Message from John Goldman

Welcome

The year 2018 has been a solid one, with strong results in key areas. As always the top priority is safety.

Along with our overall success, this has been a busy year for continued community outreach activities such as Operation Life Saver, emergency training for first responders, and tank car safety training.

We have also made progress with INDOT on grade crossing mitigation measures. Several crossing upgrades were either completed, or in various stages of progress, during 2018.

As the seasons change, so do the challenges. Coming out of warm, dry weather we focus on the effect winter has on everything we do. To prepare, we ensure that we have an adequate supply of snow/ice removal supplies, put snow removal contracts in place, and we work to get snow removal equipment ready to go at a moment’s notice. We also audit our facilities for slip-and-trip hazards that could be hidden under snow, and to ensure that all drainage areas are clear.

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Innovating to Solve Transportation Challenges

Capacity in the trucking industry is very tight and—like most railroads—LIRC already enjoys a cost advantage, as well as being better for the environment. However, to benefit from the capacity crunch, we must also find new ways to meet the requirements of shippers who have previously relied on motor carriers.

Here are a few examples of how LIRC has been meeting shipper needs:

Expanding Production Space by Filling the Backhaul for WestRock

LIRC has been serving an international paper and packaging products company—WestRock—in Columbus, bringing in paper for their production process for more than 20 years.

On a plant tour early in the year, Katie Sackett, LIRC director of sales and marketing, observed that the company was facing some challenges with the volume of scrap paper accumulating throughout their plant.

Standard procedure had been to move that scrap across the plant to where trucks could haul it away.

After some internal consultations, the plant manager determined that the paper could be simply and efficiently loaded into emptied railcars. Sackett

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of debris. Our primary motivation in making early winter preparations is safety. At the same time, we know we must be ready to serve our customers as efficiently as possible when inclement weather is present.

I urge every member of our team to take these responsibilities seriously. Winter weather preparedness not only ensures that we can provide the level of service required, but it also guards the safety of our train crews who must work in every kind of weather.

We look forward to continued success during 2019.

John D. Goldman
President
Louisville & Indiana Railroad

Safety Outreach
A Major Focus for LIRC

When LIRC Transportation Director Jeremy Kramer was a child, he had a very personal encounter with train safety that would influence his career and drive his passion to protect the employees of LIRC and the communities they serve.

“I learned as a young boy what can happen, firsthand, when a train derailed less than a block from my house and we were displaced for two weeks while they vented propane cars that were involved,” Kramer said. “I know that it is critical to lead with safety for all stakeholders involved in our operations—inside and outside of the railroad.”

With 106 miles of rail spanning half the length of Indiana, LIRC travels through dozens of communities with hundreds of grade crossings. That is why the railroad makes a big investment in Operation Lifesaver, the public education program focused on preventing collisions, injuries, and fatalities on and around tracks and highway-rail grade crossings.

“For any railroad, the biggest safety concerns are grade crossings and trespassing,” said Kramer. “Using the programs provided by Operation Lifesaver, we can be proactive in reaching out to educate people—especially kids—about staying safe around trains and tracks.”

Kramer, and other LIRC employees, present at schools, daycares, senior centers, fairs and festivals, plus other community events. This year, LIRC has installed Operation Lifesaver signs at all its grade crossings, and also participated in a social media program that uses geo-fencing to push messaging to people within a specific proximity to rail crossings.

In another major safety outreach, LIRC works closely with local first responders in joint trainings and drills—including the annual Bartholomew County Trauma Camp.

This is all in addition to the safety training and education completed by each LIRC employee.
The vision of our nation’s pioneers resulted in a freight railroad network that is unparalleled in this world.

Today, the railroad industry thrives on its strong foundation. Railroads arose with the creation of the modern American corporation, providing the backbone of U.S. geographic expansion and industrial development.

We continue to build on railroading’s tradition of self-reliance and innovation and, along with our customers, we fuel the national economy.

I recently learned a mind-boggling statistic: the railroad industry has reinvested a half trillion dollars since the Staggers Act some 35 years ago! That takes courage, perspective, and above all—a collective determination to continue the efforts to build.

Anacostia continues this tradition by managing some of the most storied franchises in America. To celebrate, we are unveiling a new ARH wall calendar that will mark the important place in history being created by our employees.

Going forward, each year’s calendar will focus on the accomplishments at one of our family railroads. The 2019 calendar will commemorate the renewal of our New York & Atlantic Railway franchise.

For this special project we commissioned our good friend, Mitch Markovitz, to design an original work of art, which will be the centerpiece of the heritage wall calendar.

Enjoy! ☺

ASLRRRA Honors LIRC for Outstanding Safety Efforts and Service to Military

The Louisville & Indiana Railroad was a big winner at the 2018 annual meeting of the American Short Line and Regional Railroad Association (ASLRRRA).

