

AARS - join a rich tradition

Founded in 1881 as the Association of Railway Superintendents, today's AARS is an organization for fostering interchange of knowledge and building connections for those in railroad operations, transportation, mechanical, engineering and management.

Member benefits

- Quarterly newsletter
- Annual meetings
- Winter meetings
- Seminars
- Scholarships
- Networking forums

Members include

- CEOs
- AVPs
- Presidents
- Superintendents
- Trainmasters
- Terminal Managers
- Engineers
- Operating managers
- Training managers
- Government leaders
- Division managers
- Administration managers
- Safety managers
- Railroad vendors
- And many more...

Class 1 memberships grow association

AARS board members helped spur a 10 percent increase in membership since last year.

The board successfully contacted all class 1 railroad CEOs to discuss AARS and benefits of participation, according to 2009/2010 AARS president Jim Bender, retired director Interline Management, Canadian Pacific.

Every railroad recognized the association. Most class 1s took action resulting in increased membership.

"It was good to get reacquainted," Bender said. "A lot of them knew of our organization. They just forgot about its significance."

The association also boosted communication with a newly designed web site

and brochure. It recommitted to leadership development through the Frank J. Richter Scholarship and free membership to Michigan State University Railway Management Program students.

"Our key charter is to promote education," Bender said. "All of these efforts point to bettering our members."

"Ron Batory, previous AARS president, charged our organization with revitalization," Bender said.

"We all agreed we need to reach out to younger, more energized railroaders to grow AARS."

From now on, he said, the first vice president's duties will be to carry the membership torch.

"Cooperation is what CTCO is all about. The premise is that we work together to make traffic better around Chicago," said Dave Grewe, UP director CTCO. "I think a lot of cooperation efforts we have in Chicago have migrated in other locations ... St. Louis, New Orleans ...

"We're building on improvements like business exchange and lineup processes. In Chicago there are six class 1s. We are unique. AARS helps bring a lot of us together to share ideas. The more you talk and break down barriers, the more you learn about having the same goals."



New class 1 members like Dave Grewe, UP director CTCO, helped to boost membership for AARS recently. Standing with Grewe is AARS Administrator Carrie Foor.

The special world of a superintendent

As described by Earl Currie, charge to Superintendents - AARS Winter Meeting

"In my early days of railroading, I worked summers on the Great Northern," said Earl Currie, railroad management consultant and retired vice president and chief transportation officer for CSX, and AARS member since 1965.

"I remember the superintendent as the person who leads the organization, sets standards and priorities and performance. I wanted to be a superintendent. It was a dream."

Superintendents wear many hats. To employees the superintendent is the company. Currie achieved the title after many years of studying other operating officers and how they handled themselves.

"I especially watched the ones who were on the fast track," he said. "Good superintendents were good coaches. They wanted to help people meet their potential."

Superintendents are close to the action. Superintendents directly lead people who carry out their projects.



Earl Currie, retired superintendent, addresses AARS railroad leaders during the June 28 annual meeting in Duluth, Minn.



From left, Jim Ralph, CSX director Network Scheduling and Dr. Ravindra Ahuja, president Innovative Scheduling

ONE • railroad • technology • plan

CSX's Jim Ralph, director Network Scheduling, described to AARS members his railroad's successful transition into the ONE Plan. The result was an optimized scheduled rail network that saves 13 million annual car miles and the elimination of 10 major train roadblocks throughout the system.

CSX Network Scheduling helps drive the ONE Plan and analyzes data to make critical decisions on where to focus capital improvements.

Ralph presented with Dr. Ravindra Ahuja, president Innovative Scheduling. Ahuja described some software tools used to analyze flow throughout the system.

"We've worked on eliminating the old table-driven classification system with a new algorithmic system of car flow," Ralph said. "Having less people doesn't always mean less work. It's a matter of getting new tools and techniques for increasing productivity with the same number of people."

