



PACIFIC HARBOR

*Lines*

WINTER 2011

## Looking back, looking forward

With 2010 behind us and 2011 in full swing, I want to take a moment to thank each and every member of the Pacific Harbor Line family for the hard work that contributed to the tremendous success we experienced during the past year.

In the face of what many have characterized as the most challenging and troubling economic time since the Great Depression, PHL's employees and this company have refused to participate in the recession.

While many companies across this nation have been cutting back and letting go, PHL added more than 30 employees to its ranks.

While many companies have seen their customers disappear and their numbers dwindle, the Ports of Los Angeles and Long Beach have seen double-digit

increases in volume from 2009. We've handled this significant increase in intermodal and manifest port traffic efficiently, professionally and, most importantly, safely.

Last year, by all accounts, was an impressive one for safety. We set another



Mike Stolzman, President

PHL all-time safety record of more than 250 days injury free, and reduced incidents to barely measurable levels.

These accomplishments in safety belong to our employees. It's due in part to their willingness to participate in PHL's expansion and application of remote control technology and using that technology safely. Our safety accomplishments also are a result of our employees spearheading the Actively Caring Employees safety program.

I'm proud to say all PHL employees have been trained in the ACE process. This combination with technology, brainpower and employee passion, have had a significant impact on this operation.

A final landmark of the past year was PHL's agreement with the Air Resource Board and South Coast Air Quality

*Continued on page 2.*

## Pride in safety, performance

Maintaining the rail infrastructure in the nation's busiest and the world's fifth busiest seaport complex is by no means any small task, but the people responsible for doing so handle that mission efficiently, professionally, and above all else, safely.

With the passing of the New Year, the Maintenance of Way Department celebrated more than two years of injury-free service while protecting not only their fellow Pacific Harbor Line employees and equipment running the rails, but also PHL customer goods and the other railroads operating over port-owned track.

"I'm very proud of our people," said James Connolly, Manager of Track Maintenance. "They take great pride in the quality of their work, as well as the safe way they accomplish that work. To be injury free as long as they have while facing as many challenges as they do is something to be proud of."

The team's 10 employees and two managers are responsible for inspecting, maintaining and repairing approximately 17 miles of main track, 55 miles of yard and siding track, and more than 500 turnouts in and around the Ports of Los Angeles and

Long Beach.

The sheer volume of port rail traffic demands a proactive maintenance program, and PHL MOW is up to the task. Team members take great pride in their record of zero track-caused derailments in 2010.

"The work we do here is important," said Foreman Jose Rodriguez. "It's our goal to catch track defects early and fix them as quickly as possible to keep trains moving."

Employees rely on strong communication from sunrise to sunset to work safely.

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# Pride in safety, performance Continued from page 1.

The day begins with a general job briefing, and briefings continue with each job and task encountered throughout the day.

“Every bit of their day involves having to stop, think through and talk about the best way to accomplish a task,” Connolly said. “Their approach gets them centered and focused, and allows them to proceed safely and quickly.”

Rodriguez agreed.

“We work hard to make sure everyone is alert and up to speed about what’s going on,” he said. “We’re talking and aware of what’s going on the whole day long.”

MOW employees take part in the PHL Actively Caring Employees program created in early 2010. Track Inspector Luis Rodriguez and Relief Inspector Alex Gomez serve as the department’s ACE representatives.

“I can’t say enough about our employees,” Connolly said. “They’re catching issues before problems arise. They’re proactive in maintaining our system, professional in their approach and take the job seriously. I’m proud of what they do and so are they, and that’s a great combination.”

“They’re proactive in maintaining our system, professional in their approach and take the job seriously.”

— James Connolly

## Looking back, looking forward Continued from page 1.

Management District to provide for the re-powering of our Tier 2 locomotives.

We anticipate that by the end of 2011, all 16 of our Tier 2 locomotives will have been retrofitted with new technology and operate as Tier 3-plus locomotives – once again demonstrating PHL’s commitment to maintaining the cleanest locomotive fleet in all of North America.

Not only do such public-private partnerships contribute to cleaner air in the San Pedro Bay area, they contribute to the Ports of LA and Long Beach Joint Clean Air Action Plan. It’s win-win for everyone involved.

