

RAILWORKS® TODAY

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

Conquering a Complex Yard Upgrade



Freight tracks merge into the Metropolitan Transit System (MTS) trolley mainline at the northern end of the San Ysidro Freight Rail Yard on the US-Mexico border, just south San Diego, CA. L.K. Comstock National Transit, RailWorks Track Services and HSQ Technology are wrapping up extensive improvements at the yard. They performed complex track, signal, overhead catenary and communications systems upgrades over the past 18 months, all while active freight and trolley operations continued in the yard.

Working in a rail yard while operations are ongoing is always a challenge. Add to that the complexities of both an operating freight line and light-rail trolley system in a confined area at an international border and you can appreciate the latest collaboration among RailWorks companies in southern California.

At the San Ysidro Freight Rail Yard on the United States-Mexico border, RailWorks Track Services, L.K. Comstock National Transit and its subcontractor HSQ Technology are completing yard and trolley line improvements valued at nearly \$10 million to replace aging rail infrastructure and expand the yard.

The RailWorks companies are putting the finishing touches on the

extensive and complex work performed for the San Diego Association of Governments (SANDAG) as subcontractors to West Coast General Corporation (WCG). "It's been a key project for us in the fact that it's our first foray in decades into the San Diego area, and for that authority," says Ralph Berg, who managed the construction for RailWorks Track Services. "I think they're pleased with the outcome and happy with the quality of our work."

The project was performed in a constrained area, all while maintaining mainline trolley revenue service and continued freight operations in the yard accessed by San Diego and Imperial Railroad, the Union Pacific Railroad and Ferrocarril Nacional de México (National Railroad

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of Mexico). Part of what made for uninterrupted operations: the synergy between the RailWorks entities due in part to having a common project management approach.

RailWorks Track Services' scope of work involved 13,500 feet of new track construction, including two new storage tracks, and the reconfiguring of the existing yard to accommodate movements for these tracks. Crews demolished and reconstructed 6,500 feet of track to upgrade the majority of the yard from 90-lb. to 115-lb. rail. Construction also included installation of 15 new #9 turnouts, a #9 crossover, and a #15 equilateral turnout, 1,300 feet of new concrete crossing panels, and track and crossing upgrades in the Metropolitan Transit System (MTS) trolley line.

HSQ Technology supplied yard safety and security equipment such as a wayside communications system cabinet, closed-circuit television (CCTV) monitoring cameras throughout the yard and equipment to control yard access.

L.K. Comstock National Transit managed and coordinated the entire project and performed overhead catenary system upgrades and modifications to the existing LRT signal system. Work consisted of signal system upgrades at the interlocking between the LRT mainline and the freight yard, and the reconstruction of an existing grade crossing; provision of the CCTV monitoring system, and installation of the yard vehicular access gates with voiceover IP (internet protocol) telephones and card readers.

While unusually heavy rains at times presented problems, Ralph and Walt Stamirowski, L.K. Comstock project manager and RailWorks' liaison with WCG, agree that the cutover, performed over two weekends in August, was the most challenging aspect of the job.

"The level of complexity is that we have an operating light-rail system and a freight yard next to it," explains Walt. "This is a yard where trains come from Mexico, get inspected and move into the U.S. During the night they run freight trains onto the light-rail line and take it out of service. So there's a significant interface between the train line or yard, and the light-rail system."

Those logistics played a role in RailWorks' request to modify SANDAG's original cutover schedule. "The original contract gave us two weekends of single tracking where we would do the cutover work," notes Walt. "Through our planning process, we determined there was no way we could do that on single tracking. We were able to coordinate with the Authority and obtain two, 56-hour shutdowns on subsequent weekends to do the cutover."

L.K. Comstock's construction manager, Aaron Neeley, undertook the development of the comprehensive cutover plan and to finalize the schedule, which identified tasks down to the hour or sometimes the half-hour for both weekends.

What RailWorks has accomplished to date are a fully operational and interfacing light rail and freight railroad without incident or injury. The work is currently scheduled to be completed by the end of November.

Project Leadership Team

Walt Stamirowski, Project Manager - L.K. Comstock

Aaron Neeley, Construction Manager - L.K. Comstock

Scott Cramer, Project Manager - HSQ Technology

Ralph Berg, Construction Manager - RailWorks Track Services

James Ryhal, Project Engineer - RailWorks Track Services

Luis Branco, Project Track Foreman - RailWorks Track Services



RailWorks completed a range of track improvements at the San Ysidro Freight Yard, including the installation of these two solar-powered GE switch machines.

RAILWORKSMART RAILWORKSAFE

Safety Summit Strong on Accountability and Collaboration



Greg Muldoon
Interim Chief Executive Officer
RailWorks Corporation



Mike Lane
Chicago Region Safety Manager
RailWorks Track Services



Larry Mckay
System Engineering Manager for Safety
CN

About twenty-five safety professionals along with representatives from senior management, five corporate departments and a key Class I customer gathered in Chicago, IL, October 19-22, to exchange ideas and re-galvanize around safety as part of RailWorks' seventh annual Safety Summit.