Ralph said that when the ONE Plan was instituted in 2004, economic situations were different. Today's economy requires CSX to revisit how blocking was optimized.

The process involved setting a resource plan for locomotives, crews, cars, track, shops and yards. Ralph said CSX also mixed

It's a matter of getting new tools and techniques for increasing productivity with the same number of people.

— Jim Ralph

in train schedules and shipment routing to achieve the improvements.

"The plan has to be feasible, reliable and recoverable so we can react to things like Hurricane Katrina," he said.

CSX ONE Plan serves as a guide to help employees run trains on time and deliver freight to customers when they expect it to be delivered.

The initiative contains five parts: ONE Plan compliance, Locomotive Power Plan, Curfew, Proactive Leadership and Crew Utilization.

Passenger service covered

Ken Buehler, executive director, Lake Superior Railway Museum, brought passenger service aspirations to a group of superintendents, many of whom will be tackling passenger issues in the future. Buehler spoke on the Northern Lights high speed rail project and other passenger rail logistics in the region.

"Duluth has wanted passenger service since Amtrak left in 1985," Buehler said. "That service moved more than 100,000 people between Duluth and Minneapolis."

Buehler said traffic from Minneapolis to Duluth would be further boosted by the Grand Casino Hinckley, which may attract up to 200,000 riders per year. Other riders would enjoy trips to the new Twin Cities Target Field baseball stadium.

Preliminary estimates state the train corridor could see an economic boom with more than 13,000 new jobs and increased household income. Total potential could be \$190 million to the local economy.



Ken Buehler, executive director, Lake Superior Railway Museum

The special world of a superintendent

Continued from Page 1

"Those of you who reached this level should treasure this job," he said. "Your leadership will affect people in the way you coach them. In the way you demand standards and the experiences you offer."

Superintendents demonstrate a commitment to safety every day. They genuinely care about the well-being of their people. Historically, Currie said, superintendents oversee Operations and Maintenance of Way.

Some railroads have adopted a departmental concept for their Engineering forces, but he prefers the divisional concept.

"To become effective under the division concept is not to be a technical expert, but to build a team," he said.

To those striving to become superintendents one day, Currie said managers should welcome lateral moves. Try to learn all three phases of Operations and Network Operations.

For a complete transcript of Currie's address go

114th Annual Meeting highlights



From left, Carrie and Thomas Foor enjoy the view from the passenger train.



Addie and David Husbands



From left, Don Orseno and Earl Wacker thank Ken Buehler, executive director, Lake Superior Railway Museum, for his support of the convention as well as his presentations to guests.



From left, Michael Weinman, managing director PTSI, and Peter Espy, Transystems consultant



Gordon Mott, AAR, speaks to colleagues at the AARS educational sessions.



Don Fissel, Ellwood Crankshaft, speaks to the AARS technical showcase.



Vince Cervas, Global Rail Services



AARS guests stretch legs upon arriving in Two Harbors, Minn., from the North Shore Scenic Railroad tour.



From left, Mark Blaschka and Don Fissel enjoy a ride in the passenger car.



Conrail provided superior representation to the conference. From left are Pat Unger, Pat Cassette, Terry Goad, Bob Capparelli, Doug Robertson, Ryan Keating, Joe Price, Ray Gloede, Joe Garofolo, Eric Levin and Mike Centeno.



Carrie Foor, AARS administrator, welcomes Greg Fogarty, RailComm vice president.



