

R&N Magazine

Official Magazine of the Employees and Customers of the Reading & Northern Railroad

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BY: WAYNE MICHEL, PRESIDENT



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COVER PHOTO

ON A HUMID DAY IN SEPTEMBER OF 2015, READING AND NORTHERN RGQA-1 HAS FINISHED WORK IN NORFOLK SOUTHERN READING YARD, AND IS ON THE WAY BACK TO READING AND NORTHERN'S NORTH READING YARD. ONCE IN NORTH READING YARD, THE CREW WILL BEGIN TO SHIFT OUT THE TRAIN. THE RGQA/QARG ARE NO LONGER SYMBOLS ON THE READING AND NORTHERN; THE SYMBOLS HAVE BEEN REPLACED BY THE NEW "FAST FREIGHTS." PHOTO CREDIT COLIN KUND.

EDITORS

JOLENE FAY • CRYSTAL ARNDT

ALL PHOTOS ARE THE PROPERTY OF THE RAILROAD UNLESS OTHERWISE MENTIONED. THIS MAGAZINE IS PROUDLY PRINTED ON RECYCLED PAPER.

Recently the summer solstice arrived...as it does every year. But this year was something different. A full moon accompanied it. Apparently this happens irregularly, maybe once a century. The last time it happened was in 1967. (I was thirteen and about to go to Expo 67 in Montreal with my family). The next strawberry moon is anticipated in 2062 by which time people will probably be living on the moon. I will probably not be among them.

The derivation of the name strawberry moon is interesting. The moon does not look like a strawberry on this date, nor does it have a pinkish color. The term refers to the fact that the moon occurs in the month of June and the Algonquin Indians, who chose the name, picked strawberries that month.

If you go on-line you can see some beautiful images from that night. Some even show the moon with a pinkish glow.

My wife and I decided to stay up to see the moon. Our home is in the woods so it is very hard to see the moon, but a full moon shines a great deal of light into our living room, which has two story floor ceiling windows. We turned on one of those new age music channels and turned off all the lights. We watched as the setting sun changed the walls of our home to a burning orange before fading to black. And then the moon rose in all of its fullness and glory.

It was a remarkably peaceful setting.

As sometimes happens when I am at peace, an infrequent occasion in our very busy world, my mind expands in all directions. I note that it does this without the use of mind-altering drugs or alcohol. And so, on this peaceful summer evening, under the glow of a strawberry moon, my mind wondered.

Not surprisingly my thoughts wandered to the railroad. And as my mind's eye soared high, I could see myself looking over the railroad past. I recalled what the railroad looked like in December of 1990 when Conrail sold Andy Muller the Reading Cluster. I remembered my negotiations with Andy and having hirailed the line. I remembered the poor condition of the track and the limited non-anthracite coal customer

base. I remembered how Conrail had determined that this was a line best suited to a shortline that would get state funds to keep it maintained and how, even after sale, Conrail would continue to dominate the anthracite transportation market.

I remembered a young and vibrant Andy Muller visiting me in Philadelphia and buying me buffet lunches at a hotel that no longer exists. I remember the internal discussion of whether to sell to an entrepreneur with limited railroad experience, or to yet another local government entity, or dominant on-line industry. And I remember choosing to sell to Andy and trusting that he would grow the business.

And although I lost touch with Andy over a few of the years that followed, I remember his struggles. I recall hearing about the constant derailments that reminded all of us at Conrail of our own beginning after the wreck of the Penn Central. But mostly I remember hearing how he persevered and was building a company for the long-term.

When I returned to the world of line sales and shortlines in 1995 I immediately sought out Andy Muller. By this time he had begun to carve out a reputation for himself as an innovator and a hard worker. He was beginning to lay the foundation for the successful company we see today. He and his staff had developed new business and secured the anthracite franchise. And so when I was looking for a few shortlines to accept the banner of "CONRAIL EXPRESS", I reached out to Andy and he was delighted to be in the first group of members. I remember the day in 1996 when our CEO Dave LeVan announced the formation of CONRAIL EXPRESS and how a huge banner was held up by our Senior VPs of Marketing and Operations in a symbol of Conrail's commitment to shortlines and this new program. And I remember Andy Muller having his picture on the front page of the Philadelphia Inquirer business section wearing his CONRAIL EXPRESS hat and shaking hands with our CEO.

Within the year Andy would be chosen as the owner of the Lehigh Middle portion of the Lehigh Line, doubling the size of his railroad. And within the year Conrail would announce



its strategic merger of equals with CSX and Norfolk Southern would vow to fight that combination. And I remember Andy being loyal to Conrail through the fight, even as the county-owned shortlines around him were cutting deals with NS.

Of course, when the dust settled, Conrail was gone and Andy needed to work with NS. And, as it turned out, he would ask me to take on that task once my Conrail employment ended in June of 1999. Over the next 17 years Andy and I would build a formidable partnership that has overseen unprecedented growth at the Reading & Northern.

So as I soar above the present-day Reading & Northern I see the most successful shortline company in the region, if not the country. A success built not on one industry or one customer, but rather built on a diverse traffic base serviced by the best workers in the country. I see a company that has won the two major industry awards five out of the last six years. I see a company that has shown consistent traffic and revenue growth over its existence. I see a company that has doubled its workforce over the last decade until it now exceeds over 200 hardworking men and women. I see the only railroad in the nation that offers every customer a guaranteed two-hour service window and a company that regularly goes the extra mile for its customers.

Continued on page 4.

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Looking down at 2016 I see an expansion to the Humboldt Industrial Park as well as the acquisition of the Locust Valley line. I see new customers coming on line with rail infrastructure built by Reading & Northern forces at a fraction of the cost of a contractor and in weeks instead of months. And I see a passenger excursion that is not only booming, with over 100,000 riders last year, but

is also expanding and offering more services and products for the benefit of the riding public.

And as I soar high and look to the future I see a Reading & Northern that has expanded, yet stayed true to its core mission of serving the customers and public in northeastern Pennsylvania. I see long freight trains moving at good speed across a new railroad bridge over the Lehigh River. I see RBMN trains providing excellent service to all

of the customers in Hazleton and working with Norfolk Southern on finding more efficient ways to deliver those cars. I see our trains running through Scranton to the Delaware Water Gap and finally bringing growth to an area that has suffered under the tyranny of a no-bid County-owned railroad for over 20 years. I see our passenger operations and our multiple steam engines bringing tourists in flocks to Steamtown and finally bringing

resurgence to the Park and the City of Scranton. And I see hundreds of employees enjoying good paying jobs with great benefits sharing in the success of the company, as well as dozens of retirees who were able to retire safely from a long career with the Reading & Northern.

And as I return to earth and the present, I hear the skeptics laughing at my vision of the future. But I don't care, because these are the same skeptics

who said Andy Muller would never succeed. And these skeptics are forced to watch silently by the sidelines as our trains bring thousands of guests to the Lehigh Gorge and move tens of thousands of loaded rail cars to the good corporate citizens of the Humboldt Industrial Park and other locations throughout our service territory.

And as I look out and see Andy smiling and remarking on what a lifetime of hard work and

worthy risk has brought forth, I can't help but be thankful that I have been present to see the outcome of his remarkable vision.

This is what happens if you can ignore the naysayers, believe in yourself, work hard, hire great people and pay them well and put your customer first. This is what happens if you keep on track. ♦



1964 photo of original farm where P&G plant will be built.

Mehoopany Fifty Years & Counting

BY: JOHN HAMM, VP OF MARKETING

The year is 1966. The average price of a new car is \$2,600; gasoline is \$0.32 cents a gallon and The Procter & Gamble Co. posts record sales of more than 2 billion dollars, a whopping 9% increase in sales over the preceding year! As spectacular as these results were, there was another event quietly unfolding outside a small town in Northeastern Pennsylvania that would change the fortune of P&G and one of its newest product lines. The town is Mehoopany and the product line is paper.

To better understand the history of paper, we must go back to the year 1957 when P&G entered the paper products industry, with the acquisition of the Charmin Paper Company. By and large, P&G was venturing into unfamiliar territory. The company saw the opportunity but had little expertise in the manufacturing, marketing and distribution of paper and faced stiff competition from leading competitors Scott Paper and Kimberly Clark.

When P&G completed its acquisition of Charmin, they eventually discontinued all products, except Charmin bath tissue, which they continued to distribute on a regional basis. Soon after, the company introduced White Cloud and Puffs tissue, but none of the brands did particularly well and the business continued to struggle for years.

By the early '60's, paper still wasn't doing well. P&G's CEO gave an ultimatum: "make the paper products division profitable or get the company out of the business." The senior manager assigned to oversee the review ultimately felt the business wouldn't survive. He was getting close to making his recommendation when he learned the research and development team was about to embark on a groundbreaking papermaking process. By all accounts, this new process would produce a much softer, more absorbent tissue. It was a definite game changer. So, Instead of proposing that P&G abandon

the category, he made the case that the company should build a new manufacturing plant.

It was an exciting time. P&G quickly assembled a team to search for the best possible location. The search began in the Northeastern part of the U.S, but it didn't take long for one particular area to immediately catch their attention. The place was locally known as Carney Flats and was located outside a small town in Mehoopany, Pennsylvania.

Situated on the Susquehanna River, Mehoopany and the surrounding area appeared to have all the qualities the company was looking for: water, hardwood forests, roads, and most importantly, direct access to rail transportation via the Lehigh Valley Railroad.

Keeping this project top secret was critical to the success of this venture. If word of the new plant got out, it could prove financially prohibitive since real estate prices would clearly skyrocket. In addition to

the financial complication, it would instantly tip-off two of P&G's largest competitors and the project would likely be scrapped.

