

# RAILWORKS® TODAY

*A monthly newsletter for employees of RailWorks Corporation and its subsidiaries*

## Oil Boom Brings Out Our Best



RailWorks Track Systems constructed this siding in Flaxton, N.D., as part of its work for Canadian Pacific Railway (CPR) in the northwestern part of the state. On this early November morning, the crew distributed pre-plated ties for a siding track with a grapple truck and loader while spiking on an adjacent track.

RailWorks Track Systems was one of a throng of businesses drawn to North Dakota during 2011 in response to a modern-day oil boom. At the end of the year, nearly 100 employees had racked up more than 55,000 man-hours on seven projects and constructed or rehabilitated 35 miles of track, all without incurring a single lost-time incident.

All the attention was focused on a 200,000-square-mile area under parts of North Dakota, Montana and Saskatchewan with large oil reserves called Bakken Shale. In recent years, rising overseas oil prices combined with modern horizontal drilling techniques have made extracting this crude oil more economical.

Oil companies have jumped on this new production opportunity by establishing wells to drill for crude oil and constructing terminals that can load or transload unit-car trains. At the same time, railroads are beefing up track infrastructure to transport inbound carloads of frac sand, drilling pipe and other materials to build

wells or horizontally drill. As oil is extracted, the railroads are transporting outbound crude oil to refineries and other users in the Gulf Coast, California, Oklahoma and in Canada.

The Central Division arrived in North Dakota in 2010 to begin work constructing a transload facility for Hess Corporation in Tioga. Work accelerated in 2011 when crews worked simultaneously to build three transload terminals. The projects were nearly completed at the end of 2011 when winter weather hit. They will wrap up in the first part of 2012.

CPR plans to invest \$100 million in its North Dakota infrastructure in 2011 and 2012. While the railroad generally performs track work with its own forces, it called on RailWorks last September to help complete targeted work by the end of the year.

With only a few weeks to mobilize, the Western Division immediately sourced equipment, some from other RailWorks divisions, and sent 20

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### INSIDE LINE

These projects gave RailWorks the opportunity to do what we do best: build track.

Weather was not as big of an issue as anticipated when compared to last winter.

The Central Division has performed Bakken-related work in North Dakota since mid-2010. We encountered typical scheduling challenges. We had to



**Steve Kadriik**  
Regional Manager  
RailWorks Track  
Systems

continually adjust our schedules while waiting on grading to finish ahead of us. At the peak, we had about 50 employees working simultaneously. I credit our more experienced employees who mentored about 15 new employees.

The biggest challenge for the Western Division was mobilizing quickly. We had just two weeks to get our equipment to North Dakota. In that time we also hired and trained 15 new employees.

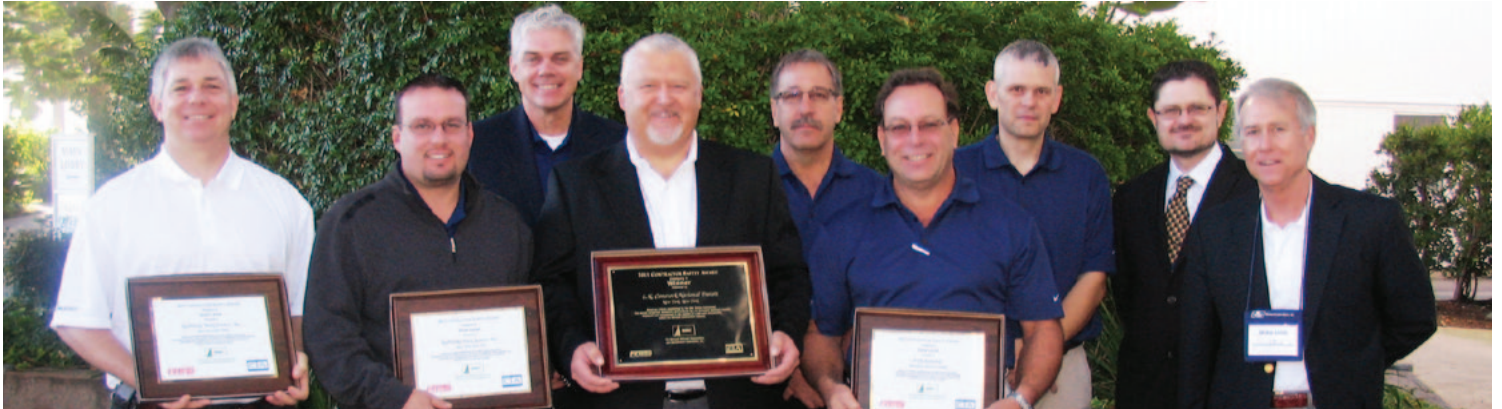


**Richard Carney Sr.**  
Project Manager  
RailWorks Track  
Systems

We coordinated continually with CPR to get materials delivered and positioned. Since we performed our work under traffic, we worked closely with CPR to get access. There were peaks and valleys, primarily due to material availability. That required us to continually plan and adjust our work to be productive. Our guys worked hard, at least six days a week, to finish on time.