LIRC Transportation Director Jeremy Kramer was named 2018 Safety Person of the Year. The railroad also won the association’s 2018 Marketing Award for expanded rail service to Camp Atterbury for the Indiana National Guard. And, for a second year in a row, LIRC won the Timmons Award for employing the top ratio of military veterans.

Kramer was honored for his efforts on a number of safety fronts including his work on the Operation Lifesaver highway-rail crossing program; the Officer on the Train program with law enforcement; outreach to members of on-line communities and veterans; and extensive hazardous materials training for emergency responders.

“We are very proud and fortunate to have Jeremy as a part of our team,” said LIRC President John Goldman.

The ASLRRRA Marketing Award recognized how LIRC greatly increased its capability to transport military equipment on railroad flatcars from its newly expanded installation at Camp Atterbury. After the Indiana National Guard approached the railroad to partner on a new nine-track rail loading facility, the design, construction, and rail operations planning took place over five years. The first rail deployment was in the summer of 2017.

“Using rail is both efficient and intelligent,” said Scott Lurkins, senior director of business development for Anacostia Rail Holdings. “We kept thousands of trucks off of the local road network during a busy harvest season in Indiana.”

The Timmons Award recognizes the efforts of ASLRRRA members to recruit and support U.S. military veterans. In 2017, LIRC employed the highest percentage of veterans (29.6 percent) and the highest percentage of veteran new hires (30.0 percent) among ASLRRRA member railroads.

Veteran initiatives at LIRC include special recognition for employees and charitable contributions to veterans. ☺

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worked diligently with our Class I connections to develop a rate and service plan that would meet the customer’s needs for transport of the scrap. This solution resulted in a number of improvements including:

- more open floor space in the plant because scrap paper was quickly removed;
- reduced interplant transfers, requiring labor, of the scrap paper to truck docks;
- greatly improved utilization of rail cars by filling their backhauls;
- greener point-to-point transportation; and
- a cleaner facility.

Inventing a Cross-Town Cross-Dock

In the spring of 2018, a major supplier of automotive parts—Impact Forge—began to evaluate their inbound steel bar shipments. They were interested to see if rail could be a viable option. An initial phone call to LIRC in June was all it took to develop a plan for rail movement from Arkansas into their Columbus plant.

“We faced an immediate problem,” says Sackett. “The plant is not directly served by rail and it wasn’t practical to build a rail spur.” Impact Forge referred LIRC to a trucker to help solve this one.

West Trucking, a local growing and creative motor carrier, lives by their claim, “Our fleet can transport any load safely and on time.”

We looked at the situation together, and West Trucking agreed to manage the transloading and transportation of inbound loads from an LIRC lead track located about nine miles from the manufacturing plant.

The initial results have been outstanding, and we look forward to continuing to support and grow this new traffic.

Envisioning a Multimodal Future on the Waterfront

On a much longer horizon, LIRC supports the industrial redevelopment of the recently-closed JeffBoat 65-acre shipyard on Jeffersonville’s Ohio River waterfront. The size and location of this facility would make it an ideal rail/truck transloading facility along with its potential as a rail/barge terminal.

We are keeping a close eye on the progress of this major industrial location, and we are ready to explore the potential for rail-served development with manufacturers and distributors.

Southwind Project Nearing Completion

As completion of the Southwind Project draws closer, LIRC, our customers, and our business partners are seeing the benefits of this investment that has totaled more than $100 million since 2015.

The joint infrastructure upgrade project provides CSX a permanent easement to operate over our 106-mile rail corridor between Indianapolis and Louisville. It also connects the Port of Indiana-Jeffersonville to enhance rail access, and provides more efficient rail service for freight shipments through the region.

A major milestone is being achieved this fall with replacement of the Flat River Rock Bridge in Columbus, Indiana, making LIRC fully compliant to handle 286,000 pound gross weight rail cars.

Additional improvements that were being completed in late 2018 include:

- installation of five miles of 136 lb. continuous welded rail between Franklin and Edinburgh, Indiana;
- completion of track realignment through Seymour, Indiana, making train operations more efficient and eliminating three grade crossings; and
- completion of a passing siding at Underwood, Indiana.

There will be additional improvements in 2019 including a new siding on the northern part of LIRC, as well as smaller projects that will mark completion of the Southwind Project.

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Customers are already enjoying improved service levels and higher train speeds.
When Indiana National Guard Staff Sgt. J.L. “Jay” Fleck decided to extend his 18-year military career, he chose to be sworn in at what, for him, is the perfect location—the running board of an LIRC diesel locomotive.

The ceremony aligned with Fleck’s duties as the non-commissioned officer in charge of rail movements at Indiana’s sprawling Camp Atterbury, a major training base located outside Edinburgh, Indiana and served by LIRC.