### Looking forward

Given all we accomplished together in 2010, I’m even more excited for what this year holds.

PHL plans to invest in its greatest resource – its employees. This will be the Year of the Employee.

During the course of 2011, we plan to spend a significant amount of time and effort in providing additional training opportunities for employees to increase their craft knowledge. We’re proud of our employees and want them recognized as an industry-leading

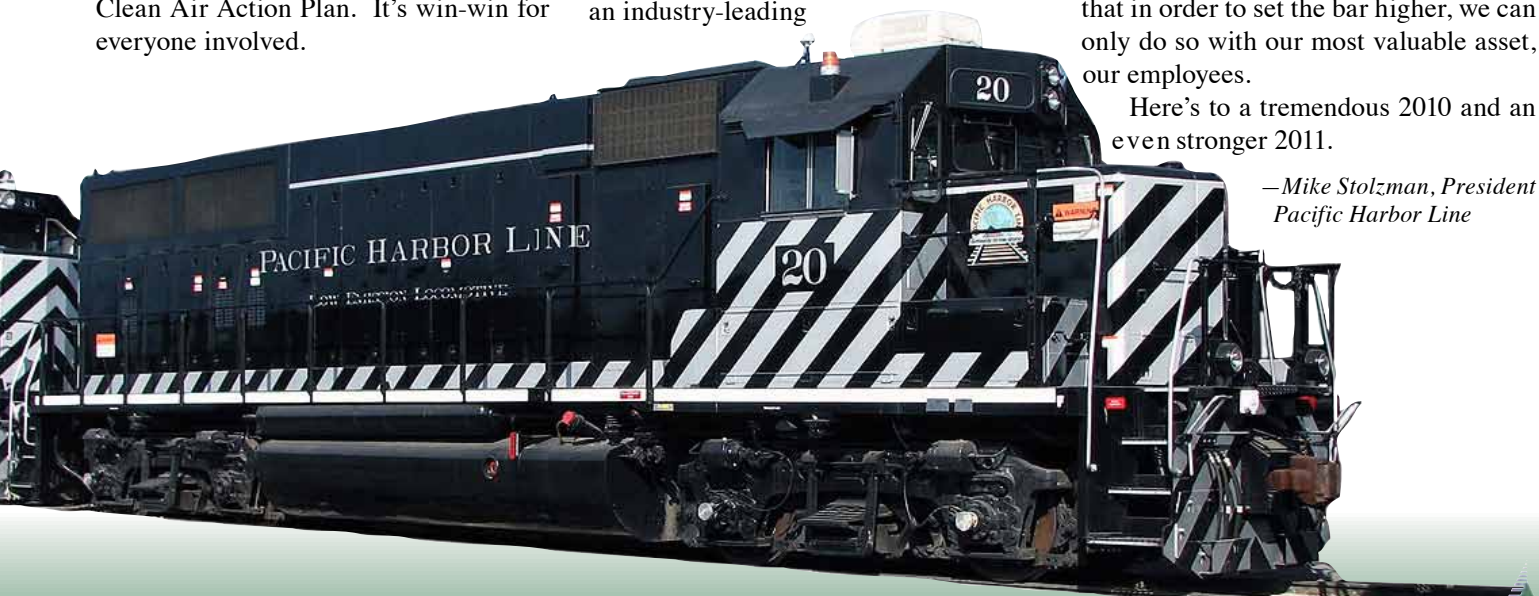
work force in the areas of knowledge, professionalism and safety.

We also want to help our employees – our PHL family members – address and improve personal health as we would members of our own families. In so doing, PHL will introduce a fitness program to provide employees and their families increased opportunities to receive help with diet, exercise and other health-related concerns.

As always, Pacific Harbor Line looks to raise the bar in 2011. We recognize that in order to set the bar higher, we can only do so with our most valuable asset, our employees.

Here’s to a tremendous 2010 and an even stronger 2011.