Over the next several months, P&G secretly began negotiations to purchase 783 acres in Mehoopany. Working in concert with the Tunkhannock Industrial Foundation hierarchy, P&G representatives would arrive and drive to Carney Flats to conduct studies of the land, river and railroad.

Everything was going as planned; and then the unthinkable happened. One evening, a local TV station made an unauthorized announcement that Procter & Gamble was considering building a new manufacturing facility in Mehoopany. The secret was out. But things were about to go from bad to worse because P&G was in town to meet with the Tunkhannock foundation president the next day. When the P&G representative arrived, he was briefed on what had happened the night before. After hearing the news, he quickly headed back to Cincinnati to break the bad news to his superiors.

Everyone was devastated that the news got out. The premature announcement threatened to derail the entire project. At first, P&G denied the plant rumor, but cooler heads prevailed and soon after, the company decided to forge ahead rather than abandon the project. In 1965 Procter & Gamble announced plans to build a state-of-the-art plant in Mehoopany.

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April 22, 1965 Tunkhannock Republican Newspaper announcing "P&G Is Coming."

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The Mehoopany plant would be one of the largest of its kind in the world. But soon after the announcement, P&G was faced with another issue. Many local residents were very concerned--fearing the environment would be harmed, in particular the Susquehanna River. However, long before the start of construction P&G was committed to not harm the river. Since 1965 P&G has had independent surveys done both upstream and downstream, to make sure the river would be in the same healthy condition as before the construction of the plant. To this day, the plant has had no effect on the Susquehanna River!

Soon after the 1965 announcement, site preparations began on the 52-acre building site. Two major tasks included the building of a bridge for transporting raw materials and the rerouting of the Lehigh Valley Railroad. One of the biggest challenges engineers faced was getting the enormous pieces of machinery to the Mehoopany site. The largest was the "Yankee Dryer". The dryer is a huge cylinder, which is used for removing moisture from pulp before it's turned into paper. This machine was of such gigantic proportions that the Lehigh Valley Railroad issued a press release about its part in the transportation:

It's so big, so heavy, and so wide that it can't move as any other shipment would on the Lehigh Valley's main line. It weighs 105 tons and when loaded on a special car it will extend 17 feet 6 inches above top of rail, and 15 feet 4 inches in width.

To get the dryer safely to Mehoopany the Lehigh of Valley started planning, plotting, scheming, and sweating several months ago. The first problem was to provide a special car for this mammoth piece.

So that the dryer wouldn't hit anything, the Valley had to move its tracks at eight bridges and four different locations. Also it had to blast out about 600 feet of rock at a cut near Jim Thorpe, Pa.

When the plant first opened P&G had a very inexperienced workforce. Many doubted P&G's strategy by hiring inexperienced workers for such complicated roles. In fact, the president of a major competitor publically stated, "It can't be done." He went further saying, "you need employees with at least eight years experience or they (P&G) will fail." Neither he, nor anyone from outside the company, thought P&G was up to this challenge--but they were wrong. The former farmers, miners and lumbermen, turned out to be some of the best paper and diaper makers in the world.

Since 1965 the Mehoopany plant has earned its proud reputation as being Procter & Gamble's flagship paper plant. The Mehoopany plant is one of P&G's largest plants worldwide and produces such brands as Bounty towels and napkins, Charmin tissue, and Pampers and Luvs diapers. Mehoopany's on-site production reaches over 1,000,000 households every day employing more than 2,100 workers.

One remarkable discovery would change the way Mehoopany would do business for the next fifty years. In 2009, enormous natural gas reserves were discovered on P&G property. Over the course of three years, six wells were eventually drilled. As of February 2013, the Mehoopany plant became 100% energy self-sufficient. Pampers, Luv's, Charmin, and Bounty are now manufactured completely "off the grid" using Mehoopany's own natural gas to power the plant.

It's 2016. The average price of a new car is \$33,000; gasoline is \$2.32 cents a gallon and Procter & Gamble's sales top 76 billion dollars. The events that unfolded fifty years ago in that small town of Mehoopany Pennsylvania changed the course of history for P&G and the paper category, now known as Family and Baby Care. Mehoopany has become a symbol of excellence for P&G and continues to set the standard for other paper plants worldwide.

For the past fifteen years the Reading & Northern Railroad is proud to have played a key role as Mehoopany's shortline carrier. On behalf of everyone at the railroad, it's been a pleasure serving P&G and the Mehoopany plant and would like to extend our congratulations on your 50th anniversary. If you hear extra train horn whistles blowing during the period of August 18 to 21 -- that will be us adding our salutes to the celebration! ♦



Aerial photo Mehoopany plant under construction. CHARMIN PAPER PRODUCTS CO. Mehoopany, Penna.



Photo of workers at building construction site.



Aerial photo Mehoopany plant nearing completion.



Photo of plant construction from makeshift parking lot.



Mehoopany plant today.



Location of new switch to be built off the Tremont Branch into the Kopy's Terminal. Two tracks of 10 car lengths each will be built on each side of the unloading racks in the background.

WORK BEGINS ON KOPPY'S PROPANE TERMINAL

BY: DENNIS SHAFFER, VP BUSINESS DEVELOPMENT

We are pleased to welcome Kopy's Propane as a new Reading and Northern customer. In April Kopy's began construction of a new state of the art propane storage and distribution terminal at the end of our Tremont Branch at Good Spring.

Started in 1944, Kopy's is a family owned and operated business that supplies propane to customers throughout Central and Eastern Pennsylvania. Headquartered in Williamstown, Pennsylvania, Kopy's has grown rapidly over the years to become one of the largest independent propane distributors in the state. The new terminal will provide additional storage capacity thereby improving the reliability and efficiency of Kopy's operation and providing the capacity for continued growth.

The new terminal is being built on a fifteen acre site adjacent to our track at Good Spring and will have the capacity to store 360,000 gallons of propane. The facility will have two unloading tracks with a total capacity to spot twenty railcars. Construction is progressing rapidly

with completion targeted for September of this year at which time cars will begin moving into the terminal.

This project has been almost two years in the making. We first meet with Kopy's President David Koppenhaver and General Manager Randy Whitmore in May, 2014. Dave and Randy were looking for a site close to their base of operations that had good highway access and most importantly good rail service. After looking at several options it was determined that the Good Spring site was the best location for the new terminal. Once the site was chosen we worked with Kopy's to design a facility layout to accommodate the anticipated volume of rail business.

Reading and Northern entered into an agreement with Kopy's to construct the unloading tracks and other necessary rail infrastructure; work which has already begun. In addition to the track construction at the terminal, we have also begun work to upgrade the west end of our Tremont branch to be able to safely handle the additional business. ♦



Six new storage tanks with a total capacity of 360,000 gallons. Tankcar unloading racks are in the foreground.

BY: RIAN J. NEMEROFF, VP OF FOREST PRODUCTS



VP Forest Products Rian Nemeroff riding a boxcar in railroad attire.



Engineer Bill Riegel (L) and Conductor Brent Jacobs (R) back at the yard office after a day on the job.

Normally when a marketing guy tells the office that he is spending the day in the field it means that he is visiting customers. But on this day May 6, 2016 instead of visiting customers through the front door I had occasion to visit customer locations through the back door, or the receiving docks.

Train symbol WHHB1, for West Hazleton - Humboldt 1, is a six days per week job reporting to the yard office on White Birch Road at 0700. The crew is complemented by WHHB2 that is on duty in the Park two days per week in the evening. Our daylight crew consists of a conductor and engineer. On this day the conductor was the regular, Brent Jacobs but the engineer was Bill Riegel who normally works the Mt. Carmel job. Not well known is that the conductor is in charge of the train. The conductor plans the work, holds a job briefing, and executes the operation. Below, you will read how the conductor directs the engineer in the cab. The engineer, usually the senior member of the crew, is jointly responsible for the safe and efficient operation of the train. We had two EMD SD-35, 3500 horsepower locomotives for our tour of duty.

The weather started dreary and continued to a consistent rain. Many customers in the Park are scheduled for Monday to Friday service but this is not exclusive and not even desired universally. We did not have new cars for all of the customers in the Park on this Friday. Fortunately for me and my forest products emphasis all four of the customers requiring work today were paper based and all boxcars.

We did have four storage cars from the prior day as this customer had a full track and these additional cars available were put on constructive placement on another available railroad owned track. So the workload today was four cars from constructive placement and four new cars from interchange that came up from North Reading the prior evening on the Fast Freight road train. Today, these eight cars needed to deliver to four different customers.

Another railroad might have been tempted to lay-in the crew as this was not a full workday. However, the Reading & Northern is a structured railroad that operates on a schedule. This means that we do the work we have each day according to plan and regardless of the weather conditions. Our goal is customer satisfaction that we expect will contribute to increased business by rail.

Retrieving those four loaded cars from storage, pulling out six empty cars at the customer, and then spotting the loads, including properly aligning the four loads at the outside receiving doors at this first stop consumed about one hour. For this customer, I stayed in the locomotive. Between the head engine number 5017 and the conductor at the customer's siding were 16 cars, a caboose and another locomotive. Communications were by radio. In the cab we were instructed to go forward, reverse, slow, little more, less, while the conductor was having us set out the loads, pull the empties, retrieve the loads and spot them as required. In the engine we could not see precisely what was happening at the other end of the train. The engineer would acknowledge the conductor's requested move and perform. The engineer would hold until the next communication. Thus we completed our service obligation to Quad Graphics, our first customer task of the day.

Next we delivered one loaded car to Karchner Logistics. This customer did not have any cars to pull so it was an easy move in, spot and depart. This took only fifteen minutes to perform.

