other first responders

RR assists Mat-Su fire response drill

In response to ARRC Safety Department outreach to railbelt emergency response agencies, the Mat-Su Central Fire Department requested training to help its responders become better prepared in the event of a railroad incident. Nearly 50 firefighters and other emergency responders attended one of three sessions with tank cars and a locomotive staged at Pittman Siding (north of Wasilla) in July.

Train crews (Engineer Marty Jones, Conductor Darren Toppin and Utility Trainman Luke Noxel on day one and Engineer Roy Degenstein and Conductor Mike Reed on the last day) offered insight into locomotive mechanical and fuel features and key personnel). Mechanical Supervisor Josh Cappel advised on the mechanics, moving and safety features of tank cars. Safety Director Tom Covington briefed on railroad response protocols. “The train crews and Josh did a great job, and the training was well-received,” said Covington. “This is the first of many training opportunities along our route.”

Far Left: Railroad Safety Director Tom Covington, center, briefs Mat-Su emergency responders. Below-left: Mat-Su Firefighters douse a simulated tank car “fire” on Pittman Siding.
By Susan Lindemuth, Director, Human Resources

A communication recently went out to non-represented employees to provide the status of the Non-Represented Compensation and Classification Study. In 2014, the ARRC contracted to conduct the study, which included a review of job descriptions, a salary survey, and recommendations for an updated salary schedule, classification system, and compensation policy. We undertook this important project to provide our company a current foundation for compensation and classification decisions going forward. Our previous system was woefully out of date, not tied annually to inflation adjustments and many job descriptions for non-represented employees were no longer accurate.

Compensation recommendations were implemented on May 1, 2016, with a new compensation policy and pay schedule. Each non-rep position has a new job code and is assigned to a new pay grade. The salary schedule has been updated with new minimums, mid-points and maximums, and the compensation policy provides for regular updates to the salary schedule, so it keeps up with inflation and the market and does not get out of date.

Questions have been raised about why positions with the same job title (e.g. Manager) have different pay grades. The classification system uses point factor evaluation based on five factors: technical and operational knowledge, analytical skill and impact, supervision and control, communication and working conditions. Different points are associated with different responsibility levels, knowledge and accountability for each factor. Not all manager positions have the same span of control, responsibility, and knowledge and experience requirements.

Therefore, they are assigned different points. Each factor's total points are compared to a range of point values assigned to each pay grade in the salary schedule. This determines a position's pay grade.

Folks have questioned where non-rep salaries fall, when compared to the mid-point of the salary ranges. Compensation professionals use a “comparatio” (actual salary divided by current market rate) to evaluate the competitiveness of an employee's pay level. On average, our non-represented employees have a compa-ratio of 1.003, which means that they are being paid very close to the mid-point of their ranges. This varies by employee for several reasons.

Another question has been raised about how represented salary ranges are set. Represented salary ranges are negotiated between the ARRC and unions. Various unions have significant differences in their salary structure (number of ranges, number of steps, how employees advance between steps).

Both the structure and the pay rates are negotiated. Annually, we participate in the Alaska Cross-Industry Salary Survey sponsored by Milliman. Surveys don't include all job classes, just those that are representative of the employers being surveyed. The results of that survey show that, on average, represented positions in the survey are paid very close to the market. There can be variations by job class, with some positions paid above the market and some paid below the market.

ARRC's compensation program philosophy is to provide an attractive, flexible and market-based total compensation program and to be competitive in recruiting and retaining employees through its high-quality compensation practices. Based on the analysis of our salary structure and pay rates, we are achieving our goals.

Employees recently received several notices about staying informed, especially with electronic means. In June, a mailed memo explained how to “Plug into Railroad News” via company email and the Inside Track employee web site. Technology notified employees that information stored in JDEdwards (JDE) is used to update Outlook email contact information. In July, Human Resources mailed a personalized contact form showing employee information entered into the JDE database, and providing a chance to correct errors and/or to add personal email and cell phone (text) information to receive railroad notices. This flurry of communications responded to comments from spring Listening Sessions. Key points:

- Every employee has an @akrr.com email address that may be checked from work or home using Outlook web access.
- Email is an important way to get company news by checking at least twice per week.
- Personal email and/or cell phone (text) are voluntary ways to get railroad news / notices.
- The old WEB.AKRR.COM intranet was retired June 20, and the interim My Portal website will be retired this summer.
- Please become familiar with Inside Track — https://insidetrack.akrr.com/ for news.
To continue the journey begun in 2015 All Aboard issues, here is the next Mile Post in your travels toward a successful retirement. “Every journey begins with the first step!”