# RAILWORKSMART RAILWORKSAFE

## RailWorks Companies Earn Safety Awards



Representatives from RailWorks subsidiaries show off "Safe Contractor of the Year" awards presented at the annual conference of the National Railroad Construction and Maintenance Association (NRC). (l to r): RailWorks Track Services Vice President and General Manager Ed Kennedy, RailWorks Track Systems Safety Director Stewart Hoffman, PNR RailWorks Vice President of Business Development John Leonardo, L.K. Comstock National Transit Vice President of Operations Mark Patterson, PNR RailWorks Executive Vice President of Signals & Communications Gord Strilchuk, PNR RailWorks President Jamey Craig, PNR RailWorks Eastern Division Regional Manager Chris Hudson, L.K. Comstock National Transit Construction Senior Manager Aaron Neeley, RailWorks Systems President Mike Holt.

RailWorks subsidiaries once again came away as safety winners at the 34th annual conference of the National Railroad Construction and Maintenance Association (NRC). Each RailWorks subsidiary entered was cited as a "Safe Contractor of the Year" for 2011 on January 6 at the conference held in San Diego.

L.K. Comstock National Transit earned top honors in Category II, comprised of companies with 36 to 100 employees. L.K. Comstock Construction Manager Aaron Neeley, who has managed L.K. Comstock's field work on the DART Green and Blue Line projects, was on hand for the honor

along with Vice President of Operations Mark Patterson and RailWorks Systems President Mike Holt.

RailWorks Track Services, RailWorks Track Systems and PNR RailWorks also won gold awards in their respective categories.

The "Safe Contractor of the Year" safety contest, sponsored by the NRC, *Railway Track & Structures* (RT&S) magazine and Commercial Insurance Associates, recognizes NRC member contractors for exemplary safety performance and programs.

## Calendar Notes

### Annual Safety Training

\* Frontline Supervision Training

January 26-27	RailWorks Track Systems, Chehalis, WA
January 31-2 February	PNR RailWorks, Abbotsford, B.C.*
February 6-9	RailWorks Track Services, Minooka, IL
February 13-15	RailWorks Track Systems, Lakeville, MN
February 21-22	RailWorks Track Systems, Alpharetta, GA
February 28-29	RailWorks Track Services, Youngstown, OH
Week of March 5	RailWorks Track Services, St. Louis, MO*
March 15-16	RailWorks Track Systems – Texas, Houston, TX*
March 29-30	RailWorks Track Systems – Texas, Houston, TX*
March 4-6	GEAPS Exchange Expo 2012, Minneapolis, MN

## RailWorks Today

Let us know what's on your mind. Email your questions and comments to

[RailWorksToday@RailWorks.com](mailto:RailWorksToday@RailWorks.com)



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loads to North Dakota. They also set in motion a plan to staff and complete capacity expansion work at four separate CPR project sites from early October through the first week of December.

All of the employees were housed in trailers. Some stayed in existing

"mancamps" set up for the thousands of construction workers who have descended on the state.

RailWorks will draw on quickly gained experience in North Dakota to pursue more work there during 2012.

# North Dakota Oil Boom

RailWorks' Central and Western Divisions joined the oil boom in northwestern North Dakota during 2011 by completing work on these projects. Growth in this area is due to development of the Bakken Shale oil fields.

## Central Division Leadership Team

**Steve Kadrlík**, Regional Manager  
**Hal Harrison**, Assistant Project Manager  
**Bob Braun**, Foreman  
**Roger Recker**, Superintendent  
**Tony Tenno**, Foreman

### Crude Oil Transload Facilities

Regional Manager **Steve Kadrlík** led a team of about 50 employees on three projects to construct transload facilities. The facilities will enable oil companies to transport crude oil extracted from shale by rail to refineries and other users.

#### Hess Corporation Tioga, N.D.

Working as a subcontractor to Strobel Starostka Construction, RailWorks constructed the track for this \$50 million rail yard project south of Tioga, N.D. It will serve as a transload site to move unit trains of crude oil on BNSF's main line. Foreman **Tony Fenno** and his crew constructed 32,000 feet of track with 12 turnouts.



#### Rangeland Energy Epping, N.D.

When completed in April 2012, this \$70-million transload facility northeast of Williston will have the capacity to load 120-car unit trains with crude oil on BNSF's main line. Superintendent **Roger Recker** directed RailWorks' crew in building a double-loop track consisting of 24,000 feet of track and 18 turnouts.