The third destination was International Paper Company who has two sidetracks but on this day only one track was available and only one track was required. I came out of the engine at this point and worked with the conductor. We shoved up the curve and grade to the warehouse. The derail and blue flag were positioned as safe for our arrival. The method of conveyance for us was the side of the last car on the safety required car ladders. Unlike the prior two locations where cars were spotted outside the building with specific positioning at the rail doors this was a long flat dock completely within the building. The exact spotting location of the car was not nearly as critical because the access was open. We pulled the empty cars and spotted the loaded car that we had available.

The fourth and last customer this day was Freedom Corrugated that had empties to pull and loads to place. I was given the option to ride the longer distance on the car or go back in the engine. With a challenge like that to a competitive guy, I stayed on the side of the car in the rain! We shoved towards Humboldt West and pulled the empties and then spotted the loads.

Now the trick was to position the locomotives in the rear and the caboose at the front of the train. The Shepton run-around track allowed the engineer at the direction of the conductor to decouple the two engines from the caboose and travel to the rear of the train. The conductor and I rode on the caboose for the shove with an excellent view of the railroad and eyes for the engineer.

Being in an industrial park meant that we had little occasion to be in contact with the dispatcher. We did not encounter any other trains or work crews even though we did have two empty flatcars that previously had been loaded with railroad ties and was being returned. Conductor Jacobs was like a friendly professor regularly asking, "do you have any questions?"

Numerous roadway grade crossings were encountered going forward and reverse requiring the use of the horn going forward and the direction of the conductor when in reverse. Most automobiles and tractor trailer drivers were courteous and respectful of our approach and right of way.

Car spots are numbered from the bumper. Subsequently, back at the office I have learned of one exception to this rule. At certain customers, cars must be detached to line up at the proper door and at others the cars can stay coupled but must be aligned rigidly. There are even locations that have door spacing that is too small to allow a car at each spot meaning a door must be skipped and by definition the cars decoupled. Whenever cars were removed from the train the handbrakes were set as required.

The train was returned to our yard office about lunch time in the proper position for the West Hazleton Fast Freight to shove until the mainline and then be in position for pulling south to North Reading Yard for interchange to Norfolk Southern.

This was a day to learn about the Reading & Northern Railroad, Humboldt Industrial Park and another dimension of the customer interface. ♦

"The Road of Anthracite"

FOR IMMEDIATE RELEASE:

READING & NORTHERN RAILROAD RECEIVES STATE GRANT

Port Clinton, PA – June 1, 2016

The construction of a modern railway bridge across the Lehigh River to create a progressive connection between two divisions of Reading Blue Mountain & Northern Railroad has been assured with the announcement of a second \$5 million grant by the Pennsylvania State Transportation Commission.

The \$14 million project, known as the Nesquehoning Bridge Phase II, will create an efficient direct route from Philadelphia to Binghamton, NY, which will be a substantial economic benefit to eastern central Pennsylvania including Carbon, Luzerne, Schuylkill and Berks Counties. The bridge is 1,200 feet long. Andrew M. Muller, Jr., CEO noted that this is a project that has been pursued since the late 1990s and has been enabled by the administrations of Governors Tom Wolf and Tom Corbett plus a number of key members of the General Assembly, including Senators John Yudichak (D-Luzerne, Carbon), David Argall (R-Schuylkill, Berks), and Representative Doyle Heffley (R-Carbon).

"This new transportation infrastructure will create a stronger economic base for Carbon, Luzerne, Schuylkill and Berks Counties, not to mention the eastern portion of our Commonwealth", Muller said. "It would not have happened without the enthusiastic support of our legislative delegation."

"The RBMN railroad is privately owned and growing," Muller said. "Our success is closely tied to the economic expansion of the communities that we serve, and this new infrastructure will enable us to improve our service to help grow these areas," Muller noted. "That means more and better jobs for everyone."

Reading & Northern Railroad, with its corporate headquarters in Port Clinton, is a privately held railroad company serving over 60 customers in nine eastern Pennsylvania counties (Berks, Bradford, Carbon, Columbia, Lackawanna, Luzerne, Northumberland, Schuylkill and Wyoming). It has expanded its operations over the last 20+ years and has grown into one of the premier railroads in Pennsylvania. Reading and Northern operates both freight services and steam and diesel powered excursion passenger services through its Lehigh Gorge Scenic Railway, owns over 1,000 freight cars, and employs over 200 dedicated employees. ♦



READING BLUE MOUNTAIN & NORTHERN RAILROAD ACQUIRES LOCUST VALLEY LINE

Port Clinton, PA – June 9, 2016

Reading Blue Mountain & Northern Railroad acquired the 5.5 mile Locust Valley Line effective June 8, 2016.

RBMN has been operating the line since it was returned to service in 2006. By taking on ownership RBMN will be better able to pursue industrial development along this line, which has many excellent sites due to its proximity to I-81.

The line runs from Laurel Jct in Delano Township to near Mahanoy City in Mahanoy Township in Schuylkill County. RBMN acquired the line from the Locust Valley Coal Company.

CEO Andy Muller, Jr. said, "This acquisition continues our efforts to acquire and operate

contiguous railroad lines in our service territory. Our efforts to require county-owned railroads in the region to privatize and sell their assets is part of our overall strategy to bring our award-winning service to more areas in our service territory. We believe through our economies of scale that we can deliver better service at lower prices to customers throughout the region. The Locust Valley purchase is part of that overall strategy."

Reading & Northern is the largest privately owned railroad company in Pennsylvania and is the only railroad to be named Regional Railroad of the Year three times by Railway Age Magazine, receiving the honor in 2002, 2011 and 2015.

Reading & Northern Railroad, with its

corporate headquarters in Port Clinton, serves major businesses in nine Eastern Pennsylvania counties. It handles freight to and from all points in the United States, as well as import and export traffic, and transports a variety of materials including anthracite coal, plastics, wine, lumber, paper, grains, chemicals, metals and sand.

Reading and Northern owns more than 1,000 rail cars and 35 locomotives and employs more than 200 people. Through its sister company, Lehigh Gorge Scenic Railway, passenger excursion service is offered. Last year more than 100,000 guests rode on the LGSR trains. Reading & Northern can be found on the web

at www.rbmnr.com. ♦

Safety Article Summer 2016

BY: TOM COOK, VP SAFETY & TRANSPORTATION

I recently asked some members of our Operations Department team for their thoughts on safety. I asked them what advice would they give to a new employee, and what is their most important safety consideration? The feedback they gave me was very powerful. I wanted to share their input with our fellow employees as well as with our loyal readers.

We intend to make sure all of our employees think of these things when they get ready to start the day and as they encounter situations on the railroad that require making safety decisions.

Engineer Shane Frederickson is the senior Operations employee on the Reading and Northern. He has worked for the company since May of 1985 and is one of our original employees. Shane's safety advice is to "never put yourself in a bad situation. If it doesn't look good, don't do it." "If you don't know, ask, there are no bad questions." "Think of the consequences of the decisions that you make." I asked Shane what defines safety on the Reading and Northern and his answer was very simple.

"We have good people here".

Kyle Sanders is a newly promoted locomotive engineer who has been with the Reading and Northern five years. His philosophy is "Safety Always". He explained that "you always have to have safety in the back of your mind. Situational awareness is the key to staying safe."

Darren Spare is a conductor just coming up on his first anniversary. He told me that the most important thing that keeps him safe is "teamwork and good communication so that you and your engineer are both on the same page."

Conductor Ian McKeown was in the same training class as Darren. He agreed completely. "Communication is the key to safety. I enjoy working with Jeff Knadler because we communicate well." Ian is on a regular job with Jeff, but has some good advice for any work team that changes members frequently. "When I work with a different engineer, I make sure that I work extra hard on communication."

Engineer Jeff Knadler said the best safety advice

he can give is "don't bring outside problems with you to work because you need to be constantly aware of your surroundings."

Engineer Ryan Lamm has thirteen years with Reading and Northern and his experience keeps him safe. He has seen enough in his career that he readily recognizes and avoids unsafe work practices and conditions. He does not hesitate to share these lessons with our younger employees.

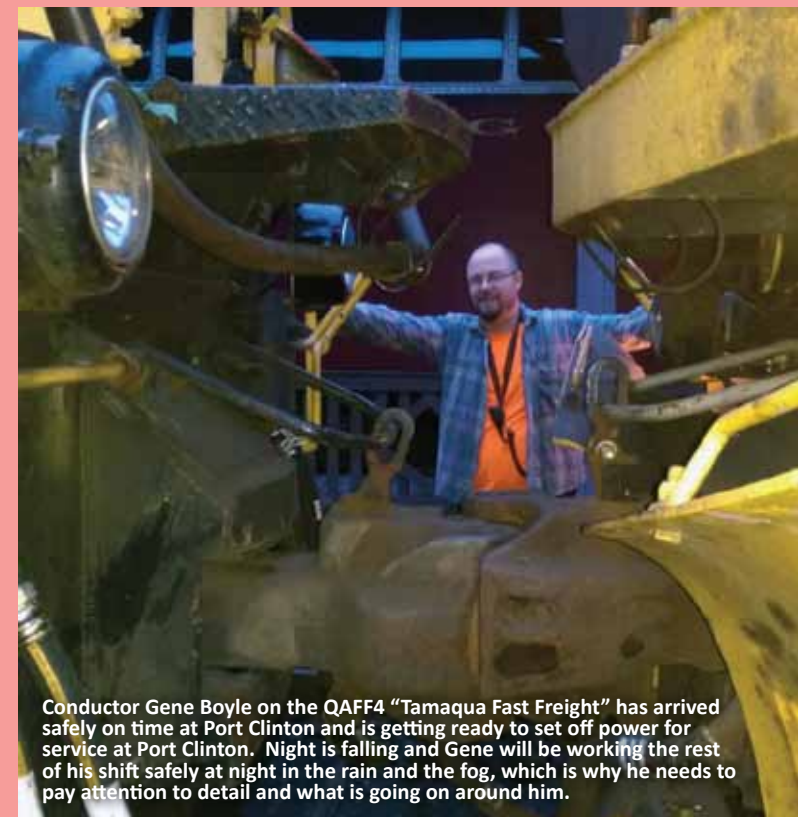
Gene Boyle, who is Ryan's regular conductor on the Tamaqua Fast Freight agrees. "I have learned a lot from Ryan." It shows. Gene has worked for Reading and Northern for five years and is injury free. I recently sent out a safety notice to all employees pointing out that Gene's attention to detail positioning himself in the safest possible position during a switching move kept him out of harm's way when some cars derailed in close proximity to where he was working. Gene told me that his key to success is "working efficiently, but always paying attention to the details and always following the rules." ♦



(Left to right) Conductor Darrin Spare on the WHHB2 and Engineer Kyle Sanders, conducting on the WHHB1, are working together to combine their two trains into WHFF2 for an on time departure on a rainy day at Humboldt Industrial Park. These two skilled young railroaders have a strong work ethic, as do all of their teammates, and they consistently work safely while being extremely productive.