**MILEPOST 5: STAY ON COURSE.** This is the final stretch of the financial race. If you’ve kept up with your investments, especially if you started in your 20s, then you’ll feel confident about your upcoming retirement. Much like the decades before, you should follow a budget, pay off debt and build wealth through investments. You might even have your mortgage paid off which could result in additional funds available each month. Instead of spending these funds, consider investing them.

Once you turn 50, you can start investing additional money in your retirement savings plans. Contribution limits for 401(k) plans and IRAs (including traditional and Roth) usually increase each year, allowing you to invest more each year. This is a great way to either get ahead with your investments or catch up.

It is also time to do some realistic projections about your financial status during retirement. Here are 4 ways to help you determine whether you are financially ready for retirement:

1. **Crunch the numbers.** Map your projected income — from personal assets, income, pensions and Social Security — against projected expenses. This is perhaps the most accurate way to determine if you are on track to fund your desired lifestyle in retirement. But it will require more than a weekend of number crunching.

What’s involved? On the income side, it means calculating how much you will receive from your pension(s) and Social Security (if applicable); how much you can safely withdraw from investment accounts earmarked for retirement (assume 2% to 4% per year); and how much you might earn from working during retirement.

On the expense side, it means calculating how much you’ll spend on essentials such as housing, health care, food and transportation; and how much you’ll need for hobbies, trips, gifts, etc. This method, though time consuming, is the best.

2. **Use an Income-Replacement Ratio.** Determine what percentage of your current salary you will need to generate in retirement to live comfortably. Generally, advisers say you’ll need to replace 80% of your pre-retirement income. Part of this exercise requires figuring out what portion of your income will come from which sources in retirement.

3. **Divide how much you’ve saved for retirement by your current salary.** A suggestion is to have 10 times your salary saved at retirement, eight times your salary saved by age 60, six times by age 50, three times by 40 and one time by age 30. What is your percentage?

4. **Use an online calculator.** There are many online calculators you can use. Vanguard, the ARRC 401(k) Record keeper has one. AARP, and Ballpark E$timate have calculators as well.

If you are more than 10 years from retirement, simple tools are appropriate. However, if you are 10 years or less from retirement, there may be no substitute for using actual income and expense numbers to determine your readiness.

5. **Balancing your portfolio** is the final piece to the puzzle. In your 20s and 30s, you could pursue riskier investments without completely endangering your financial security. The older you become, you might want to consider rebalancing your portfolio so that you’re protected from sporadic plummets in the stock market (remember 2008!).

Look in upcoming communications for the final Mile Post on the journey to a comfortable and successful retirement. As always, feel free to call or stop in and see Pamela Reil, Retirement Specialist (ext. 2273), and/or Theresa MacLeod, Manager ARRC Corporate Retirement Plans (ext. 2346) for forms, help, or to answer questions.
At any given time, an Alaska Railroad train is likely crossing a roadway, moving into a siding or changing “lanes” onto a parallel track. Signal Department equipment helps to regulate the timing and safety of those train movements:

- **Electronic control equipment** accepts direction from Train Dispatch, and monitors digital information from wayside devices and in-track sensors. In turn, the control equipment operates crossing, signal and switch equipment accordingly. Control equipment is housed in small shelters situated nearby an at-grade crossing or switch (control point).

- **Signals** resemble a highway traffic light with three lamps stacked vertically. A signal is often installed on a pole beside a single track; multiple signals may be affixed to a bridge structure over two or more tracks. Signals advise the train engineer about the acceptable speed for an upcoming stretch of track — green is lit if the train is traveling at or below the maximum speed; yellow is lit if it must slow down; and a red light means “stop.” When PTC is fully implemented, if an engineer does not comply with signal indicators, radio instructions from the Control Point will force the train to a safe stop.

- **Crossing gates** warn the public that a train is approaching with flashing red lights, bells, mechanical arms and stop signs.

- **Detectors** are installed along the track (wayside) to identify and notify when potentially dangerous situations arise. High-wide detectors activate when railcars or cargo are oversized — either too tall or too wide for a tunnel or bridge. Hot wheel / hot bearing detectors sense overheating within a railcar’s wheel truck assembly. Dragger detectors indicate when cargo, containers or freight binding drags along the track. The AEI (automatic equipment identifier) detector pinpoints which railcar is too high/wide, has hot wheels/bearings, or is dragging something.

