

Connections

2020

Message from John Goldman

News for Customers, Employees & Friends of the Louisville & Indiana Railroad



We are moving through a time of rapid change, and it's more important than ever to focus on what we value most safety for our employees, our customers, and our communities.

We are proud that the railroad closed out 2019 with no injuries, making it one of our safest years ever. These accomplishments earned us a coveted industry recognition: the Jake with Distinction Safety Award. This was not by chance or luck: it was due to our continued focus. education, and professional commitment to be the safest railroad possible.

During the COVID-19 pandemic, our personal and professional lives are being disrupted. Fortunately, our strong safety culture has the entire LIRC team focused on keeping our employees and families as safe as possible while still providing our customers with the service they need.

LIRC was quick to offer support to our customers during these trying times. This ranged from providing loaded/empty railcar storage, supply chain monitoring,

Continued on Page 2

Inside this issue...

- P2 LIRC Capital Improvements
- P3 Safety Training; Jake Award
- P4 Emergency Management Readiness COVID-19 Support
- P5 Red Ball Recycling Adding Rail
- P6 Employee Milestones
 - LIRC Community

Mytex Relies on LIRC to Serve North America



At Jeffersonville, Mytex receives and ships raw materials and finished products, turning approximately 175 covered hopper car loads every month.

Havina a choice of rail carriers at its Jeffersonville, Indiana facility gives Mytex Polymers US Corp added supply chain flexibility.

"That's a rare rail shipping advantage," says Deborah Weatherholt, director of logistics, customer relations, and sales administration for Mytex.

The plant is located on MG Rail (MGRI) which is the contracted switching company for the Port of Indiana in Jeffersonville. MGRI has direct interchange to LIRC and a Class I carrier.

This provides Mytex with multiple rail service options. At Jeffersonville, the company receives raw materials and dispatches finished products, turning approximately 175 covered-hopper car loads monthly. Much of that volume is handled directly at the plant, with the remainder processed at a transload

facility in LIRC's nearby Jeffersonville Transload Yard (JTY) directly off of I-65.

As a wholly-owned subsidiary of global Mitsubishi Chemical Company, Mytex serves customers that require safe, reliable, and efficient supply chain services. Customers include major producers in the following industries:

- automotive
- heavy truck
- industrial
- recreational vehicles
- personal motor sports
- construction and agricultural equipment
- marine
- Iawn and garden
- architectural

Message from John Goldman

Continued from page 1

daily service plan scheduling, and proactive weekly reporting to ensure we were meeting their needs and expectations.

A significant safety initiative that continues is the upgrade of warning systems at highway crossings across our network. We've finished work at nine crossings so far, and this year we plan to complete another 18. More will follow in future years. The success of this program is due to communication, collaboration, persistence, plus focus by INDOT, various community leaders, and the LIRC.

I know we can successfully navigate the current difficult conditions, and I am confident that we will remain nimble, safe, and customer focused.

John D. Goldman President Louisville & Indiana Railroad

LIRC Capital Improvements Continue

The economic slowdown hasn't kept us from continuing to make critical capital investments. As traffic returns, we must be ready to handle shipments safely and efficiently.

Primary projects underway in 2020 include the following:

Jeffersonville 300 Yard receiving and departure tracks—A full rehabilitation for this critical component of LIRC's primary yard will be completed using rail harvested from the previous

mainline tracks. It will be welded and laid on 4,000 new hardwood ties and 8,875 tons of walking ballast, all completely surfaced for easier and more reliable operations. The project covers the four yard tracks numbers 301 to 304

-which range in length from 4,720 to 4,580 feet. Funding was jointly provided by LIRC and an Indiana Department of Transportation Industrial Rail Service Fund (IRSF) grant.

Jeffersonville Transload Yard (JTY) office—LIRC recently made a worthwhile investment at JTY by replacing the old yard office trailer with a new doublewide facility to meet current yard demands and scheduled growth in the near future.