Dennis Neilson, director Railway Management Program, Michigan State University

Thanks to our sponsors:

The AARS wouldn't be as successful without the continuous support from its sponsors. Thank you to the 2010 Annual Meeting sponsors including:

Corporate Lodging Consultants, Inc.
Creative Promotional - Jerry Gleicher
Ellwood Crankshaft - Don Fissel
Global Rail Systems - Vince Cervas
Hulcher Services - Matt Bork

Innovative Scheduling - Dr. Ravindra Ahuja
Michigan State University - Dennis Neilson
News Link - Dave Zelnio
Progressive Railroadng - Steve Bolte
RailComm - Greg Fogarty

Railhead Corp - Tom Poulsen
Rail Sciences, Inc. - Gary Wolf
RailWorks - Jim Hansen
USSC Seating - Jim Collingwood
Veolia Transportation - Don Saunders

Also, a big thanks to the AARS Annual Meeting meal and reception sponsors, including Corporate Lodging Consultants, Inc., reception sponsor; Veolia Transportation, lunch sponsor; and RailComm, dinner sponsor. The AARS greatly appreciates your support!

MERC helps moves fuel

Coal is king in many areas. Duluth benefits due to its harbor and Midwest Energy Resource Company.

Bob Sarvela, vice president marketing, said MERC's Superior Terminal manages 40 million tons of Powder River Basin coal. More than 2,000 tons of coal sits on the ground ready for shipping to overseas ports.

MERC, located in Superior, Wis., operates 24/7. The company, owned by Detroit Edison, serves BNSF and UP unit trains. These trains make the 1,000 mile route from the mines to Duluth in two

days. The site accommodates two train sets on site.

Statistics:

- 12,750 tons shipped annually
- 88 employees
- Coal cars are dumped in 86 seconds
- Five to six trains per day are unloaded
- BNSF moves trains in and out every five to six minutes
- MERC maintains 7,200 cars



Bob Sarvela, vice president marketing, MERC's Superior Terminal

Stewart addresses trends

As the economy flows, so do railroads and vice versa. Therefore, AARS welcomed Dr. Richard Stewart, Ph.D., CTL, professor and director of Transportation and Logistics Research Center



Dr. Richard Stewart, professor of Transportation and Logistics

at the University of Wisconsin-Superior. Stewart discussed trends with fuel use, human resources and how railroads are affected.

Stewart said the number of automobiles will increase by 300 percent between now and 2020. The greatest demand will occur in China, which expects to see 20 percent more automobiles. He cautioned carbon taxes could greatly affect the railroad industry. More fuel efficient cars also may put a strain on local governments that rely on gas taxes.

Trends towards intermodal trains also should continue. Schneider Trucking, for example, plans to see 30 percent of its fleet to be stackable to 53 feet. "One executive at JB Hunt once said, 'if it takes more than a day to deliver, it should go intermodal,'" Stewart said.

Speaking to employment, Stewart said hiring costs continue to rise. The cost of hiring a new employee with a salary of \$40,000 is nearly an additional \$14,000 for hiring activities and compensation.

People ages 55 and older account for 18.7 percent of the U.S. labor force, according to the Bureau of Labor Statistics. That is the highest share held by this age group since the bureau started reporting in 1948.

He cited a Business Week article that stated one transportation company had 1,500 interns in 2009.

How does cooperation with AARS help your railroad?

"Being a short line, any interaction we can get with class 1s helps us a lot," said Jesse Chalich, assistant vice president Marketing/Sales for the Northern Plains Railroad. "Networking at events like this is a big deal."

The Northern Plains Railroad, dubbed the ASLRRR Regional Railroad of the Year for 2010, serves 40 agricultural customers and 30 car repair customers. The majority of freight encompasses wheat from North Dakota. While wheat is king, the railroad also moves rock, ballast and wind energy components to the Devils Lake area. The railroad feeds traffic to Canadian Pacific and BNSF.

Like clockwork, Red River flooding takes a toll on the Northern Plains Railroad with washouts. Chalich said the railroad typically spends several weeks repairing washouts with the assistance of CP, which leases the line to Northern Plains.

"We've done a lot of reinforcing with rip rap to reduce the washouts and wave action," he said.

The Northern Plains Railroad began with 19 employees in 1997. Today, 88 employees serve customers.



Jesse Chalich, AVP Marketing/Sales for the Northern Plains Railroad

What about AARS?