#### Savage Industries Trenton, N.D.

Savage Industries owns and will operate this 274-acre transload facility located on BNSF's main line southwest of Williston. Led by Project Foreman **Bob Braun**, a RailWorks crew constructed 27,500 track feet with 17 turnouts, consisting of an 8,300-foot loop track and seven tracks running 13,000 feet. In addition to shipping up to 170-car unit trains with oil destined to refineries, the facility also will handle incoming rail traffic with construction materials for oil wells.



## Western Division Leadership Team

**Richard Carney**, Project Manager  
**Ben Petersen**, Project Engineer  
**Martin Moreno**, Supervisor  
**George Washovich**, Supervisor  
**Brian Wilson**, Supervisor

### Canadian Pacific Railway (CPR)

Senior Project Manager **Richard Carney** led a team of about 40 employees and subcontractors Hulcher Services and Midwest RailWay Services to perform work on the following projects to expand CPR track capacity in North Dakota:

#### Flaxton, N.D.

Led by Supervisor **Brian Wilson**, RailWorks constructed 3 new extensions to the existing yard tracks and removed, constructed or relocated associated turnouts. This added 3 miles of storage capacity to CPR's busy and strategically important yard just south of the US-Canadian border at Portal, N.D.



#### Max, N.D.

Supervisors **George Waskovich** and **Martin Moreno** along with their crews constructed 1 mile of new track, removed a retired mainline turnout, installed new yard turnout, and rehabilitated one-half mile of yard track and three-fourths of a mile of main line track. The new track provided a lead east of the yard to allow switching to be performed without fouling the mainline. The rehabilitation consisted of rail relay, tie renewal, ballasting and surfacing.



#### Between Parshall and New Town, N.D.

The RailWorks crew led by Supervisor **Martin Moreno** rehabilitated 14 miles of mainline track. The work included replacing 14,000 ties, undercutting and grading the adjacent right of way, renewing 12 crossings and ballasting and surfacing the track.



#### New Town, N.D.

Under the direction of Supervisor **George Waskovich**, a RailWorks crew constructed a new, 5,400-foot siding and two turnouts to connect with the mainline.



## News Across the Line

### L.K. Comstock & Company (N.Y. Transit)

Congratulations to joint venture partners L.K. Comstock and Skanska USA Civil Northeast, Inc.



The Metropolitan Transit Authority (MTA) recently awarded the joint venture the \$261.9-million systems contract for its Second Avenue Subway. Project Manager **Tom Kelly** and General Foreman **Doug Cullen** will lead Comstock's team on this 55-month project to install track, signals, traction power, and communications on the newly bored two-track system in Manhattan between 104th Street/2nd Avenue and 63rd Street/Lexington Ave. This is the second big win for this joint venture team, which won the MTA's No. 7 Line last August.



Welder/Track Foreman Darren Willis, Track Foreman David Sims and Project Engineer Robert Unzicker (l to r) work together on a team-building activity focusing on communications. Participants competed in teams to build the fastest rail tractor.

### RailWorks Track Services

Thirteen supervisors from RailWorks Track Services' office in Vincennes, Ind., gathered in late January to participate in *Frontline Supervision Training 1: Three*

*Steps Ahead*. During the day-long training session, supervisors learned about teamwork, effective communications, coaching and accountability for results. Additional

training sessions are planned throughout 2012. By the end of the year, 60 percent of the company's frontline supervisors will be certified in this training program.

### RailWorks Track Systems

The Western Division recently completed its second phase of the project for Port of Grays Harbor in Aberdeen, Wash. Working as a subcontractor to general contractor Roglin's, Inc., a RailWorks crew led by Project Manager **Tom Schroedel** and Superintendent **Marty Lenhart** constructed more than 27,500 track feet, including a loop track, seven ladder tracks and 20 turnouts. Work on the \$5 million-plus project began at the end of May and wrapped up in December. It will enable the port to handle the growing volume of automobile and grain traffic.



The letter mentioned 11 employees by name and concluded with the following compliment:

"Field execution is always the background to a project's success. I want to largely express that Marty Lenhart came to this project with only one thing in mind and that was to never look back and to always move forward. Along the way, he taught me and my crews a valuable lesson: how to bring people from different

work backgrounds together on a project with such limited space and time, allowing us to make this project a success for all parties involved. It was a pleasure working with your company."

Congratulations to the Western Division on this exemplary project success.

In a letter to RailWorks, Roglin's Project Manager **Brian Thompson** expressed his company's "sincere appreciation for the hard work and attention to detail your crew demonstrated while working with us on the Port of Grays Harbor Marine Rail System projects."