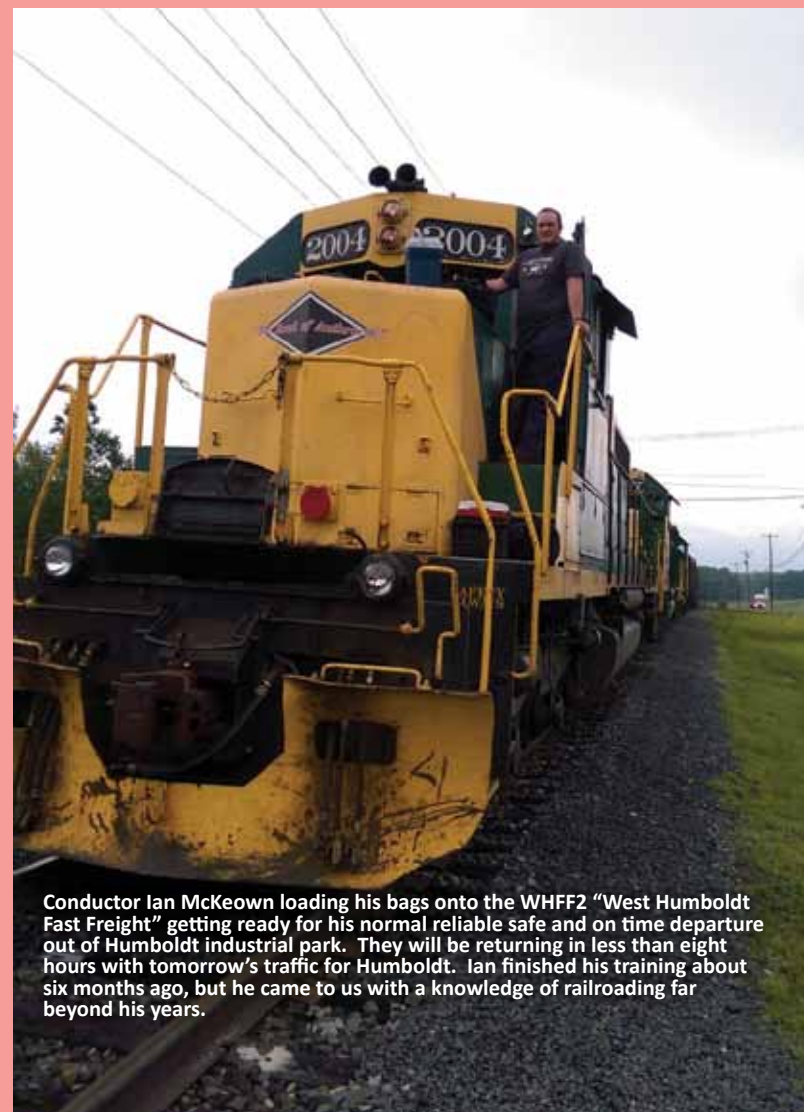
Engineer Jeff Knadler inspecting his power on the WHFF2 "West Hazelton Fast Freight" getting ready for his reliable safe and on time departure from Humboldt Industrial Park. Jeff and Ian have set a strong standard of excellence for this train, and its performance has exceeded expectations. As this was written, on June 17, this train is 99% on time in the second quarter with only one late arrival. This is a heavy gauge line and requires a lot of skill.



Conductor Gene Boyle on the QAFF4 "Tamaqua Fast Freight" has arrived safely on time at Port Clinton and is getting ready to set off power for service at Port Clinton. Night is falling and Gene will be working the rest of his shift safely at night in the rain and the fog, which is why he needs to pay attention to detail and what is going on around him.



Engineer Shane Frederickson running the QAMC to serve IP and Pactiv safely and on time during a rainy day in Mount Carmel, Pennsylvania. Shane is the senior operations employee on the Reading and Northern and has done just about every job on the railroad including running the 425 Steam engine, track work and locomotive shop work. Often two or more of these jobs in the same day. Back in the early days, the few employees we had had did it all.



Conductor Ian McKeown loading his bags onto the WHFF2 "West Humboldt Fast Freight" getting ready for his normal reliable safe and on time departure out of Humboldt industrial park. They will be returning in less than eight hours with tomorrow's traffic for Humboldt. Ian finished his training about six months ago, but he came to us with a knowledge of railroading far beyond his years.



Engineer Ryan Lamm arriving safely on time at Port Clinton on the QAFF4 "Tamaqua Fast Freight" as dusk settles in on Port Clinton. Ryan will be running the locomotive and working closely with Gene to make sure they both get back home safely and on time.

READING & NORTHERN RAILROAD PROMOTES THREE TO VICE PRESIDENT POSITIONS

Port Clinton, PA – June 22, 2016

Reading and Northern Railroad announces the promotion of three veteran employees to Vice President level positions at the company.

Erik Yoder has been named Vice President of Maintenance of Way. He replaces Justin Levan who has been promoted to Vice President Special Projects. Lieutenant Matthew Johnson has been promoted to Vice President Asset Management and Community Affairs.

In announcing these appointments Andy Muller, Jr, CEO said, "These promotions reflect the ever changing nature of our business. The fact is our railroad is growing fast. Business is up and in 2016 we have acquired the Humboldt Industrial Park and the Locust Valley Line. As we adapt to our new business and increased infrastructure we recognized that we needed to better align our resources. Since Reading & Northern always likes to look within to find capable people for our management positions, we were delighted to recognize that Erik, Justin and Matt were already in place and ready to do the jobs."

Yoder started at the Railroad in September 2011 as a MOW Administrator. He was promoted to AVP-MOW in August 2013, transferred to AVP-Operations in October of 2014 to learn more

about the railroad and then returned to AVP-MOW in May of 2015.

Prior to working at RBMN, Yoder was a 6th grade school teacher for 6 years, and a foreman for an excavation contractor for four years prior to that.

Yoder lives in Mohrsville, PA with his wife Deborah, and children; Aubree, Mindy, Wesley and Gabriel. In his spare time, he enjoys riding his bike to and from work, gardening and enjoying the great outdoors.

Johnson started at the Railroad in January 2005 as Police Consultant, was transferred to Police Officer in May 2005, promoted to Sergeant in February 2009 promoted to AVP-Asset Management/Lieutenant in February 2013, and promoted to Senior AVP of Asset Management/Lieutenant in February of 2016.

Prior to working at RBMN, Johnson was a Deputy Sheriff for a year and a half, and was a Police Officer for a little over a year prior to that. Johnson lives in Kutztown, PA with his wife of 17 years, Deanna, and children; Adyson and Elliot. In his spare time, he enjoys golfing, working out, watching his kids grow in school/sports/theatre, and spending time with his family.

Levan started at the Railroad in January of 2004

as an Equipment Operator within our MOW department. He was promoted to AVP – Cost Control; MOW in September of 2012, and then he was promoted to VP of MOW in December of 2013.

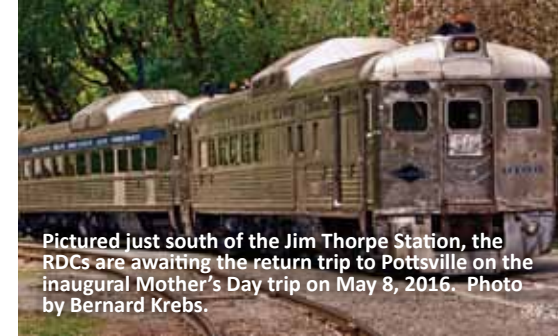
Prior to working at RBMN, Levan was an Equipment operator for Wexcon Inc. for 3.5 years.

Levan lives in Kutztown, PA with his wife Christina, and children; Colton, Reese, and Sierra. In his spare time, he enjoys spending time with his family, riding ATVs with his son, Colton, and riding horses with his daughters, Sierra and Reese.

Reading & Northern Railroad, with its corporate headquarters in Port Clinton, is a privately held railroad company serving over 60 customers in nine eastern Pennsylvania counties (Berks, Bradford, Carbon, Columbia, Lackawanna, Luzerne, Northumberland, Schuylkill and Wyoming). It has expanded its operations over the last 20+ years and has grown into one of the premier railroads in Pennsylvania. Reading and Northern operates both freight services and steam and diesel powered excursion passenger services through its Lehigh Gorge Scenic Railway, owns over 1,000 freight cars, and employs over 200 dedicated employees. ♦



Preparing the kitchen area of RDC 9166 are John Walaitis, Annette Bescrypt, and Nancy Walaitis.