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President John Goldman Phone: (812) 406-4501

Sales & Marketing Katie Sackett, Director Phone: (812) 406-4586 Email: ksackett@anacostia.com The challenges posed by the COVID-19 pandemic demand continual operation of the nation's railroads. Our work is essential for the health and safety of everyone. We are proud of the care

and persistence our workforce demonstrates sheets. While we continue to carefully each day.

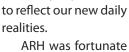
The top priority is staying focused on required safety and operating rules, and coaching each other to do the same.

This has permitted all our railroads to also stay light on their feet during an extraordinarily dynamic time. We have responded quickly to changing operating conditions, providing customers with uninterrupted service while making any

Pulling Together

Anacostia 'On the Move'

by Peter Gilbertson President & CEO Anacostia Rail Holdings



necessary adjustments

to enter this challenging period financially strong, with no debt and sound balance

watch our costs, we are also establishing funds to help local communities.

By pulling together our team, customers, communities, and other partners, we are focused on protecting everyone's health, doing our jobs safely, and adjusting our operations. Through all this we remain dedicated to providing our customers with the high standards of service they have come to expect from us.

Safety Activities Keep Everyone Focused and Prepared

Throughout the year, LIRC supports rail-oriented safety trainings for local first responders both financially and with its operations expertise. Here are some activities held in the past year.

Bartholomew County Trauma Camp For the annual Trauma Camp, LIRC developed a mock railcar accident course and provided equipment for the firefighters and EMTs to train with. Plans are already underway to participate in the October 2020 event.

Safety Train—In the past year, LIRC was able to bring The Firefighters Education and Training Foundation's "Smoke House" car to multiple agencies along our route.

The Smoke House box car is equipped with three levels of maze and obstacles that allow firefighters to practice their ability to navigate through a pitchblack environment that simulates a smoky response, while wearing their typical protective equipment.

Many agencies do not have access to this type of equipment and we recognized an opportunity to help our communities be better prepared for all types of emergencies.



LIRC Vice President Jeremy Kramer briefs some of the first responders as they prepare for training in the Smoke House box car.

The car started its tour in Jeffersonville and provided training opportunities for local responders and students from Prosser School of Technology. It made a three-day stop in Seymour, and finished its trip at the Bartholomew County Trauma Camp.

Internal NIMS & ICS Training—Inside LIRC, the railroad's four transportation supervisors and two customer service agents have completed National Incident Management System (NIMS) and Incident Command System (ICS) training. This training is a free computer-based training provided by FEMA and allows us to better communicate and integrate with the emergency response agencies in the communities we serve. ◆

LIRC Wins Safety Award

LIRC received the American Short Line and Regional Railroad Association's (ASLRRA) prestigious Jake with Distinction award for an outstanding safety performance in 2019.

ASLRRA member railroads that perform better than the Class II and III

railroad industry average for injury frequency rate, as reported by the FRA during the previous calendar year, receive the "Jake" safety award.

Member railroads that sustain zero injuries are honored with the "Jake with Distinction" safety award. It was the fourth straight year LIRC has earned a Jake Award. ◆

HazMat Training at the Highest Level

Industry-leading hazardous materials training was generously provided to LIRC Trainmaster Jeremiah Fletcher by CN last fall.

"The training I received exceeded any other training experience of my entire railroad career," Fletcher said.

The five-day, 40-hour Tank Car Specialist (TCS) course he attended was conducted at the Security and Emergency Response Training Center (SERTC), the nation's leading surface transport-

ation HazMat training facility. It is part of the Transportation Technology Center, a wholly-owned subsidiary of the Association of American Railroads.

The TCS course is "specifically designed as intensive hazard-

ous materials emergency response training for the specialist level and will bring the hazardous materials technician to the highest recognized level of training...," according to SERTC.

In addition to extensive course work, Fletcher participated in multiple scenarios intended to simulate evaluation/remediation of railroad rolling stock involved in a derailment containing both hazardous and non-hazardous materials. A special "Smoke House" railcar provided simulated real-world training experiences.