- **Power-generating systems** provide electricity to control equipment, signals, switch heaters and motors, and wayside detectors along remote stretches without ready access to commercial power. Some power systems harness solar and wind energy; others more efficiently use propane energy stored in solid oxide fuel cells.

### Signal Equipment Activation

According to Signals Director Harry Newell, signal equipment is activated in three ways: by a train, a dispatcher or a signalman.

In the first way, as a train approaches an at-grade crossing, the locomotive “shunts the track” activating train speed sensors embedded in the rail. Train speed information is sent to the control equipment, which in turn activates the gate apparatus. As the train moves through the crossing, a sensor in the middle of the crossing confirms the train’s direction. On the other side of the crossing, another in-track sensor confirms when the train clears the crossing, sending an “all clear” message to the control equipment, which then reopens the gates.

The second way signal equipment is activated is through the Anchorage Operations Center (AOC) Train Dispatch office where a dispatcher controls a train’s movements through an area.

Thirdly, in an emergency situation when electronic communication is interrupted, signal maintainers may activate signal equipment. This was the case recently, when an outage at the Cottonwood communication site prevented radio communication needed to properly operate signal equipment. Until communications were restored, signalmen were on-site at some of the affected control points to monitor train activity, and operate the signal equipment to move trains safely and on schedule.

*(See “Spotlight on Signals” on next page)*
Telecom Department expands ways employees can ask for assistance

Telecom offers new Assistance Line

Railroaders have a new way to ask for help with a phone, radio or other telecommunications problem or issue — call the Telecom Assistance Line — 265-3900

This number rings at the desk of key Telecom personnel during normal Telecom office hours, 7:00 a.m. to 3:30 p.m. After hours, weekends and during holidays, the same number will auto forward to the Telecom on-call manager. Please limit after hours, weekend or holiday calls to issues that affect safety or train movements. Some examples would be dispatch radio outages, network/communication outages that affect train dispatch or phone outages that could affect operations.

For all routine Telecom related issues, employee are asked to use the Technology Division’s WebHelpDesk to open a ticket that helps technicians log and track progress on problems and projects. Access the WebHelpDesk system by sending an email to helpdesk@akrr.com or by going to the WebHelpDesk app — look for the Technology SERVICE REQUEST button on the home page of the employee website, Inside Track. Technology / Telecom prefers customers to open tickets for routine items.

Spotlight on Signals...

(continued from previous page)

Communications infrastructure — including radios, base stations and towers with radio, microwave and antenna equipment — is essential to the function of signal equipment. Not surprisingly, early most mornings Newell can be found in the office next door to his own, talking to Telecommunications Director Joe Carlton. The two directors meet almost daily to plan and coordinate the work of their closely aligned departments.

Signal Work and Workers

The nearly two dozen Signal Department employees divide most of their time between building signal infrastructure, supporting PTC and maintaining signal equipment. A Construction Manager and a Maintenance Manager plan, monitor and direct the work of their teams. They also support their teams by ensuring the Signal & Telecom facility’s warehouse is well-stocked. Likewise, the facility’s Signal Lab must include every signal device to facilitate testing and troubleshooting problems with corresponding equipment in the field. Difficult troubleshooting problems frequently fall to the experienced and skilled Signal Foremen or CTC Technician Foremen, who lead work performed by seven signal maintainers and two CTC technicians. Similarly, two veteran Work Leaders organize the work of seven signal construction crew members in the field.

The Federal Railroad Administration requires signal equipment be tested at least annually and usually more often, such as at 30- and 90-day intervals. This regulatory mandate takes up a significant chunk of the department’s time. Given responsibility for about 8,000 signal-related assets operating 24/7 in the field, about a third of the department’s manpower is dedicated to regular maintenance, from charging batteries, to repairing cables and circuitry, to replacing worn components. Troubleshooting also occurs year-round, but there tends to be an uptick in winter when ice and snow causes problems, says Newell.

“With all they need to understand to accomplish this highly technical work, Signal Maintainers are among the smartest people on the railroad,” said Newell. “You can depend on a signalman to get the job done, no matter the weather or time of day.”

Signal equipment has become remarkably sophisticated with technology advancements. As an example, below is pictured a modern relay (in hand) and below it, a decades old relay model.