Randy Balthazar, retired assistant director Operations Control Center for Canadian Pacific in Minneapolis, oversaw dispatch, crew calling and timekeeping.

"I've worked with Jim Bender for many years and he invited me to the convention," Balthazar said. "It's a good place to reconnect with the people I worked with and maybe offer a little advice to whoever will listen."



Randy Balthazar, retired assistant director Operations Control Center for Canadian Pacific



Joseph Price, Conrail senior trainmaster
Photo courtesy Thomas Foor

"Events like this highly benefit Conrail because we are owned by two companies," said Joseph Price, Conrail senior trainmaster. "We have to take everyone's ideas and make them work out best for all three of us."

Price, a 13-year railroader, oversees 200 Transportation crews in northern New Jersey. This was his first AARS Meeting.

Congressman outlines passenger rail act

Rep. James Oberstar (D-Minn.) provided the video keynote address to AARS during a luncheon June 28. Oberstar serves on the House Committee on Transportation and Infrastructure.

"We're working to modernize, enhance and expand our nation's railroads to handle the needs of the 21st century," he said.

Oberstar said the 110th Congress charted a new course for Amtrak and intercity passenger and high-speed rail with the Passenger Rail Investment and Improvement Act of 2008. The bill provides \$13.06 billion during a five-year period to encourage development of new and improved intercity passenger rail service.

Amtrak, for fiscal year 2010, should surpass the 28.7 million passengers carried in 2008. In April, ridership on all Amtrak trains climbed 7.9 percent and revenue increased 13 percent.

There is an overwhelming interest in the program. To date, the Federal Railroad Administration has received 259 final applications from 37 states, plus the District of Columbia, totaling \$57 billion in requests for funding.

In the Midwest, 24 projects received a total of \$2.62 billion in Recovery Act funding. A big part of that is the \$810 million to begin work on the Milwaukee to Madison phase of the Midwest High Speed Rail Corridor that will one day link Chicago with the Twin Cities.

"During the past 50 years, the federal government invested nearly \$1.3 trillion in our nation's highways and more than \$484 billion in aviation," Oberstar said. "However, investment in rail infrastructure has lagged far behind."

For decades, investment in passenger rail was halted. Congress created Amtrak, in 1970, opening a trickle of funding for passenger rail. Since that time, the U.S.



Congressman James Oberstar address AARS guests via video feed.

invested just \$67 billion dollars – only a small fraction of what European and Asian countries invested.

"We are acting to ensure that America's transportation systems are up to date, so our economy can prosper in the global marketplace of the 21st Century," he said.

For a complete transcript of Oberstar's message, visit

AARS Derailment Investigation Seminar

November 8-9, 2010

Dallas/Fort Worth, Texas

Holiday Inn Select, Dallas-North (Galleria Area), 2645 LBJ Freeway, Dallas, Texas, 75234

Phone: 1-800-972-2518 or 972-243-3363 Website: www.hiselect.com

Hotel room cutoff is Oct. 19, 2010, to receive the special AARS rate of \$75/night. In fulfilling its mission to make quality education available to all in the industry, AARS provides this seminar at a price that is a great value by industry standards at \$395 per person

(Only one registrant per form please)

Name: _____ Title: _____
(Print name as it is to appear on badge)

Company: _____ Address: _____

City: _____ State/Province: _____ Zip Code: _____

Phone: _____ E-Mail Address: _____

Also visit www.railroadsuperintendents.org to register online.

To pay by mail, please submit this form with check payable to AARS.

Registration and Cancellation Policies:

Registration form cannot be accepted without accompanying payment.

A refund of 85% will be given for cancellations made before Oct. 30, 2009.

For cancellations after Oct. 30, registration fee will be applied to future meeting.