Interim Chief Executive Officer Greg Muldoon spoke to the audience at the outset of the summit, reminding them that "Safety is a critical part of what we do. It's not a separate function or department. The safest operations are the ones where the cultures of Safety are embedded in the operations, with the managers and the employees doing the work."

In his remarks the same day, Executive Vice President John Young established a tone for the Summit that was echoed by several of the other speakers. John indicated that his formula for operational excellence emphasizes training, expectations, accountability and rewards – ideas that were interwoven among the week's topics.

"RailWorks is one of the biggest contractors for CN, so there's value in us helping each other out."

Larry Mckay, CN System Engineering Manager - Safety

Corporate Safety, Health & Environmental Director Tammy Mathews led the Summit sessions along with other guest presenters, including Executive Vice President and Chief Legal Counsel Ben Levy and Counsel Paul Lopez; Vice President and Chief Human Resources (HR) Officer Kirk Johnson; HR Vice President Harry Glantz and HR Manager Dave Mason; and Corporate Equipment Manager Edgar Butsch. All safety professionals were actively involved in discussions and breakout sessions, including

three regional safety directors who gave presentations: Bill Field, major projects; Paul Sonnenfeld, West; and Ralph Weber, Central.

Tammy and Bill spearheaded a discussion around best practices for standardizing operator training and tracking credentials of operators who attain different skill levels. Mike Lane, Chicago Region Safety Manager, provided attendees with a sample of Operator Skills Evaluation forms to be implemented in his region in 2016.

Dave noted that survey results supported, among other findings, a need for managerial skills training in the field and better tracking of certifications. He noted that RailWorks' new electronic learning system, to be launched in November, will help as a tool for training and tracking certifications. Training initially will focus on performance management/goals and objectives training as well as compliance education.

Edgar highlighted similar efforts by the Equipment Management team to pursue enhanced methods of recordkeeping with regard to driver files and vehicle inspections. They are pursuing standardized operating procedures and investigating standardized fleet outfitting where appropriate.

Paul Sonnenfeld and Tammy addressed quality, risk-based processes for measuring safety. Larry outlined RailWorks' improved recruitment efforts, with a uniform process and an emphasis on social media. Paul Lopez noted that company policies and procedures are undergoing a review by the Legal department.

On the final day, attendees heard from CN's System Engineering Manager for Safety, Larry Mckay, who shared CN's list of critical tasks and rules all employees must follow. He sought out collaboration from RailWorks' safety professionals. "RailWorks is one of the biggest contractors for CN, so there's value in us helping each other out," he told the group.

The meeting closed with a brainstorming session on ideas for Safety Week 2016 and with attendees sharing reflections about the week. Safety professionals are now finalizing their regional safety plans and preparing for regional safety training that will start in January.

RailWorks Values In Action: **Industry Leadership**

Going the Extra Mile to Maximize Our Equipment Advantage

RailWorks recently kicked off a companywide initiative to more effectively understand and manage one of our most significant assets: our equipment. Corporate Equipment Manager Edgar Butsch and his Equipment Management team introduced their 2016 initiatives to RailWorks' regional managers attending the Railway Interchange conference as well as safety professionals at our annual Safety Summit in October. Here's a brief Q&A with Edgar that touches on some aspects of this new effort.

Q: What's driving this new effort?

A: RailWorks currently owns about 6,000 pieces of equipment valued at more than \$80 million. We also lease a significant amount of equipment. In all, we estimate the cost of equipment is \$7 million to \$8 million a year, or roughly 10 percent of our annual revenue. That's a significant amount of money. We believe that by working with our field operations, we can increase the utilization of our owned equipment, reduce spend on leased and rented equipment and grow our understanding of hourly operating costs. This will have a direct impact on our bottom line, ownership costs and customer service.

Q: What are your plans?

A: First, we will be realigning the Equipment Department to better support our field operations. By creating regional equipment managers who will oversee multiple shop and yard operations, we can drive uniform behavior and practices. The goal here will be consistent processes across all regions. We will look at putting in place a compliance analyst designated for the United States and Canada who will manage our professional drivers and Department of Transportation regulations. We'll be looking at all aspects of our equipment utilization, the condition of our fleet and the inventory in our yards. We will evaluate the acquisition and disposal of our equipment. We will standardize our licensed fleet purchases across all regions. This will allow for better negotiating with more favorable pricing. We will continue to identify what we think are the best operating procedures that will guide us with consistent business practices.



Edgar Butsch, Corporate Equipment Manager, talked with RailWorks employees about equipment management during Railway Interchange earlier this month.

