

COMMUNITY

t i e s

Alaska Railroad Corporation
1st Quarter, 2001

www.alaskarailroad.com • (907) 265-2300

NEW RAILROAD PRESIDENT NAMED

General Patrick Gamble to take over in April

iting his accomplishments in leadership, planning, and safety, the Alaska Railroad Corporation's board of directors named Air Force

General Patrick Gamble as its new president and chief executive officer. A former leader of the Air Force's Alaskan Command, General Gamble, currently serves as Commander of all Air Forces in the Pacific.



Patrick Gamble

Gamble will set high standards for the Railroad and help us achieve our safety objectives."

A four-star general, the highest rank in the U.S. Air Force, Gamble, age 55, currently serves as the top Air Force executive in the pacific region, and is responsible for operations,

planning and budgeting of 14 military installations with 41,000 employees and 400 aircraft.

"General Gamble is committed to the Railroad's vision to continually improve its safety, customer service and profitability. He is exactly what we were looking for in a CEO," said John Binkley, chairman of the railroad's board of directors.

"General Gamble has a track record as a national and international leader who has managed large budgets and work forces, and specialized in the development of safety programs and strategic plans," Binkley said. "With 20 years experience participating in award winning safety programs, General

General Gamble has 20 years of experience participating in formal safety programs and units under his command have received numerous safety commendations from the Air Force. Gamble has also been actively involved in strategic planning, communications, team building and engineering.

"The Alaska Railroad is a vital link in our statewide transportation system and Gen. Gamble's leadership and experience will help us achieve the goal of making it the safest railroad in the world," said Gov. Tony

(continued inside)

Alaska Railroad
Ongoing Projects:

Anchorage Airport Rail Station

Denali Depot

Seward Dock Improvements

Whittier Pedestrian
Improvements

Anchorage/Wasilla
Line Changes

Fairbanks Intermodal Facility

Anchorage/Fairbanks
Railyard Study

On-Board Communications
System Upgrade

Ship Creek Improvements

Anchorage Rail Depot

Whittier Dock
Improvement Study

For updates or comments on
these projects, visit the
Alaska Railroad website at
www.alaskarailroad.com

GLYNN TO BE CHIEF OPERATING OFFICER

Brings 20 years of rail experience

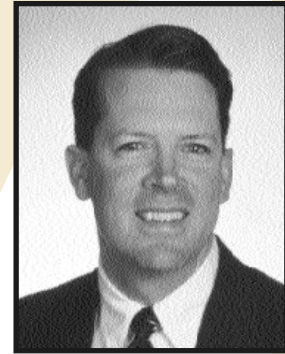
A long time employee of the Burlington Northern Sante Fe Railway (BNSF) will take over as chief operating officer of the Alaska Railroad in April. He will replace Loren Mueller who is stepping down at that time. Prior to moving to Alaska, Matthew Glynn most recently served as General Director of Line Maintenance in the Fort Worth Service Region. In that capacity, Glynn was in charge of operations and maintenance on 2,600 miles of mainline track. He was also responsible for safety, budget, train performance and personnel development for the track, structures and signal departments.

"Matt Glynn brings more than 20 years experience in rail maintenance and operations, and

has managed a region that sees a mixed use of freight, commodities and passenger service trains," said John Binkley, chairman of the railroad's board of directors. "We saw that as critical expertise for his position here."

According to Glynn, his progressive positions with BNSF had him stationed in eight states, working in all types of terrain and weather conditions. "I have experienced all types of weather, from minus 30 degrees in North Dakota to 120 degrees in the Mojave Desert in California," said Glynn, "but I'm sure I'll break one of those extremes in Alaska."

Glynn graduated from Michigan Technological University with a bachelor of science in civil engineering and has continued his education through a number of safety and quality assurance courses



Matt Glynn

and seminars. He has also worked extensively with both federal and state regulatory agencies.

"I'm very excited to be here and working for the Alaska Railroad," said Glynn. "My wife and three boys are looking forward to seeing more of the state and getting the chance to sample the great recreational opportunities Alaska offers."

NEW PRESIDENT NAMED

(continued from front page)

Knowles. "I've known and respected Patrick Gamble since his days with the Alaskan Command and welcome him back to Alaska as part of our administration's team."

Currently based in Hawaii, Gamble and his wife Ailese maintained their Alaska residency and a home in Anchorage. "My wife and I love Alaska and it has always been our

desire to return to the state," Gamble said. "We are so excited to finally have the opportunity to make the move permanent. Meeting the Alaska Railroad employees only strengthened my belief that we have made the right decision."

SCHEDULED OPEN HOUSES PROGRAM OF PROJECTS

Fairbanks Fairbanks Depot	March 8 4-7 p.m.
Seward Alaska SeaLife Center	March 15 5-8 p.m.