Hotel Reservations

Hotel reservations must be made directly with the hotel:

Holiday Inn Select, Dallas-North (Galleria Area)

1-800-972-2518 or 972-243-3363

Room rate for AARS: \$75/night

To obtain AARS rate, specify your attendance at the AARS Derailment Seminar and make your reservation by Oct. 19, 2010.

Room Cancellation Policy: 48 hours notice

AARS, P.O.Box 200, LaFox, IL 60147 Phone: 331-643-3369 Fax: 630-762-0755

Email: aars@railroadsuperintendents.org

OUR MISSION: To be a professional and educational association for persons engaged in the planning, design, management, supervision and/or regulation of, or the training of persons for, operations of the North American freight, passenger and metropolitan transit railroad systems. The Association shall gather, develop, evaluate and disseminate information for promoting railroad safety, reliability and efficiency by enhancing the knowledge, skills and professionalism (and thereby the effectiveness) of each member.

President: Don Orseno, Chief Customer Service Officer, Metra

First Vice President: Earl Wacker, Vice President Rail, URS Corp.

Second Vice President: Dan Kelley, Superintendent Transportation and Mechanical Operations, Indiana Harbor Belt Railroad

Third Vice President: Joe Garofolo, Superintendent of Operations East, Consolidated Rail Corporation

Fourth Vice President: Bob Babcock, Vice President of Operations, The Indiana Rail Road Company

Treasurer: Jim Ford, Superintendent CTCO (retired) Belt Railway Company of Chicago.

AARS Elected Officers changes in 2010

Congratulations to AARS officers elected during the AARS Annual Meeting June 27-29. Don Orseno, chief customer service officer, Metra, was named AARS president. Mike Sherlock and Steve Hoye, The Belt Railway Company of Chicago, are newly elected directors on the AARS Board. Bob Babcock, The Indiana Rail Road Company, will now serve as fourth vice president. You will find a complete elected officials list under the Board Members and Staff tab at

Congratulations to our new board members!

MARK YOUR CALENDARS

Nov. 8-9, 2010

8th AARS Derailment Investigation Seminar, Dallas/Fort Worth, Texas

Feb. 27-March 1, 2011

Winter meeting at the OMNI Hotel, Jacksonville, Fla.

July 17-19, 2011

115th Annual AARS Meeting, Chicago, Ill.

This is your newsletter

AARS Journal appears under the direction of the board and administrative manager Carrie Foor. For news coverage, contact News Link newsletter office at 402-475-6398, fax 402-475-6398 or mail 1845 S. 11th Street, Lincoln, NE 68502-2211. E-mail stephanie@newslink.com. This material is intended to be an overview of AARS news. In the case of discrepancies between this newsletter and official documents, those documents govern. AARS reserves the right to alter, suspend plans and programs described in this newsletter.



American Association of
Railroad Superintendents
PO Box 200
LaFox, IL 60147

Sherlock looks to build membership

A tradition of strong leadership continues with the addition of Michael Sherlock, Amtrak Mid-Atlantic Division general superintendent, to the AARS board of directors.

Sherlock, a 10-year AARS member, looks to build membership for the association. "It's time to bring some less seasoned railroaders in here and pass on the knowledge," he said.

Educational sessions offered by AARS are a great value to new and veteran railroaders. AARS meetings provide a wealth of knowledge on technology advancements as well.

"It's not about knowing every detail," he said. "But you can walk away with the knowledge to challenge your engineering people about what they are doing and how they might improve."

Sherlock joined the railroad in 1974 as a read block operator for the Penn Central Railroad. He worked for Conrail then Amtrak in a variety of posts including system and division rules departments, crew management, director operations, technical support and, in 2003, he was named superintendent for Amtrak Mid-Atlantic Division.

"As a superintendent, your focus is on every aspect of operating a division," Sherlock said. "You get to more directly affect a region of the railroad. I love it."

Married to Kathy, the Sherlocks have four children and one grandson. They enjoy the outdoors and traveling.



Michael Sherlock, Amtrak Mid-Atlantic general superintendent