Pictured just south of the Jim Thorpe Station, the RDCs are awaiting the return trip to Pottsville on the inaugural Mother's Day trip on May 8, 2016. Photo by Bernard Krebs.



RDCs no. 9166 and 9168 are seen crossing the Hometown High Bridge on May 8, 2016. Photo by Bernard Krebs.



Waiting to serve Mother's Day Special passengers onboard the RDC 9166 are Colton, Sierra, and Reese Muller-Levan, Nancy Walaitis, and Annette Bescrypt this past May.



The property at Bellevue Avenue and Route 61 in Muhlenberg Township will become home to a passenger facility. As of now, crews are working to clear the trees in the area. The platform area will be located just south of the North Reading Yard switch. Look for more news about RDC trips leaving this location in upcoming months.



READING & NORTHERN RAILROAD PROMOTES LUDWIG TO AVP CUSTOMER SERVICE

Port Clinton, PA – March 14, 2016

Reading and Northern Railroad announces the appointment of Susan Ludwig as AVP – Customer Service.

Ludwig started at the Railroad in October 2011 as a Customer Service Manager. She came to the railroad with a background working in customer service and accounting for an e-commerce company. She was promoted to Director of Customer Service in 2013 and served as the primary account representative for Plastics and Chemicals.

In her new position Ludwig will oversee the Customer Service Managers. This department will focus on handling all day to day customer service issues related to Reading & Northern's

merchandise business, which encompasses over 25,000 carloads a year of traffic.

Ludwig lives in Fleetwood with her husband David, and son Tyler. In her spare time she enjoys watching ice hockey, racing and spending time with family.

In announcing the appointment, Wayne Michel, President of the Reading & Northern said, "Reading & Northern is growing quickly and as a result we decided it was the time to have a full-time AVP dedicated to customer service. Taking care of our customers is the key to our success. Last year we grew our traffic by 19 percent and traffic volumes are up again this year. This unprecedented growth in a soft economy is not an accident. It takes a commitment to customer service and in promoting Susan to this new

position we are taking another step to ensure our customers remain satisfied. "

Reading & Northern Railroad, with its corporate headquarters in Port Clinton, is a privately held railroad company serving over 60 customers in nine eastern Pennsylvania counties (Berks, Bradford, Carbon, Columbia, Lackawanna, Luzerne, Northumberland, Schuylkill and Wyoming). It has expanded its operations over the last 20+ years and has grown into one of the premier railroads in Pennsylvania. Reading and Northern operates both freight services and steam and diesel powered excursion passenger services through its Lehigh Gorge Scenic Railway, owns over 1,000 freight cars, and employs over 200 dedicated employees. ♦

Rail Diesel Cars Return to the RBMN

BY: MATT FISHER, PASSENGER GENERAL MANAGER

The Passenger Department spent several months preparing for Rail Diesel Car (RDC) excursions. The RDC service is much different than other passenger train operations on the railroad. The commuter-like schedules operate from Pottsville Union Station to Jim Thorpe and to North Reading Yard.

The trips to Jim Thorpe stop at Schuylkill Haven and Tamaqua to board additional passengers before arriving in historic downtown Jim Thorpe. Passengers have over three hours to take in the town or ride the 1:00 PM LGSRY train into the Lehigh Gorge State Park. The RDC train then returns to Pottsville Union Station before 6:00 PM.

Excursions to North Reading Yard stop at Port Clinton to take a tour of the RBMN corporate headquarters, car shop, engine shop, and steam shop. These trips also take on passengers at the Schuylkill Haven station. This trip takes half a day, and the guided tour lasts an hour at the headquarters building and about 45 minutes at the steam shop. Customers are especially amazed at seeing the restoration progress of steam locomotive type T-1 no. 2102 along with the refurbishing of passenger car no. 3, a former Gulf Mobile and Ohio coach which will become a part of the RBMN private car fleet. Visitors also see steam locomotives no. 425 and no. 1098 at the steam shop.

Included in all ticket pricing, customers will enjoy a family picnic style lunch on board the RDCs. No. 9166 has a coach seating area along with a kitchen area where cooks John, Nancy, Annette, and Steve serve lunch comprising of hot dogs, hamburger BBQ, and various side items to each passenger. The coach seating area in the RDCs is unique due to the fact that windows open and shut. Passengers take the opportunity to open windows and take pictures from their seats along the scenic route.

RDC trips to Jim Thorpe and North Reading Yard continue through the summer. The trains are very popular and most trips are selling out. Dates and pricing details can be found on www.lgsry.com. Tickets can be purchased for RDC trips, along with most LGSRY trips, by calling 610-562-2102. Finally, throughout the year, there will be specialized and charter RDC trips available. Please continue to check www.lgsry.com or Lehigh Gorge Scenic Railway on Facebook for updates. ♦

Operations Summer 2016

BY: TYLER GLASS, EXECUTIVE VP OPERATIONS



RBMN WHHB-1 crew with the RBMN 3050 and 3057 for power, shoves up the International Paper Lead while shifting the customer in the Humboldt Industrial Park.

Nineteen trains in one day, that is a fact that Andy pointed out to a few of us on Thursday, May 5th. Andy was basing his statement on the RBMN daily crew schedule which had seventeen RBMN crews called and the fact that we also host two Norfolk Southern overhead trains per day over our railroad.

This particular day was a little bit busier than most, mainly due to work associated with the movement of an Air Products heat exchanger between Dupont and Lehigh.

The first crew called out on that day was our QAMC, Tamaqua to Mt. Carmel Job. This crew was on duty at 05:00 with Engineer Shane Frederickson and Conductor Darrin Keip, operating with two SD50s for power. Their day entailed taking care of all customer needs between Tamaqua and Mt. Carmel including two Reading Anthracite Coal load outs at Gilberton and Girard, Blaschak Coal in Mahanoy City and three freight customers in Mt. Carmel, they are Maurer and Scott, International Paper, and Pactiv.

The next crew on duty was a coal indexing job. Engineer Chris Bost and Engineer John Hartman started their day at 05:30 at Port Clinton. Their main task was to load forty coal cars at Reading Anthracite's New St. Nicholas breaker near Minersville. Their power was an SD40-2 and an SD38. Between the two of them, there is over sixty years of railroad experience.

At 06:30 we had a dispatcher and two more train crews beginning their day. Dispatcher Jim Cook, started his first shift duties at the Port Clinton dispatcher office, relieving the third shift dispatcher Aaron Schlosser who worked overnight. One crew with Engineer Bill Riegle and Conductor Eric Slevoc started at Jim Thorpe. They would get taxied to Pittston by Conductor Trainee Ron Deluca where they would get their locomotive, an SD40-2 to get underway. Their sole job that day was to move the Air Products heat exchanger, a large high and wide shipment. An NS crew would make a handoff to the RBMN crew at Dupont and from there it would be expedited to Lehigh where it would be placed in NS' Lehigh Yard. The other 06:30 crew was on duty at Penobscot with a three man crew and consisted of Engineer Chad Frederickson, Engineer Chris Peters and Conductor Tony Weachock to handle a large volume of work. This crew was in place to move some unit storage trains along our Lehigh Main in order to allow the passage of the dimensional Air Products heat exchanger in a double track area. This crew had two SD40-2s for their power to handle the mountainous territory and large cuts of cars that needed to be moved.

Next up, four crews went on duty at 07:00. The PNRB, a local crew that handles customer work around Cressona and Pottsville and is based out of Port Clinton. The PNRB serves two different Yuengling plants, Koremart, Tredegar, SAPA and the Cressona Transload. The crew was Engineer Steve Gilbert, Conductor Alvin Rineer and Conductor Trainee Brandon Baver and their power consisted of two SW-8s. The WHHB-1 crew started their day in West Hazleton and their tasks included serving multiple customers in the Humboldt Industrial Park including International Paper, Freedom Corrugated, Karchner Logistics, Pro-Con, Graham Packaging, Quad Graphics and Pretium. The crew was Engineer John Smolczynski, Conductor Brent Jacob and Conductor Trainee Eli Wilson. Their power was two SD38s, which are assigned to West Hazleton. The next crew was QADE, which serves customers in the Tamaqua and Delano areas, including Maurer and Scott, Lehigh Anthracite, Poly Plastics, Tanner, and Skytop Coal. The crew was Engineer Richard Bader and Conductor Kerry Kehler and their power on this day consisted of a single SD40-2. The final crew on duty at 07:00 was the YJPI, which stands for yard job at Pittston. This crew performs the breakdown of inbound trains and building of outbound trains at Pittston Yard. Following this work, they also serve a few local customers along the Scranton Branch and pickup and setout NS and CP interchange traffic at Taylor. The customers they served included Mariotti, Old Forge Transload, Venesky, and 84 Lumber. Engineer Travis Prevost, Conductor Mike Voorhees, and Conductor Trainee Aaron Aigeldinger were the crew and their locomotive was an SW1500.

Four additional crews came on duty at four different locations at 08:00. The YJNR, which stands for yard job at North Reading, with crew members Engineer Mike Kohl and Conductor Nate Mengel. Their job consists of getting all available interchange from NS at its Reading Yard, sorting the cars to build the WHFF and QAFF trains, and serving a couple of customers in the Reading area including PCA and Novipax. Their power on this day was two GP39RNs. The WHHB-2 crew started their day in West Hazleton and their tasks also included serving customers in the Humboldt Industrial Park. They served First Quality Non-Wovens, Office Max, and the Coal Contractors siding located in West Hazleton. That crew was Engineer Chuck Trusdell and Conductor Darren Spare and their power on this day was two SD50s. The PIME was next up and goes on duty at Pittston and their main objective is to serve

all customers on the Susquehanna Branch including Proctor and Gamble and Cascade. The crew was Engineer Mike "Breezy" Bischak and Conductor Andy Davis, their locomotive on this day was a GP39RN. The last crew on duty was the JTEX which stands for Jim Thorpe extra crew, their sole function was to move unit storage trains near Jim Thorpe to allow for the passage of the Air Product heat exchanger. That crew consisted of Engineer Mike Kolbe, Conductor Carter Jones, Conductor Kyle Sanders and AVP Jason Trainor who was in position to assist the crew in making the moves that needed to be made. Their power consisted of two SD40-2s to make their moves.