Track-side signals, automated switch, and signal control shelter.

(Signal story Photos by Stephenie Wheeler, except the photo of Tim Malley is by Judy Patrick)
**Myth Busters: Rumor fact or fiction?**

During the fall Town Hall Meetings and spring Listening Sessions, and through submitted Suggestions and Questions, often rumors come to light that are based on wrong assumptions or skewed facts. This new column will highlight some of mythical rumors we come across. Contact Stephenie Wheeler, WheelerS@akrr.com or 265-2671, if you hear rumors that make you wonder what is fact or fiction. We’ll print the answers here. First two myths:

**MYTH:** The Alaska Railroad spent $13 million to build a Gift Shop in Denali.

**TRUTH:** Holland America Line (HAL) recently spent tens of millions of dollars to expand the HAL / Princess lodging and resort campus near the Denali National Park entrance. As part of this expansion, HAL converted a small building on the campus into a gift shop that features Alaska Railroad merchandise. The railroad sells ARRC merchandise at wholesale to HAL, benefiting from the exposure and additional revenue, while avoiding expense. This gift shop’s staffing and facility operational costs are covered entirely by HAL, and merchandise is hauled north on our own trains so shipping cost is nominal.

**MYTH:** ARRC is looking to contract its Telecom function to the State of Alaska

**TRUTH:** As part of our Budget Initiatives, ARRC and State telecommunications departments discussed potentially new areas to cut costs and save resources through shared services, but concluded we’re already doing a lot in this space. In recent years, ARRC and State telecom shops have fostered a closer working relationship, agreed on roles and responsibilities for shared sites, pooled resources on jointly beneficial projects, and standardized equipment to enable either shop to respond to or troubleshoot urgent situations. Given PTC and continual advancements in technology, there are no plans to outsource or reduce the ARRC Telecom workforce. We will continue to work with our State counterparts in the future to find ways to

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**Old employee web site, WEB.AKRR.COM, no longer in service**

Old Intranet retires. Use **Inside Track**.

As the first half of 2016 came to an end, so too, did the old Intranet website, WEB.AKRR.COM. It was retired June 20 in light of the nearly completed rollout of the new employee website, **Inside Track** (https://insidetrack.akrr.com/). Railroaders attempting to read content on WEB.AKRR.COM are now redirected to **Inside Track**. The interim employee web site, **My Portal**, will soon be retired as well. Employees who continue to access online information and documents through **My Portal** are asked to switch to **Inside Track**, and to take time to become familiar with the site organization and contents. Employees with questions about where to find information on **Inside Track**, should contact Communications Officer Stephenie Wheeler at 265-2671 or WheelerS@akrr.com.

Here are some commonly sought items:

- Train Operations Reports (including Morning Reports): **TRAIN & TRACK > Reports & Logs**
- TNE Information at a Glance: **TRAIN & TRACK > TNE Dashboard**
- Transportation, Mechanical and MOW Operations: **TRAIN & TRACK**
- GCOR, Timetable, Gen. Orders, Track Chart: **REFERENCES > Job Aids & References > All Operations Job Aids & References**

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- Org Chart: **ORGANIZATION > Org Chart**
- Facility Floor Plans: **ORGANIZATION > Facility Locator**
- Phone Book: **PEOPLE > Phone Directory**
- Employee Recognition and Awards: **PEOPLE > Recognition or > Milestones**
- All Aboard Newsletter: **NEWS > Newsletters**
- Job Openings and Bid Boards: **NEWS > Job Openings**
- Safety Zone / SIRP: **RESOURCES > Safety**
- Forms: **RESOURCES > Forms**
- ARRC Logos and Templates: **RESOURCES > Logo & Templates**
- Applications and Web Links: **RESOURCES > Apps & Links**
- Incident Command Tools and Forms: **RESOURCES > Incident Command**
- Policies: **REFERENCES > Company Policies**
- Labor Agreements and Seniority Rosters: **REFERENCES > Labor References**
- Finance & Accounting Manuals and Guidance: **REFERENCES > Finance References**
- Retirement & Health benefits: **BENEFITS**
- Ask the CEO and Suggestion Box: **DIALOG**
During spring time Alaska Railroad Employee Listening Sessions, some employees expressed concerns and commented about accountability and consequences for poor performance or careless behavior by railroad employees. The flow chart below provides a visual reference for making the right decision or action. Common sense and a personal moral compass are often the best guide, but in situations when an employee is not sure, written guidance is posted on *Inside Track*. Alaska Railroad behavioral expectations are spelled out in a *Code of Conduct* and other company policies. Questions about whether actions are legal may be addressed by State of Alaska Ethics Laws and regulations.