SAFETY HIGHLIGHTS FROM 2000

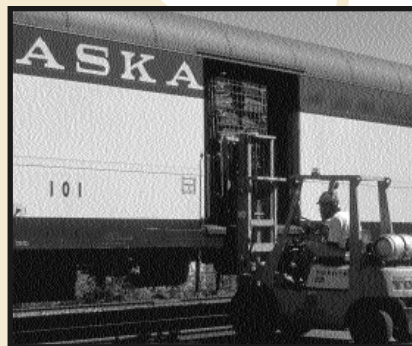
The Alaska Railroad finished the year 2000 with its lowest personal injury rate in more than a decade, and a train accident rate substantially below the national average. Company officials say that employee awareness and improved quality control procedures helped produce the record-setting performance.

"We're still aiming for a rate of zero injuries and zero accidents, and you get there through constant improvement," said Jerry Anderson, acting president. "We're very proud of the progress our employees are making. It's a team effort."

The national benchmark for injury measurement is the number of injuries for every 200,000 employee hours worked. The Railroad achieved a rate

of 5.9 per 200,000 hours last year, marking a nearly 45 percent reduction in the rate since the introduction of new safety management systems at the start of 1998.

In addition, the number of "lost work days" – days employees could not report due to an on-the-job injury – decreased by nearly 60 percent from 1999 to 2000. Anderson said that indicates that both the number of injuries, and their severity, are dropping simultaneously.



Finally, the Railroad finished the year with one of the lowest train accident rates in its recent history, coming in at under 1.0 train accidents per million train miles. The Railroad's average for the previous five years was between 4.0 and 5.0. While the national average for all carriers is 3.8.

"An improved focus on safety keeps our employees from getting hurt, and it keeps our neighbors along the line safe as well," said Anderson. "We're looking to do even better in 2001. We believe rail transportation is an economical, safe, and environmentally efficient way to carry all kinds of freight. And as a major passenger carrier, we expect ourselves to be nothing short of the safest railroad in the business."

RAILROAD SUPPORTS SPECIAL OLYMPICS

World Winter Games gets boost

When it was announced that Alaska would host the 2001 Special Olympics World Winter Games, the Alaska Railroad Corporation (ARRC) immediately volunteered to help make the event a success. The ARRC contributed charter trains and donated a number of excursions for fund-raising auction items in order to boost the Games' fundraising efforts.

The Railroad is also helping to organize the movement of people to various events. As an example, the historic Railroad depot on First Avenue will be used as the staging area for athletes and volunteers during the Special Olympic Games. This location was chosen by

the Special Olympics Committee because it is centrally located to Anchorage's downtown core and there is sufficient space for staging busses that will pick up and deliver athletes, their families and coaches.

In addition to corporate support, many Railroad employees are volunteering their personal time to help make Special Olympics a success. They are honored to be a part of the largest international sporting event in Alaska's history and look forward to watching the Games.



FREIGHT SALES UP FOR NEW YEAR

Freight activity for 2001 looks very promising, both in terms of new equipment and increased business.

The Railroad's newest barge demonstrated the value of its design by picking up nearly 30 hours of sailing time over the old equipment on just its second voyage. That translates into more reliable service for Railroad customers and in good weather, presents an opportunity to add extra voyages. With better speed and efficiency, the Railroad also has additional capacity without adding more equipment.

Its entry into service couldn't come at a better time. Increasing volumes of freight have forced the Railroad to run tandem tows with two barges and the addition of four charters to the schedule in order to keep up with demand.

The oil field business is starting to move forward at a quickened pace compared to the past two years. The pipe yard in Fairbanks is scheduled to produce more than twice the revenue of 1999 and almost ten times what the Railroad earned in 2000.

The gravel business is expected to grow relative to last year and possibly approach the record volumes the Railroad established in 1999. Trailer-on-flat-car (TOFC) sales are also growing, and a 5% increase in volume for the year is expected in that category.



The Railroad's new barge under way.

Williams Energy continues to increase the quantity of product they ship and their offshore market for Naphtha is looking strong. The Railroad is also working with Williams to design a loop track on their property which will greatly improve train movements and decrease traffic interruptions in the Ship Creek area.

Heavy equipment and lumber moves should be strong this summer in Anchorage due to increased construction. The Railroad began moving cement from Anchorage to Fairbanks last summer for the first time in more than a decade and it looks like that business will increase significantly this summer. All in all, it promises to be a busy year for the Railroad's freight department.

PRSRRT STD
U.S. POSTAGE PAID
ANCHORAGE, AK
PERMIT NO. 500

Alaska Railroad Corporation
P.O. Box 107500
Anchorage, Alaska 99510-7500