—Mike Stolzman, President Pacific Harbor Line





PHL maintenance of way forces stand proud of the quality of their work and the safe way they go about it. Team members include, standing from left, Eubaldo Contreras, laborer; Gabriel Calderon, foreman/welder; Jose Rodriguez, foreman; Pablo Torres, laborer; and Ray Gutierrez, machine operator. Kneeling from left are Sergio Beltran, laborer/welder helper, and Alex Gomez, relief inspector. Team members not pictured include James Connolly, Manager of Track Maintenance; Richard Corona, foreman; Robert Giannoble, chief engineer; Frank Guitierrez, laborer/flagman; and Luis Rodriguez, track inspector.

# A Spartan through and through

All his life, Locomotive Engineer Johnnie Pardo has been fascinated with history, the Greek and Roman eras especially. This fall, with hard work and determination, Pardo had the opportunity to play the part of a Spartan warrior.

Pardo recalls many Halloweens donning plastic costumes held together with little more than rubber strings. While he enjoyed each of those evenings, he vowed when he had the resources he would celebrate the holiday with costumes designed to wow.

“I had a very vivid imagination,” he said. “I wanted to have the absolute best costume I could, to go above and beyond everyone else.”

To make that happen, Pardo spent the last two years researching and collecting. He spent hours studying the various pieces of Spartan body armor and visiting and reading countless historical and re-enactor websites to ensure the historical accuracy of his costume.

“I had to learn about each element of the armor and weapons, including the breast plate and leg armor known as greaves, as well as my helmet, tunic and baldric for my sword,” he said.

As one may imagine, such a histori-

cally accurate costume, comes at a price. All totaled, Pardo invested around \$1,600 in his costume. To help defray the costs, he collected and recycled cans and bottles, bringing 15 or 16 full garbage bags to the recycling center at a time, yielding about \$65 each visit.

“I was able to pay for nearly the entire costume with money I earned from collecting,” he said.

With his costume paid for, Pardo and his family had a memorable Halloween

visiting a handful of parties and clubs. The highlight of the night, however, came in the form of photo-op requests by others wanting pictures with Pardo and his impressive costume.

“While I didn’t win any of the contests this time around, that wasn’t the point,” he said. “It was just something I’ve wanted to do for myself.”

Pardo has worked for PHL five years, beginning his career as an assistant engineer and working his way up to locomotive engineer. Safety is his primary mission both off and on duty, realizing working safely allows him to provide for and spend time with his family.

“My motivation is my family; getting back to them each night,” he said. “If something were to happen to me, my wife loses her best friend and my kids lose their father. That’s not something I’m willing to gamble with.”

Pardo and Vanessa have been married nine years. They have five children, Lea, 12; Johnnie, 9; Raymond, 6; Daniel, 4; and Vincent, 16 months. They enjoy spending time together visiting local parks and partaking in other family-friendly activities.



Johnnie Pardo, locomotive engineer

# ACE celebrates major milestones

Pacific Harbor Line finished 2010 on a high note, with much of the credit going toward Actively Caring Employees.

Using the principles established and encouraged by ACE, employees are in the midst of a record-breaking safety streak. On Jan. 15, they surpassed 268 days without an FRA-reportable injury, setting a PHL record.

“It’s been our best year ever at PHL,” said Harvey Reyes, trainmaster and ACE founding member. “They’re the ones who have made this happen. It’s their program, and they’re bringing it home.”

## Observations Equal Success

The voluntary ACE observation process provides the ACE Team opportunities to better identify and address – using educational countermeasures – areas of potential risk.

For example, ACE observation cards revealed a trend of not checking switch points when lining switches. To address the concern, the

team developed countermeasure cards that reviewed how to properly line and check switches, focused briefings on the topic and coached employees about proper and safe switch lining procedures. In the months following the efforts, observation cards revealed the issue had been addressed.

## ACE Adopting Employees

ACE helped ensure the 30 employees hired in 2010 began their railroad careers on a path of injury-free service.

To this end, the ACE Team created its Adopted Employee Program in which team members pair with new hires to help them develop safe and efficient work practices. Mentors often come in on their days off to ride and work with their adopted new hires, providing one-on-one coaching and mentoring.

are in the works for developing and offering ACE refresher courses designed to further strengthen the changing safety culture in progress. Refresher courses will provide reinforcement of ACE principles and processes, and provide additional opportunities for employee involvement.

“We want as many people involved in the process as possible, and there are a lot of ways to do that,” Reyes said. “Everyone can participate by filling out observation cards, offering suggestions to improve the program or by volunteering as an ACE Team member.”