**Flow Chart prompts employees to reference online guidance**

**Policies and laws guide our behavior**

DO THE RIGHT THING
BEFORE YOU ACT OR DECIDE – ASK YOURSELF:

1. **Is the action I am about to take, or the decision I am about to make, **LEGAL**?**
   - Refer to State Ethics law / code on Inside Track:
     - REFERENCES > Company Policies > Ethics-Complaints
   - **LAW TOPICS:**
     - Accepting gifts
     - Position for personal gain
     - Disclosing work information
     - Interest in contract award
     - Outside employment
   - **Yes**
   - **No**
     - STOP.
     - Don’t do it.
   - **Not sure**
     - SEEK ADVICE.
     - Speak to:
       - Your Supervisor
       - Human Resources
       - Legal Department
       - Labor Relations

2. **Does it comply with Company **POLICIES**, including the Alaska Railroad Code of Conduct?**
   - Refer to Alaska Railroad policies on Inside Track:
     - REFERENCES > Company Policies > Code of Conduct
     - REFERENCES > Company Policies > Ethics-Complaints
   - **POLICY TOPICS:**
     - Standards of behavior
     - Accepting gifts
     - Discriminating /Harassing
     - Complaint resolution
     - Hindering competition
   - **Yes**
   - **No**
     - Proceed.
   - **Not sure**
     - SEEK ADVICE.
     - Speak to:
       - Your Supervisor
       - Human Resources
       - Legal Department
       - Labor Relations

3. **Would I feel comfortable with the situation if it were reported to my superior or to senior management?**
   - Could I defend my action or decision if covered on the front page of a national newspaper or as the lead story in a national newscast or news web site?
   - **Yes**
   - **No**
     - Proceed.
   - **Not sure**
     - SEEK ADVICE.
     - Speak to:
       - Your Supervisor
       - Human Resources
       - Legal Department
       - Labor Relations
Railroaders are finding plenty of ways to recreate with one another, off the clock.

Bicycling is a popular choice among employees who use peddle-power to commute to work, who represent ARRC in community bike contests and who even compete in long-distance races. Before summer officially began, more than two dozen railroaders registered to participate in Anchorage’s Bike-to-Work Day on May 18: Blake Adolfae, Heather Alley, Barbara Amy, Dennis Bouwens, Russell Brenner, Ryan Diehl, Kate Dueber, Beth Fleischer, Greg Goemer, Tracy Grant, Jeanette Greenbaum, Edie House, Russell James, Jim Kubitz, Steve Kunemund, Theresa MacLeod, Karen Morrissey, Bill O’Leary, Sherwin PeBenito, Allen Price, Curtin Schafer, TJ Sheffield, Sam Starkenburg, Doug Stephens, Nick Sullenberger, Tim Sullivan, C. Lee Thompson, Erick White, and Paul Willman. Nine riders signed up for the Summer Bike Challenge, which tracks the miles logged by members of a team. The Alaska Chain Gang team includes regular riders “Mister Toad” Sheffield, Starkenburg, Tim Sullivan and Willman who maintain a respectable team standing. Several years ago, ARRC supported design of distinguishing ARRC-branded biking apparel that is available to buy online. “There is still time to get in on the Chain Gang action,” notes Willman. “Even if you only log a single ride, those numbers help and Team Captain Emily Hoffman can assist.” Willman notes there are 9 people registered on the team, but more railroaders participate on an informal basis. Avid bicyclists Brian Lindamood and Wendy Lindskoog fall into this category.

In Fairbanks, “There are a few of us up here that ride to work on a somewhat regular basis when the weather is warm enough,” said Greg Kreta. “I have a gentle 5-mile commute one way, while Matt Glover and Charles Queeno (both train and enginemen) ride in from North Pole, which is at least 16 miles one way. It’s just a way to help stay in shape and clear the mind before and after work.”