At 09:30 the PISB, Pittston to Scranton crew, was on duty at Pittston. That crew serves multiple customers along the Scranton Branch including Kane Buildings 1, 2, 3 and 5, as well as Azek, Quadrant and 7D Wholesale. Engineer Ron Papiercavich and Conductor Jim Donely and their locomotive was a GP39RN on this day.

After the morning rush of crews going on duty we fast forward to the afternoon.

At 14:30 the second dispatcher transfer takes place, when the second shift dispatcher Nathan Bissey relieves the first shift dispatcher.

At 16:00 the West Hazleton Fast Freight (WHFF) came on duty. That crew with Engineer Jeff Knadler, Conductor Ian McKeown, and Conductor Trainee Joe Matuella expedite the West Hazleton interchange traffic to connect with the Tamaqua Fast Freight (QAFF), which then interchanges the cars to NS. The WHFF will return north with freight that was received from NS earlier in the day by YJNR and proceeds to West Hazleton. Their locomotives were two SD50s that we used earlier in the day by the WHHB-2.

Next up the Tamaqua Fast Freight (QAFF) went on duty at 19:00 in Tamaqua. The crew was Engineer Ryan Lamm, Conductor Eugene Boyle, and Conductor Trainee Chris Maddock, their power was two SD50s which were previously used earlier in the day by the QAMC. Their main function is to gather all freight funneling into Tamaqua, Port Clinton, and North Reading and interchange it to NS at Reading. The crew also picks up freight at North Reading and sets some off at Port Clinton and takes all the remaining freight to Tamaqua where they end their day.

The Pittston Fast Freight (PIFF) was the last train crew of the day, on duty at 21:00 at Pittston.

Continued on page 16.



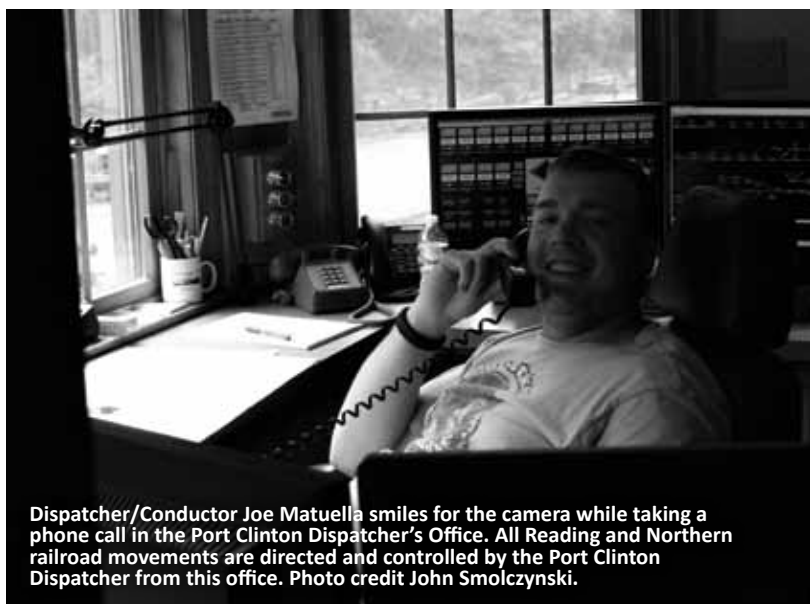
Conductor Ian McKeown is shown on the point of a shove move on the West Hazleton Fast Freight (WHFF). Engineer Jeffrey Knadler is on the other end in the locomotives. Photo credit John Smolczynski.



Four different crews are shown in this picture at Pittston Yard. One of the overnight crews just completed their shift and was heading out the door. Shown left to right are Mike "Breezy" Bischak, Curt Cibello, Tony Verbyla, David Lapallo, Mike Voorhees, Travis Prevost, Dominic Deeble and Ed Philbin. Photo by Aaron Aegildinger.



Pittston Fast Freight (PIFF) Conductor Dominic Deeble guides the movement of RBMN 3055 and 5014 at Pittston Jct. with Engineer Tony Verbyla behind the controls. The crew is seen here finishing up their overnight run by parking the power on the Engine Storage Track.



Dispatcher/Conductor Joe Matuella smiles for the camera while taking a phone call in the Port Clinton Dispatcher's Office. All Reading and Northern railroad movements are directed and controlled by the Port Clinton Dispatcher from this office. Photo credit John Smolczynski.



The RBMN PIME crew with Engineer Mike "Breezy" Bischak (Right) and Andy Davis (Left) take a quick pause from their switching duties for a photo on the RBMN 3051. The crew was in the process of picking up a recently repaired car at Pittston to take to the Proctor and Gamble paper plant in Mehoopany.



Conductor Ron DeLuca (on the ground) and engineer Steve Gilbert (in the locomotive) are shown spotting a car on the Mount Carbon siding, near Pottsville on a very hot summer day.

Continued from page 15.

The crew was Engineer Ed Philbin and Conductor Dominic Deeble utilizing two SD40-2s for their power which were used earlier in the day by Pittston crews. The main task of this crew is to take all Lehigh Division Freight to the interchange with NS at Lehighton and then pick up any inbound freight from NS at Penobscot before returning to Pittston to handoff their train to YJPI for yarding and breakdown. At 22:30 the final dispatcher transfer of the day took place. Nate Bissey was relieved by Leo Davis, the third shift dispatcher. For good measure, I should probably mention on this day that Conductor Curt Cibello and Engineer Tony Verbyla actually finished their shift on this Thursday in the wee hours of the morning on the previous night's PIFF Engineer Jeff Bavitz and Conductor David Lapallo were on their scheduled day off. As you can see this was a very busy day on the RBMN. But it turns out this was not an

aberration. In fact the first two weeks in May were one of the busiest times on the railroad we have had. We had several days during that time period that our daily crew calls exceeded fifteen or more crews. In addition, our weekends were busier than normal for the first two weeks of May because our LGSR passenger season started earlier this year. We also had the first RDC trips the railroad has operated since the early 2000s. Also our MOW forces were in full swing with their track projects which requires support from the Operations Department, which runs special work trains to either dump ballast or distribute rail to support our aggressive track maintenance program. We also operated several extra trains throughout those two weeks to handle coal loading at our various suppliers. Additionally, our storage car business was continuing to see high volumes of unit trains coming into the interchange at Reading as part of our rapidly expanded storage business. Please keep in mind that when I started working

for the railroad twenty five years ago we had three to five trains operating per day, a handful of operating employees and only one dispatcher who worked one shift on weekdays. Nowadays our railroad has thirteen scheduled trains each day Monday through Friday, numerous scheduled jobs on the weekends, and is dispatched around the clock. Counting our conductor, dispatchers, engineers and managers we are a team of over fifty people. That covers over seventy train starts per week and around the clock dispatching. I have been reflecting on how far we have come as a railroad and as an operating department. It is comparable to a parent watching their child develop from an infant to an adult. Sometimes you don't realize how far things have come when you are living through it each day. Progress and growth have come quickly over the past few years. Due to that growth we have gone through a phase of aggressive hiring. In addition to the hiring, we have also been completing some extensive training for new

engineers and dispatchers. This has allowed us to better position ourselves to handle the increased business and potential future business that may come our way. Many of the core folks in our operating department have been with us a couple decades. So I have watched many of my colleagues grow and evolve with the company. On a personal note, I have noticed I am not the only one who has graying or departed hair. As we grow it becomes increasingly more difficult to keep the family atmosphere, however we always strive to keep that spirit alive. As a team we feel it is important that everyone feels like they are part of and contribute to the success this company has enjoyed for so many years. Just when you think there isn't possibly any more we can handle, in walks another business opportunity and we play another round of chess to figure out how to best handle and serve our customers. Checkmate is never an option in the Operations Department. Even when resources are limited or stretched thin, as a company and

as a team we always find a way to make it work. When I start looking around at all of the supporting departments in the railroad, I see many similar parallels in growth to what the Operations Department has experienced. Our MOW Department has really blossomed with our growth in terms of employees and projects. Sometimes their biggest obstacle is determining which track construction project takes priority. MOW also has to react to immediate concerns for track related issues that occur from time to time. The Mechanical Department has also increased in size to maintain our locomotive and car fleets. Our locomotive shop has certainly worked diligently this year to keep our locomotives cycling through the shop as quickly as possible when they are in for their scheduled inspections. This allows for maximum utilization of our locomotive fleet. The Car Shop is always on top of needed field repairs, when reported by one of our train crews or customers.