Employees interested in volunteering should contact Reyes or another team member to learn more.

“At the end of the day, employee participation in ACE makes this a better company,” Reyes said. “The company gains safety and business results, and employees gain because a culture of safety produces job security and an overall environment where employees care for one another. That’s tough to beat.”



## Looking For More

ACE Team members are looking to build on current success this year. Plans

# Annual banquet celebrates best in safety

More than 200 PHL employees and family members turned out Jan. 16 to celebrate PHL’s ongoing safety record for 2010 and recognize the individual safety accomplishments of longtime PHL employees during its annual safety banquet at the Doubletree Hotel in San Pedro, Calif.

Employees with injury-free records were acknowledged in front of the audience and received PHL logo awards for two, five and 10 years of injury-free service.

## Two years

*(railroad watch):*

Scott Bailey  
David Berardelli  
Kim Briscoe  
Eric Carroll  
Harlow Church  
Tony Davis  
Carlos Maravilla  
Edward Martinez  
Bracey McAlister  
Scott McKemy  
Torry Rabb  
Ricky Rico  
Rodney Williams

## Five years

*(varsity jacket):*

Richard Briscoe  
Dallas Daeley  
Rick Calloway  
Frank Carter  
Art Croney  
Richard Garibay  
Mike Gearhart  
Jose Huerta  
Chad McIlwain  
Jeff Montgomery  
David Morn  
Juan Saldana  
Joel Toston



# Going Above and Beyond

As part of the ACE safety program's mission to create a culture of safety at Pacific Harbor Line, ACE Team members recently created a program to recognize PHL employees who go above and beyond the call of duty, contributing to that culture.

During ACE Awareness months, which are randomly chosen throughout the year, PHL managers and ACE team members will recognize employees they notice demonstrating ACE principles. Those employees will be recognized with a letter of commendation included as part of their permanent files and a \$25 American Express gift card.

The first ACE Awareness month was held mid-December through mid-January and recognized six employees.

"Their actions demonstrated a high level of professionalism and safety consciousness consistent with the culture ACE is striving to establish at PHL," said Harvey Reyes, trainmaster and ACE coordinator.

Recipients included:

## **Mike Casey, locomotive engineer**

While conducting job briefings in Pier A Yard Dec. 21, Casey noticed an existing Form C in the track bulletins and immediately began advising crews about it. His briefing led to a thorough discussion about working safely.

## **Justin Downer, assistant locomotive engineer**

While working inside Manual Yard on Dec. 28, Downer found a switch that had previously been run through. He immediately stopped the movement before an incident or injury could result.

## **Mike Fuentes, locomotive engineer**

On Dec. 15, while working in APL Terminal, Fuentes was shoving cars in support yard track No. 2 and noticed cars shoved down low in support yard track No. 4 clear of the curve. He immediately notified the APL switcher and tower. He asked them to advise all crews on this condition. The cars that appeared to be in the clear were, in fact, not clear.

## **Josh Limosnero, assistant locomotive engineer**

Limosnero, while switching cars at ITS Dec. 18, discovered a gapped switch on the 31/34 lead and reported it to the trainmaster on duty.

## **Fernando Macias, locomotive engineer**

On Jan. 1, while traveling light power near CP Dominguez, Macias demonstrated exceptional work practices when he promptly reported rocks stacked up tall and placed close and adjacent to main track.

## **Jeff Montgomery, locomotive engineer**

On Dec. 28, Montgomery noticed scrap metal on his approach to Transfer Junction, which could have caused a derailment. He promptly reported it to the team track lead.

# Promotions, awards, etc.

PHL congratulates employees who have been promoted.

## December 2010 Promotions

Employees promoted from Assistant Engineer to Engineer:

Brad Allerheiligen  
Carlos Maravilla  
Bracey McAlister  
Alan Carbajal  
Antonio Flores-Moreno

## February/March 2011 Promotions

Employees promoted from Assistant Engineer to Engineer:

Paul Solomon  
Sean McCarthy  
Chris Connolly  
Hudie Hawkins III  
Hiram Martinez

## 10 years

(\$1,000 and PHL 10-year safety award patch):

Devun Dunn  
Henry Henriquez  
Joaquin Oropeza  
Jimmy Rodriguez  
Johnny Serrano

PHL Locomotive Engineer Jimmy Rodriguez accepts a check for \$1,000 in recognition of 10 years injury-free service.