Q: What can we expect?

A: Our intention is to set up our organization where we are recognized as the go-to resource for all regions. We will provide benchmarking data and information about unit cost, to help with decisions including whether to lease or buy, or repair or replace a piece of equipment. We will have conversations with our operations managers to see what makes sense. We want to assist them with the appropriate data to make financially sound business decisions.

Q: How will this affect our field operations?

A: Our intention, of course, is a positive impact. We will be implementing these initiatives over the next 18 months. The analysis has begun, and we already are seeing some wins. The main message is that we will put tools in place that will help with increased utilization and decision-making, including whether we should rent or own. This will include more driver, operator and mechanic training. There will be an ongoing effort for equipment sharing across regional boundaries. It will require more discussion and collaboration at all levels of the organization. We will see some immediate results, but these initiatives are important to the profitable success of our company in the longer term.

Calendar Notes

Industry Events

Nov. 3-5	Railway Tie Association Annual Symposium & Technical Conference	Tucson, AZ
Nov. 19-20	RailTrends	New York, NY

RailWorks Events

Nov. 9-27	Benefits Open Enrollment (for eligible U.S. employees)	United States
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News Across the Line

L.K. Comstock National Transit

It's official. Although our work has been under way for months, L.K. Comstock now has a contract in place for Phase I of Metro's Purple Line Subway Extension in downtown Los Angeles. L.K. Comstock is the systems design and installation subcontractor on this 3.9-mile extension, also called the Westside Extension. The new line will operate in a tunnel under Wilshire Boulevard connecting the current terminus at Wilshire/Western westward to three new stations in Los Angeles and Beverly Hills.

L.K. Comstock is part of a consortium called STS led by Skanska USA Civil West California District Inc. (Skanska), Traylor Bros., Inc. (Traylor), and J.F. Shea Construction, Inc. (Shea) in association with Parsons Transportation Group (Parsons) as lead designer.

Chuck Pineda serves as the Systems Design Manager for Phase I of the project, which lasts eight years into 2024 when the extension is scheduled to open for revenue service. Chuck and his team will continue design work into 2017 and then break during tunnel and station construction. Construction begins in 2019 starting with cable installation followed train control, communications and then traction power installation.

Called the "Subway to the Sea," Metro's Purple Line Extension calls for two subsequent construction phases to eventually extend the line westward for nearly 9 miles to just past UCLA to Westwood with a total of seven new stations.



The Westside Extension (also known as the Purple Line Extension) project team is performing design work into 2017 for the 3.9-mile subway extension in downtown Los Angeles. (l to r) Document Control Manager Linda Moffett, Train Control Engineer Ramon Virgen, Communications Engineer Brady Bartnicki, Administrative Assistant Joyce Frechette, and Systems Design Manager Chuck Pineda. Not photographed: Project Engineer Gerardo Gonzalez, and Contracts Manager Rebecca Perry.

RailWorks Track Systems

As part of a year-long maintenance contract with the Louisville and Indiana Railroad (LIRC), the Bridge Division is working on about 100 targeted bridges along the 106-mile freight line operating between Indianapolis, IN, and Louisville, KY. Here, Leadman **Travis Easley** drills holes to anchor new bearing blocks on a steel beam bridge in Seymour, IN.



Houston-based crews completed work in September on a nearly \$20 million storage-in-transit (SIT) yard expansion for a plastics

manufacturing plant in Pasadena, TX. Led by Senior Project Manager **Kenneth Whisenant** and Superintendent **David Bevills**, the 16-month project featured construction of 55,000 feet of track with steel ties, as well as installation of 19 turnouts. **Julio Vasquez** served as Safety Coordinator for the project, working with Surfacing Superintendent **Rodney Burrough** and Track Inspector/Quality Manager Justin Mueller. RailWorks was responsible for all civil, electrical, and track work. Despite some extreme wet weather, the project was completed on time and with no recordable injuries.



RailWorks Maintenance of Way

More than 9,000 industry professionals attended Railway Interchange 2015 in Minneapolis, October 4-7, to network and to learn about industry updates and innovations. The industry event is held every other year and is North America's largest railway industry exhibition and technical conference, representing AREMA, REMA, RSI and RSSI. RailWorks was out in force, with two exhibits, one featuring our track and other highlighting our systems capabilities.

RailWorks showcased our track geometry and GPR services with a vehicle at the outdoor exhibit held at BNSF's nearby yard. Director of Technical Services **Jason Deaton** and Account Marketing Manager **Mark Sanders** explained the advantages of RailWorks' SolidTrack system. Since last fall, RailWorks has tested track geometry on more than 55 Genesee & Wyoming (G&W) short line properties in 18 states as well as on BNSF and short lines in Canada. Using this service, railroads are alerted to the exact location of track geometry issues so they can take action to eliminate potential service disruptions and delays.