The Signal Department growth can be physically seen along the right of way in forms of wayside signals, interlockings, crossing upgrades, and AEI tag readers. As the customer accounts expand, so has the need for the Customer Service Department to expand. They are working as efficiently as possible to ensure all of our customer are addressed and that the scheduled service windows are exactly what they need to be. Quite a bit of time and effort goes into accomplishing what we have as a company. Collectively all of these departments combined are what makes our railroad so great and allow, for the rapid growth we have experienced and hope to experience in the future. The key ingredient to our success is our people. Perhaps in another decade we will be looking at thirty crew starts in one day, the sky is the limit. I would not be surprised. ♦

RBMN ANNIVERSARIES ACKNOWLEDGED

30 YEARS



Hire Date – May 1, 1986
Chris Bost
Engineer - Operations



Hire Date – May 1, 1986
Eric Quimby
Car Host/Narrator – LGSR

25 YEARS



Hire Date – May 3, 1991
Darrell Matz
Conductor/Car Host – LGSR

20 YEARS



Hire Date – April 22, 1996
Chad Frederickson
Engineer – Operations

10 YEARS



Hire Date – June 5, 2006
Ryan Rupprecht
Machine Operator - MOW

5 YEARS



Hire Date – April 18, 2011
Darnell Young
Signal Maintainer - Signals



Hire Date – June 8, 2011
Crystal Arndt
HR Administrator - HR



Hire Date – June 20, 2011
Shawn Slusser
Supervisor Assist. - MOW



Hire Date – April 25, 2013
Michael Capron
Pilot - RJC



Hire Date – May 16, 2013
Daniel Rawleigh
Car Host/Tix Agent - LGSR

3 YEARS

1 YEAR



Hire Date – April 6, 2015
Thomas Cook
VP Safety & Transportation



Hire Date – April 23, 2015
John Smolczynski, Sr.
Car Host - LGSR



Hire Date – April 23, 2015
Nancy Walaitis
Car Host/Pullman/Food Service - LGSR



Hire Date – April 23, 2015
Elijah Wilson
Car Host/ Conductor Trainee - LGSR



Hire Date – May 18, 2015
Darrin Keip
Conductor - Operations

Reading & Northern Recognizes Another Outstanding Supplier

BY: KATIE BONNER, PURCHASING AGENT

Wake up at 3:00 AM to start the day, drive to Philadelphia or maybe New York to pick up railroad ties and other track material, bring back multiple loads to Gouldsboro, PA or other areas which are in need of delivery, get home around 5:00 PM, finish up paperwork and finally close your eyes around 9pm. Not a typical day for most of us, however, just another day in the life of Phil Venesky.

Phil is the owner of Venesky Ties located at Rts 435 & 507 in Gouldsboro, Pennsylvania where he supplies and delivers railroad ties, mulch and more. Although he started his operation in 2001, Phil has been involved in the world of railroad ties for much longer than that. His father, Philip ran a similar business in 1965 which operated through the mid-1980s. He taught Phil much of what he knows, influencing him to start his own business.

Let's roll the clock back about twenty years: Phil came from humble beginnings of having to borrow \$10 for gas money from Kim, a girl he was dating, to drive his \$500 Jalopy to Crystal Soda. He stacked soda for \$5/hour. Throughout the years, he worked a couple of other jobs doing things such as masonry work and driving truck. One day, while Phil was driving truck for a job near the piers in New Jersey, he noticed railroad ties stacked on the side of the road. Phil could not help himself; he felt compelled to stop and ask if he could purchase the ties. The gentleman told Phil that he could take the ties for free if he would just give him \$2 for each tie to load. That was a no-brainer for Phil since he was no stranger to the tie industry.

As fate would have it, along with marrying the girl who lent him \$10 for gas money all those years ago, stopping for those ties was one of the best decisions of Phil's life. Acquiring these ties happened to be the start of what is now known as Venesky Ties. Phil started the business with two pennies in his pocket, however through a lot of hard work and persistence, he managed to purchase his first truck with cash for \$183,000 in 2007; a proud moment he won't forget. Throughout the years, he continued to grow his business, which now consists of five trucks, eight employees, and one yard filled with tons (literally) of ties, mulch and other track material. He also continued to expand his family, marrying Kim in 2009 and between them they have 3 children; Shawn, Andrea, and Brandon. Phil and Kim, along with their Boxer, Layla live in Gouldsboro and like the business, his family is continuing to grow, as his daughter Andrea is expecting her first child in September- Phil's first grandson.

Last year, fate struck again leading Phil to the Reading and Northern's doorstep. After the first meeting between Venesky Ties and Reading & Northern, it became apparent that this would be a mutually beneficial business relationship. It was clear to see that Phil would be a man of his word and fair in his pricing, things that the Reading and Northern values in our never ending quest for long term vendors. Over the course of the year, RBMN has been able to benefit from this relationship by building and maintaining miles of track for our ever-growing business, all while contributing to the growth of Phil's business. We look forward to working with Phil and Venesky Ties for the long haul.

Reading & Northern, along with Andy Muller, would like to thank Phil for being an outstanding supplier by sending him to the beautiful island of Hawaii, where he and Kim will be celebrating seven years of marriage. ♦



"I would really like to thank Andy Muller. Since we started working together, my business has increased by about 35%. I don't consider him just a business partner, I consider him a friend." Phil Venesky

EMPLOYEE SPOTLIGHT

Congratulations Ed!

BY: CRYSTAL ARNDT, HR ADMINISTRATOR



I am pleased to introduce this quarter's "Spotlight Employee", Ed Philbin. Ed has worked for RBMN since November of 2005 and is currently an Engineer within our Operations Department. Prior to working at RBMN, Ed spent eleven years working in press, pre-press layout, and editorial for a small, weekly paper.

Ed was born in Wilkes-Barre and has lived in Port Griffith, in the same house for his entire life. He graduated from Pittston Area High School, Luzerne County Community College, and Wilkes University.

Ed has two daughters; Nora (age 10) and Maggie (age 7), and a Dog named Gunther. In his spare time, Ed likes to ride mountain bike, be outdoors, coach soccer, and enjoy railroad industrial and military history. He also likes to take day trips to NYC, relaxing, and traveling.

Ed is a 3rd generation Engineer! His mother's family worked for the Lehigh Valley. He says, "I enjoy the challenges of working on the railroad and the many good friends I have made working here."

As the "Spotlight Employee," Ed will receive a \$50.00 gift certificate to dine at a local restaurant. ♦

Reading & Northern Railroad Holiday Party Save the Date!

Save This Date – Saturday, December 10, 2016 will be the date for our annual RBMN Company Holiday Party which will be held at the Holiday Inn Conference Center, 7736 Adrienne Drive, Breinigsville, PA 18031. This Holiday Inn is just off of I-78 and Rt. 100 in the village of Fogelsville. Please plan on joining us for a fun evening of socializing, food, and music.

Happy Birthday!

- | | | | |
|---------|----------------------|----------|-----------------------|
| JULY 1 | JEREMY ATWELL | AUG. 1 | MATTHEW MINNICH |
| JULY 1 | JOHN BYASSEE | AUG. 3 | ALICIA BORGER |
| JULY 3 | WILLIAM BUBECK | AUG. 8 | MATTHEW FISHER |
| JULY 4 | BENJAMIN MEISER | AUG. 8 | MICHAEL KOLBE |
| JULY 5 | CHRISTOPHER NEFOS | AUG. 9 | BRENT JACOB |
| JULY 6 | JOHN DUBICK | AUG. 10 | LARRY FISHER |
| JULY 7 | GRAHAM HANTZ | AUG. 11 | BEVERLY HESS |
| JULY 8 | ERNEST HENRITZY, JR. | AUG. 13 | SHANE FREDERICKSON |
| JULY 9 | MICHAEL KALAGE | AUG. 13 | ANDY MULLER JR. |
| JULY 10 | JOSHUA YOUPA | AUG. 13 | RAY ZWEIZIG |
| JULY 11 | JOSEPH MATUELLA | AUG. 14 | DUANE ENGLE |
| JULY 14 | MICHAEL BAILEY | AUG. 15 | MATTHEW SLOSKEY |
| JULY 14 | DALE HOMM | AUG. 19 | CHRIS GOETZ |
| JULY 15 | DANIEL RAWLEIGH | AUG. 21 | JASON TRAINOR |
| JULY 15 | MICHAEL SHARADIN | AUG. 23 | DAVID JOHNSON |
| JULY 17 | MATTHEW COLLINS | AUG. 25 | TIMOTHY HAEFNER |
| JULY 18 | BENJAMIN BALTHASER | AUG. 25 | RYAN PARKS |
| JULY 18 | THOMAS COOK | AUG. 27 | JIM MIZNER |
| JULY 20 | RACHEL KOZLOWSKI | AUG. 29 | ROBERT DASH |
| JULY 20 | DARRELL MATZ | AUG. 30 | JAMIE SOLOMON |
| JULY 20 | NATHAN MENGEL | SEPT. 2 | MATTHEW NESTOR |
| JULY 21 | TAMMY DEBKOWSKI | SEPT. 8 | DIANE LEIBY |
| JULY 23 | CHRISTOPHER BOST | SEPT. 9 | BRAD HANDLING |
| JULY 24 | DAVID HUTTON | SEPT. 9 | SPENCER HOCKMAN |
| JULY 25 | STEVEN KOLBE | SEPT. 10 | NATHANIEL BILLET-DIAZ |
| JULY 25 | KYLE SANDERS | SEPT. 11 | THOMAS STEMKO |
| JULY 28 | MICHAEL VOORHEES | SEPT. 12 | WAYNE MICHEL |
| JULY 30 | DARRIN KEIP | SEPT. 16 | RUSSELLE MONROE |
| JULY 30 | ZACHARY SIMPSON | SEPT. 19 | ERIC SLEKOVAC |
| JULY 31 | SHAWN SLUSSER | SEPT. 22 | RYAN FREDERICKSON |
| AUG. 1 | MICHAEL BISCHAK | SEPT. 29 | BROCK KRUMANOCKER |

OFFICE OF PUBLIC SAFETY EMERGENCY 9-1-1

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435 NORTH CENTRE STREET
POTTSVILLE, PENNSYLVANIA 17901-2528

Mr. Andrew Muller
Blue Mountain and Reading Railroad
1 Railroad Blvd.
Port Clinton, PA 19549

RECEIVED JUN 3
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Mr. Muller:

I would like to take the time to tell you of the professionalism and hard work of one of you employees, Sgt. Ryan Parks.