# By sea or rail, George stands prepared

Locomotive Engineer Lyle George is a proud member and nearly 20-year veteran of the United States Coast Guard. This branch is charged with protecting the maritime economy and environment, defending maritime borders, and saving those in peril.

He enlisted in the Coast Guard Reserve in 1991 because of its unique mission and proximity to home.

“Because it’s a small force, it’s much harder to get into than the other branches,” he said. “I wanted to do maintenance on boats and similar things. I enjoy the work.”

As a damage controlman first class, George is stationed at Base Support Unit San Pedro. He is responsible for maintenance items involving welding, plumbing, carpentry and other similar craft work.

He currently is part of a team constructing aids to navigation platforms for use along the Pacific coast. The platforms are used to help watercraft of all sizes and types safely navigate through the proper channels in harbors and waterways.

In his Reserve career, George has been activated three times. He was activated in 2001 and in 2002 following the events of Sept. 11. The activations brought him into the Coast Guard’s Sea Marshal Service, where he served as a boarding team member protecting and securing incoming and outgoing port vessels from potential threats of hijacking.

George was activated

in August as part of the national response to the BP Gulf Oil Crisis. As part of the response team, he worked to ensure the safety of individuals assisting in the containment and cleanup effort.

“I enjoy the work and being part of the armed forces,” he said. “I’m doing what I can. Even though I don’t feel it’s very much; I know I’m contributing something.”

George began his railroading career in 1992 with a short stint as an assistant signalman for Southern Pacific Railroad. He then worked in a small neon shop in Venice, Calif., building miniature, specialty neon and plasma devices, often used as props in movies and commercials.

He returned to the railroad in 1997 as a switchman, and often found himself working in the harbor for Pacific Harbor Line’s predecessor, Harbor Belt Line, which filled its ranks from the UP Extra Board. He joined PHL in January 1998 as the newly formed railroad’s fifth locomotive engineer.

Throughout his railroad career, George has stayed injury free. He attributes the record, in part, to skills learned while serving in the Coast Guard.

“I always try to be aware of what’s going on around me,” he said.

George enjoys spending time with his wife of six years, often taking time to check out antique swap meets, working around the house and gardening. He also continues dabbling with neon.



Lyle George, locomotive engineer and U.S. Coast Guardsman



# A little less talk, a lot more action

When it comes to running trains in, out and around the Ports of Los Angeles and Long Beach, Locomotive Engineer Fernando Macias prefers a little less talk and a lot more action. He appreciates Pacific Harbor Line's ever-expanding use of RCL technology.

"I enjoy RCL work and believe it enhances safety," Macias said.

Macias appreciates being in control of the train and its movements when on point.

He believes RCL allows an engineer and the conductor to focus more specifically on their tasks at hand because it eliminates the need for shouting and repeating car counts, derail locations and positions, switch alignments and signal indications.

"When I'm in control of the movement, I can see the signal aspects or if the gates are open or closed, and can control the train accordingly," he said. "There's a lot of radio traffic down here. The less we contribute to that, the better."

While RCL eliminates a significant amount of unnecessary radio chatter, Macias and his crew members still rely on strong job briefings before, during and after a move to ensure their safety and the safety of

those around them.

An eight-year PHL veteran, Macias has worked his entire career injury free.

"I'm thinking about the lives I'm working with, as well as my own," he said. "It's about figuring out how to do each job to make sure the freight gets to where it needs to be while figuring out how to do it without getting injured or injuring someone else."

Macias' appreciation for the enhanced operational safety afforded by RCL work is grounded in his life away from the railroad. He enjoys time with his wife of 18 years, Elizabeth, and his sons, Sean, 23; Anthony, 22; Michael, 20; Salvador, 16; and Robert, 15.

He looks forward each week to Friday evenings when the family gets together around their 65-inch television for pizza and a night of bowling, baseball, boxing and football games on their Nintendo Wii gaming console.