Fleck began his career in 2001 with the U.S. Marines and, after four years of active duty, signed up with the Indiana National Guard.

A Once-in-a-Lifetime Event

“As a transportation coordinator, I thought it would be a once-in-a-lifetime event to re-enlist for six more years, right on the locomotive,” said Fleck. “This was my final re-enlistment until I retire in five years or so.”

Conducting the swearing in was Chief Warrant Officer 3 Jimmy Hunt, Camp Atterbury’s railhead officer in charge.

The railroad’s close association with the Army and National Guard intensified in 2017, when LIRC and Osborn Transport worked directly with the Guard’s 76th Infantry Brigade Combat Team to execute a major deployment of soldiers and equipment from Camp Atterbury. The brigade-level operation involved moving approximately 309 railcars, 1,207 pieces of equipment, and 6,000 soldiers to Fort Polk, Louisiana in three unit trains.

Impressed with the operation, the Illinois National Guard staged a similar deployment to Fort Polk in 2018. The Minnesota National Guard also has conducted training at the camp in Indiana.

“We have always moved the Army all around the country and world by air and sea, but our 2017 move was the first rail movement of an entire infantry brigade combat team,” said Fleck. “We are definitely excited to have this opportunity for the Army to work hand-in-hand with our counterparts in the civilian sector.”

ARH Joins NDTA

As part of our strong commitment to national security, Anacostia Rail Holdings—the parent company of LIRC—has joined the National Defense Transportation Association (NDTA) as a Chairman’s Circle corporate member.

Representing Anacostia at the association will be Scott Lurkins, ARH senior director of business development.
Meet Naven Knutson, Our Newest Veteran

It was service in the U.S. Army reserves that helped Naven Knuston decide he’d like to work with LIRC.

With his sights set on becoming an engineer, Knutson joined the growing ranks of military veterans who are part of the LIRC team this summer, as a conductor trainee.

“I trained and worked on military locomotive maintenance at a Utah military facility”, he recalls. “Then we started training on other aspects of rail operations with LIRC in Louisville. There, LIRC Transportation Director Jeremy Kramer — who had previously been part of our unit—talked with me about what it was like to work with LIRC.”

Knutson was impressed with our overall work ethic and the positive environment at LIRC. Since hiring on, Knutson has been happy with his decision. In particular, he notes, “the railroad has done an outstanding job assisting veterans.”

He, his wife, and their dog now live in Frankfort, Kentucky, where he grew up.

Community Counts with LIRC

LIRC and its employees are very involved in sponsoring community celebrations, youth athletics, and local charities each and every year. These are some examples of our ongoing activities.

- For the past four years, LIRC employees have conducted an internal charitable campaign to fund projects and activities at Norton Children’s Hospital in Louisville, Kentucky. The employee donations are matched by the railroad. In 2018, LIRC’s efforts will help the hospital with its 29th annual Festival of Trees & Lights fundraiser.
- Annually, railroad employees volunteer for projects done in conjunction with the Kentucky-Indiana Chapter of the Paralyzed Veterans of America (KIPVA).
- Thunder Over Louisville is the annual kickoff event for the Kentucky Derby Festival. It features an air show and massive fireworks over the Ohio River. This year, LIRC closed down its primary bridge over the river during the events and adjusted operations for an entire day so the community could celebrate.
- In 2018, LIRC sponsored three Little League baseball teams and a Boy Scout troop in local communities.
- Two veterans-themed locomotives were introduced this year.

Welcome

The LIRC would like to welcome the following new employees who joined us in the latter half of 2017 and in 2018.

Katie Sackett  
Director of Sales and Marketing

Leon Faetini  
Conductor/NCE

Naven Knutson  
Conductor/NCE

Congratulations to LIRC family new arrivals!

Lauren Elizabeth, July 26, 2018  
Daughter of Jeremy Kramer, Director of Transportation

Liam Michael, July 18, 2018  
Son of Will Faulkner, Trainmaster

Remembering Jason Stroud

LIRC Engineer Jason Stroud, 46, died March 30, 2018 due to health issues.

Stroud started his rail career with Norfolk Southern, and began working for LIRC in 2016. He was a lifelong resident of New Albany, Indiana.

His LIRC family remembers him as a friendly, outgoing person who “never met a stranger.” He was a devoted father to his young son, Wade.

Stroud was a proud member of the Brotherhood of Locomotive Engineers and Trainmen (BLET), and stayed in touch with his co-workers at LIRC even after his health forced him to stop working.

Milestones

Employee Anniversaries

20 Years
- Art Bagby
- Rodger Ritchie

15 Years
- Johnie Odle

10 Years
- Leah Windell

5 Years
- Rick Nauch
- Nick Adams
- Eric Bondegard

Congratulations for all your accomplishments! We thank you for your service and dedication to the LIRC.