"I can't give enough praise to the CN Dangerous Goods Team—as well as the SERTC staff—for the opportunity and the education," Fletcher said. "All were extremely knowledgeable and helpful."

Fletcher looks forward to incorporating aspects of this training at LIRC as he works with local first responders to better prepare them for any future incidents.



Local Support for COVID Relief

As part of a COVID-19 relief effort sponsored by parent company Anacostia Rail Holdings, LIRC recently reached out to support its local communities.

Focusing on six area hospitals, LIRC and Operation Lifesaver provided free meals for health care workers and first responders at local restaurants.

LIRC also gave donations to: Johnson County Senior Services; Our Hospice Southern Indiana; Community Provisions of Jackson County; Scott County Clearinghouse Foodbank; and Supplies Overseas for local outreach.

"We got recommendations from local police and fire departments about deserving organizations," said LIRC Vice President Jeremy Kramer. "We wish we could have done more, but we are glad our donations will support these agencies to help people through the pandemic."

Emergency Management Readiness Training Continues

Last August, LIRC hosted more than 300 emergency responders—including fire, police, and medical personnel—in three separate tabletop training sessions.

The emergency exercises were held in Clark, Bartholomew, and Jackson counties. They brought together a wide variety of community, county, state, and federal agencies to coordinate plans for how each would respond and interact in a hazardous-material incident involving a train derailment.

The exercises were organized within the National Incident Management System (NIMS), utilizing Incident Command System (ICS) protocols. LIRC funded all three sessions.



At each exercise, a scenario was established specific to the geographic location. The training elements included:

- establishing communications with the railroad,
- setting up a unified incident command and joint information center,
- developing an action plan,
- assessing physical and chemical characteristics,
- managing fatalities, injuries, evacuees, along with other public-protection actions, and
- notifying authorities of spilled products.

"The goal was to sharpen community preparedness and response skills in dealing with a derailment—and they knocked it out of the park," said LIRC Vice President Jeremy Kramer.

Last year, LIRC supported and participated in emergency drills in three counties.

Mytex Continued from Page 1

Weatherholt has enjoyed a good relationship with LIRC since she started managing logistics for Mytex in Jeffersonville and at its other U.S. location in Covington, Georgia nine years ago. Prior to that, she had experience managing warehousing and trucking service providers. She has found the service provided by LIRC compares well with the traditionally customer-focused motor carriers she had dealt with in the past.

Routine service can be handled

mostly via LIRC's RailConnect shippers' tool. LIRC drops and picks up cars at an adjacent rail-served facility, and Mytex's production arm, Chemtrusion, uses a shuttlewagon to spot and move cars within its 112-car rail yard.

Weatherholt says it is convenient that LIRC interchanges with MGRI five days a week and also has daily switch services at JTY.

When there is a need for expedited service, Weatherholt reports that the LIRC team is always ready to help.

"If we need a car that's in their yard handled on a priority basis to satisfy a special customer need, they take care of it right away," she says.

Mytex also called on LIRC for some special support when shipments suddenly slowed down with the onset of the COVID-19 pandemic.

"They helped us find space to store cars that were temporarily idled until everyone adjusted to the change and restarted production," she says.

"LIRC is great to work with," she says. "Regular service is reliable, and the railroad is accommodating whenever it has the capability to handle a special need."



Brian Donaghy, owner of Red Ball Recycling, was raised in Ireland and moved to the United States when he was 17. Since then, his integrity and work ethic have been central to his success.

Seeking to expand his company, Donaghy is adding rail transport to better serve his customers. In partnership with another privately held scrap metal recycler, Red Ball recently purchased a site just under 17 acres adjacent to LIRC and plans to construct a rail spur on the property. Donaghy expects to initiate rail shipments of scrap metal—as well as other bulk transload freight—within the next 12 months.

The new facility is parallel to LIRC's Jeffersonville classification yard, and will be located a few miles from the existing Red Ball facility in Clarksville, Indiana. That site serves Southern Indiana and other nearby locations, utilizing trucks to meet its relatively short-haul needs. Donaghy says the addition of rail service will open new markets within a radius of several hundred miles.