"My wife reminds me how she'd be lost without me; I take that very seriously," he said. "They look forward to me coming home each night and they all give me a kiss on the cheek. You can't beat that; there's nothing more important than that."



*Locomotive Engineer Fernando Macias appreciates the greater control of movements provided through the use of RCL technology.*

## Thank you, PHL veterans

Since our nation's founding, patriotic Americans have answered the call of duty when our country has needed it most. These brave Americans, many of them PHL employees, give of themselves at home and abroad to preserve the American way of life. They leave the comfort of their civilian lives to wear the uniform of the United States, protect our freedoms around the world, and serve within our borders during times of peace as well as turmoil.

Pacific Harbor Line thanks its U.S. Armed Forces veterans who include:

Frederick Calloway, Army  
Otis Cliatt, Army  
Donovan Davila, Army  
Justin Downer, Navy  
Mike Fuentes, Marines  
Lyle George, Coast Guard  
Daniel Gomez, Army  
Roberta Green, Navy  
Guillermo Guerra, Marines  
Richard Guindon, Air Force  
Karyn Haid, Army  
Anthony Johnson, Marines  
Roderick Johnson, Army

Sam Leon, Marines  
Cipriano Lopez, Army  
Bracey McAlister, Army  
Donald Norton, Navy  
Sergio Padilla, Marines  
Nikolos Pilato, Coast Guard  
Torry Rabb, Army  
Jeff Robinson, Army  
Juan Saldana, Army  
Mike Stolzman, Army  
Patrick Taylor, Army  
Daniel Wills, Navy



# Another Hollywood year for PHL

Pacific Harbor Line played a number of starring and supporting roles in several Hollywood productions during 2010.

The most notable production was part of an episode of ABC's one-hour, sci-fi comedy-drama "No Ordinary Family." A PHL train was featured in episode 10, which aired Dec. 7.

Other notable productions taking place on or around PHL property included "Transformers 3," an episode of Showtime television drama series "Dexter" and an episode of "The Cape," an NBC superhero drama series.

PHL receives as many as one or two calls per week from production scouts looking for specific shooting locations. PHL is very selective in the scripts it will participate in filming.

"We look at each and every project and script to ensure it's something that fits within our standards," said Greg Peters, Manager of Operations Support. "If it's something that presents blatant safety issues or simply is in bad taste, we won't participate. Safety is paramount."

For productions PHL participates in, the process involves several site visits and meetings with production scouts, producers and directors. Additional meetings are held with production site and set construction foremen to address filming requirements, safety issues and logistical concerns.

Given high traffic volume and PHL's commitment to providing its customers with timely and quality rail service, PHL limits a production's impact on operations. The railroad often encourages production crews to use San Pedro Yard on 6th and Harbor streets.

"For the most part, production has very little, if any, effect on our operations," Peters said. "San Pedro is a good place because it's out of the way. The only train activity taking place is a tourist trolley that runs only three days a week, which helps ensure a safe production."

Notable past productions taking place with PHL's assistance include movies such as "Get Smart," "Hancock," "Transformers" and "Fast & Furious." TV shows PHL has worked with include "CSI Miami" and "The X-Files," and commercials for Allstate Insurance, Nissan Automotive and Sprint Wireless.

## PACIFIC HARBOR LINES

For news coverage, contact Ethan at the newsletter office by phone at 402-475-6397, fax 402-475-6398, mail information to 1845 S. 11th St., Lincoln, NE 68502-2211, or e-mail ethan@newslink.com. This material is intended to be an overview of news. If there are any discrepancies between this newsletter and any collective bargaining process, insurance contracts or other official documents, those documents will govern. PHL continues to maintain and reserves the right, at any time, to alter, suspend, discontinue or terminate all plans and programs described in this newsletter. This newsletter is not an employment contract or any type of employment guarantee.

Thanks to everyone at Pacific Harbor Line for taking the time to contribute to this newsletter.

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Retired PHL Locomotive No. 51 is used during a shooting of CBS's television series "CSI Miami."



A 2007 Nissan commercial is filmed on PHL property. PHL equipment was used to demonstrate strength and quality of the Nissan truck frame's construction.



Safety is a paramount consideration for PHL when it agrees to take part in a Hollywood production filmed on its property or using PHL equipment.