Several bicycling railroaders took their passion to another level July 8-9, competing with friends and family in 200-mile categories of the popular Fireweed 400 Bike Race from Sheep Mountain Lodge on the Glenn Highway to Valdez. Lindskoog and friend Dan Libby won first place in a 2-person mixed team category. Kubitz and his 22-year-old daughter Elizabeth finished their 2-person mixed race in just over 13 hours. And Lee Thompson, his wife Karen and former railroader Jesse Flores competed in a larger 200-mile team relay category. “Jim Kubitz has given me some great race tips and advice,” said Thompson. “My goal is to ride 20 times a month for a long time or I have wasted some good money on bikes!”

In other team news, a group of 18 railroad employees and five spouses formed late spring to compete in the Anchorage Co-Ed Adult Kickball League, which plays early evening games through June and July. According to railroader and coach Shane Marrofo, the team plays about once a week on the field at 10th Avenue and C Street. Dubbed (by group vote) It’s Not Going to Kick Itself, the railroad team includes: Blake Adolfae, Heather Alley, Tim Bates and wife Amy, Ayanna Clifton and husband Juwan Sims, Peter Firmin, Christina Glover, Jeanette Greenbaum, David Haag, Emily Hoffman,
Spotlight on Signals...

(continued from previous page)

Dave Kabella and wife Lyndsey, Frank Keller, Sasha Kincaid, Shane, Samuel Reynolds, Doug Schopp and wife Donna, Lee Thompson and wife Karen, Crystal Wilson and Kim Wilson. Team members signed up with the municipality’s Parks & Recreation department, paying modest fees, and purchasing “railroad royal blue” jerseys. “Kickball offers a chance for people to break up their work-week, and to get to know co-workers outside of work. Sometimes who we are at work, isn’t who we are outside of work,” said Marrufo. “Our team is doing great! We are 1 – 5, every game is a hoot, and we are not short on laughter.”

While it’s too late to join the kickball team for this summer, Marrufo notes that next year, interested railroaders can contact him for more information. In the meantime, Marrufo says he is working on a few other team/group functions for the winter season, like volleyball and a skeet team.

Once summer concludes Jeanette Greenbaum plans to resurrect railroader involvement in curling, a sport played on ice, with four-person teams armed with sweeping brooms aimed at moving 40+ pound 1-foot-diameter round granite rocks. Anchor-age’s main curling facility on Government Hill has been out of commission the past two years due to a failure in the ice system. Given successful repair, Greenbaum expects to resume play during the October-to-April season. “Since the curling club was closed our team fizzled but there are a few of us involved that plan to get together for next season,” said Greenbaum, noting that Drew Dekreon and Nathan Lunn curl regularly. Greenbaum says she welcomes inquiries from interested railroad employees.

Some railroaders gather regularly year-round to take part in a weekly Tuesday Pub Run / Walk hosted by Skinny Raven and major sport shoe companies. “Ed [Hills] is the runner while Ayanna [Clifton] and I walk. It’s a great way to get outside and play as well as visit with coworkers after the work ‘whistle blows!'” said Keri Meszaros. Each week, the free early evening run/walk features a different 3- to 5-mile course through downtown Anchorage, ending at one of several local restaurants. Hills notes that several other railroaders participate on occasion, including Robyn Simmons, Steve Conlan, Martha Conlan, Steve Schoonmaker, Matt Romine, Kristin Bollinger, Connor Keogh and Tim Sullivan. More information and registration is available on the Skinny Raven web site (http://skinnyraven.com/store-events/skinny-raven-pub-run/) or Facebook page. Hills says he’s happy to assist anyone interested.
SECOND QUARTER 2016

GREAT SHOT! PHOTOS ON THE RAIL

Employee Photo submissions eligible for $200 drawing. Seeking more photos for 2016!

Seward Port Manager Christy Terry submitted these photos of activity surrounding two cruise ships docking at the railroad’s terminal in Seward in early July 2016. Terry captured a dock’s side view of the Cruise Train awaiting cruise ship passengers to disembark the Norwegian Sun and board the train (right). She also captured a side-by-side image of the Cruise Train and the 963-foot Radiance of the Sea ship, which docks every other Friday and is the second largest ship to dock during the 2016 season. 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 to receive $200 in gift certificates. To participate, email photos to Stephenie Wheeler at WheelersS@akrr.com. If you have questions, call Wheeler at 265-2671.

The Cruise Train prepares to carry some passengers disembarking from the Royal Caribbean Cruises ship, Radiance of the Sea when it docked in Seward July 8. (Photos by Christy Terry)

The Cruise Train waits for passengers who are disembarking from the Norwegian Sun cruise ship that docked on July 18 at the Alaska Railroad terminal in Seward.