Supported by LIRC's regional service and North American rail connections, scrap from the existing Red Ball location is also expected to move via the new rail-served site, allowing both operations to benefit. The company currently processes the following kinds of scrap:

- aluminum, including cans
- steel
- copper wire and pipe
- brass
- stainless steel
- old appliances
- electric motors
- automotive/industrial batteries

Donaghy is enthusiastic about the new rail service and has enjoyed collaborating with the LIRC commercial group to set it up.

"Katie Sackett and her entire team have been a pleasure to work with," he says.

Overall, LIRC and Red Ball are a good match for one another—sharing a common drive for safe and efficient services. In addition, both organizations are dedicated to integrity and transparency.

Donaghy's philosophy is prominently stated on Red Ball's web site: "We pay customers correctly for whatever they deliver. We don't play games or doubledeal. This is just who we are. It's how we run our business. Ask anybody."

Here's to a bright future.



Milestones

LIRC employees celebrated the following milestones through June 2020. We thank you for your service.

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15 years	Dan Watson			
5 years	Will Faulkner			
	Wayne Grant			
	Jim Kirkland			
	Ray Palmer			
	Tristan Shafer			
Welcome				
loe Biggs Bridge/Track Inspector				

Joe Riggs, Bridge/Track Inspector Donald Crater, Conductor NCE

Retirement

Gary Owens, MOW Track Inspector

Helping Our Communities

LIRC and its employees are involved in sponsoring community celebrations, youth activities, and local charities. Here are some examples of our ongoing activities.

LIRC employees have 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 2019, LIRC was a sponsor for Norton's Festival of Trees and Lights.

Over the past year, LIRC has sponsored Little League teams, scouting activities, and local fire departments, in addition to the recent COVID-19 community relief efforts.

LIRC Volunteers at Veterans' Wheelchair Games

Every year, LIRC employees participate in a volunteer project to support military veterans. For 2019, we contributed 130 volunteer hours at the annual National Veterans Wheelchair Games held in July in Louisville.

The games are hosted by the Department of Veterans Affairs and the Paralyzed Veterans of America. Athletes are veterans with spinal cord injuries, multiple sclerosis, amputations, and other central neurological impairments. The goal is to enhance independence, health, and overall quality of life.

During the four-day event, LIRC volunteers performed such services as keeping score and overseeing timing for 19 different competitive events.

"One of LIRC's missions is to support the military past and present," said LIRC President John Goldman."I'm very proud



Volunteers from LIRC contributed 130 hours to help with the 2019 National Veterans Wheelchair Games held in Louisville.

to be part of an organization that volunteers for such a noble cause."

LIRC is also a two-time winner of the Timmons Award given by the ASLRRA to railroads with a commitment to hiring and retaining veterans.

Capital Improvements Continued from Page 2

There are four private offices, a fullsize bathroom with shower, plus a large meeting area and coffee station for the drivers and our vendors to utilize.

Franklin, Indiana passing track— A new 10,000-foot siding near Franklin is being built about 20 miles south of Indianapolis. The siding's location on LIRC's single-track mainline is designed to facilitate more efficient handling of traffic by providing a new location where one train can be held to allow the passage of a second train. This will permit trains to keep moving beyond more distant sidings where they previously have had to wait for opposing traffic to clear.

Grade Crossing warning system upgrades—We are upgrading the systems at 18 crossings this year, adding to the nine completed since 2018. LIRC plans to continue this program in future years.

State Road 46 Overpass—The State of Indiana, City of Columbus, Bartholomew County, LIRC, and CSX came together to

fund a large new economic development project. Construction started in 2019 and the overpass opened in late June. It is designed to eliminate the delays and hazards the at-grade crossing had presented to drivers and railroad personnel.

"We have been happy to support the city and state in their efforts to better handle highway traffic at this location," says LIRC President John Goldman. ◆



A new overpass opened in June near Columbus, IN to replace an at-grade crossing and improve safety for vehicles and trains.