Recently your Agency's Law Enforcement Division was audited by the Pennsylvania State Police CLEAN (Commonwealth Law Enforcement Assistance Network), this is done triennial.

With the changes that have come recently from the FBI and PSP it was somewhat of a difficult to keep up with, but Sgt Parks was up to date. The audit went smoothly and seamlessly. I commend him on his hard work, you should be proud to have him on your staff.

With kindest regards.

Sincerely,

Kenneth Scott Lipsett





Two of the four raccoons.



Baby raccoons at ten weeks of age.

WELCOME ABOARD

NEW EMPLOYEES

The Four Baby Raccoons are Thriving

BY: PEGGY HENTZ, PRESIDENT/EXECUTIVE DIRECTOR OF REDCREEK

The horse barn at Andy and Carol Muller's home held a secret. For several weeks a mother raccoon quietly tended to her litter of four in the second floor loft. But something went wrong. One of the babies was found on the first floor, revealing their presence. The other three were discovered shortly thereafter. The mother was disturbingly absent.

Not wanting to disrupt a healthy family, Carol reached out to us for advice. Examining the babies would be the best way to determine their condition and whether they should be returned to the loft in the barn or admitted for rehabilitation. We decided to meet at the railroad where I could look them over.

Within a few short hours I was sitting in the beautiful waiting room at the Port Clinton office of the Reading and Northern Railroad with four baby raccoons on my lap. A crowd gathered to admire the little ones from a distance. They were dehydrated and obviously had not eaten recently. We can assume that something happened to the mother who didn't return to her brood.

I love this kind of rescue. Throughout the entire rescue process, from the time the first baby was discovered, to my receiving them, everything had been done correctly. The reaction was responsible and swift. No one handled the babies in a way that put a person at risk.

Rescuing raccoons, even babies, can be dangerous. Rabies is a real threat with these animals and mishandling can endanger a person's life. Being bitten or scratched is not the only means of contracting rabies. Getting saliva from an infected animal into an open cut or on mucous membranes, such as your eyes, also constitutes an exposure. Unfortunately when that happens, the rescue fails and the animal loses and must be euthanized and tested for rabies.

Raccoons are not the only species needing great care when rescuing. Pennsylvania identifies six species as high risk: raccoons, skunks, foxes, woodchucks, coyotes and bats. These animals should never be handled with bare hands. If a rescue is necessary, wearing gloves or scooping an animal into a box will ensure that the animal gets a second chance through rehabilitation.

Limiting the time you have the animal also ensures that it will get immediate care. Within a few hours after being discovered, these four raccoons were receiving injectable fluids to correct their dehydration. By the next morning, they were learning to drink raccoon formula from a bottle. They quickly returned to good health and are growing rapidly.

By the end of June, they weaned on to solid food. They will remain at Red Creek through the summer and will be released in the early fall. ♦

RBMN WELLNESS COMMITTEE INTRODUCES STAND UP DESKS

BY: RENEE SHERIFF, ASSISTANT OFFICE MANAGER; PASSENGER DEPARTMENT

The Reading and Northern Railroad Wellness Committee embraces new ideas and tools that will help improve the overall wellness of all its employees and to promote steps toward a healthier lifestyle. Therefore, we recently decided to offer standup desks to employees that chose to partake in this new endeavor.

With the support from our health insurance provider we decided on a great product to help with our new initiative. The product we chose to offer is the "UPLIFT Height Adjustable Standing Desk Converter". This fully adjustable converter raises and lowers from the standing position to sitting position with a use of a simple lever.

To get more insight, we engaged participating employees that decided to use the desks and ask them a few questions.

When Tom Cook our VP of Safety and Transportation was asked if he noticed any positive outcomes of using a stand up desk, he replied "when I am short on sleep due to being on call and the twenty four hour nature of the railroad, the standup desk helps improve my focus in the early morning when I am tired. Standing from time to time is a nice change of pace to refocus attention on the task at hand, and also helps my flexibility and eliminates stiffness".

Andrea Collier our VP of Finance said she is "able to maintain better posture and feel more alert." When Andrea was asked if she was happy with her standup desk and if she would recommend it to anyone, her response was very enthusiastic as she replied "Absolutely!"

Given these positive responses from two of our Vice Presidents, our Wellness Committee is happy with the stand up desks that were offered to everyone. Hopefully in the future more employees will choose to use standup desks after receiving such positive feedback. ♦



Larry Curvey

Larry Curvey was recently hired as a part-time Car Host within the Lehigh Gorge Scenic Railway. He attended Tamaqua Area High School and Stevens College of Technology. Prior to working at LGSR, Larry was a Maintenance Electrician for Silberline Manufacturing for twenty six years.



Joseph Gramlich

Joseph Gramlich was recently hired as a part-time Car Host within the Lehigh Gorge Scenic Railway. He attended La Salle College High School and La Salle University. Prior to working at LGSR, Joseph was an Air Traffic Control Specialist at Federal Aviation Administration for twenty four years.



Timothy Haefner

Timothy Haefner was recently hired as a Car Host within the Lehigh Gorge Scenic Railway. He attended Methacton Area High School and Pennsylvania College of Technology. Prior to working at LGSR, Timothy was a Merchandise Stocker at Merrymead Farm for three years.



Margaret Smith

Margaret Smith was recently hired as a Car Host within the Lehigh Gorge Scenic Railway. She attended Our Lady of Perpetual Help High School. Margaret also works as an Information Specialist for Pocono Mountains Visitors Bureau for the last four years.



Aaron Aigeldinger

Aaron Aigeldinger was recently hired as a Conductor within our Operations Department. He attended Crestwood Area High School. Prior to working at RBMN, Aaron was a Mechanic at Reilly's Garage for four and a half years.



Brandon Baver

Brandon Baver was recently hired as a Conductor within our Operations Department. He attended Blue Mountain High School. Prior to working at RBMN, Brandon was a Laborer/Equipment Operator/Water & Sewer Operator at Orwigsburg Borough for one year.



Denom Krall

Denom Krall was recently hired as an IT Assistant within our IT Department. He attended Tamaqua Area High School and Northampton Community College. Prior to working at RBMN, Denom was a Senior Support Technician at IBM & Northampton Community College for over fourteen years.



James Williams

James Williams was recently hired as a Signal Maintainer within our Signal Department. He attended Reading High School and Reading-Muhlenberg Career and Technology Center. Prior to working at RBMN, James was a Technical Operator at Reading Health System for thirteen years.

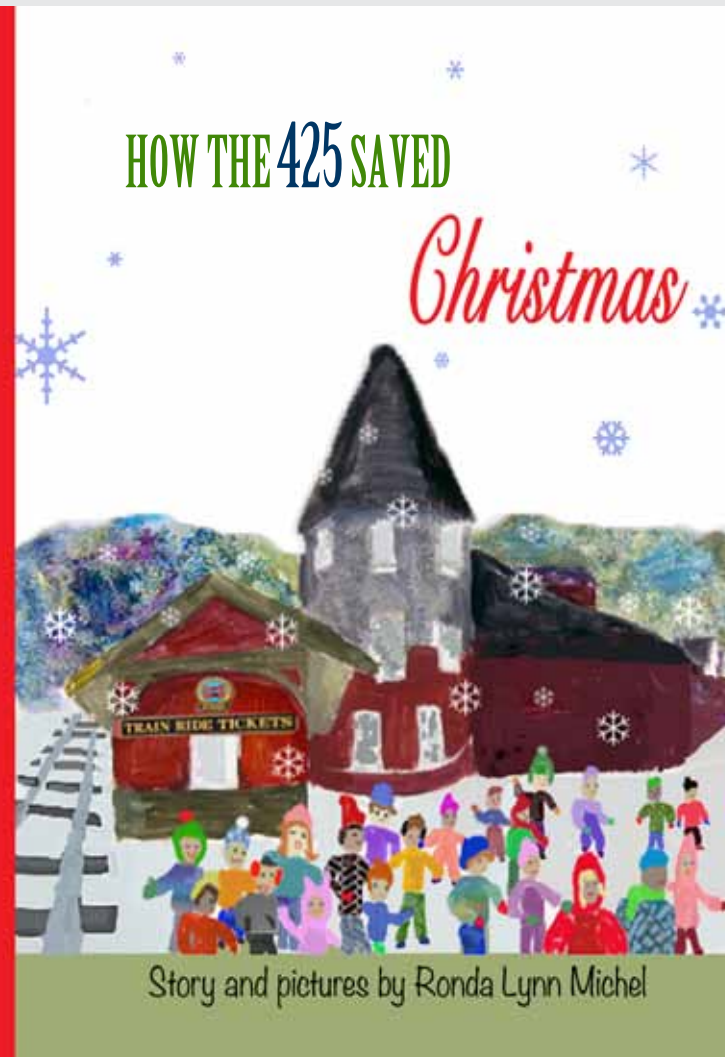


Ryan Frederickson

Ryan Frederickson was recently hired as a part-time Bear/Mascot within the Lehigh Gorge Scenic Railway. He attends Tamaqua Area High School. Prior to working at LGSR, Ryan volunteered on the 425 and 2102 steam engines.

How the 425 Saved Christmas

*Now available
for Christmas orders!*



“How the 425 Saved Christmas”, a joyous holiday tale starring the Muller family and the famous steam engine, the 425, is available for purchase. The book was written and illustrated by Ronda Michel, wife of RBMN President Wayne Michel. It sells for \$15 plus shipping and handling.

The book will be available to purchase from the LGSR website www.lgsry.com.

The book is also available from Ronda at her website where you can choose the option of a personalized copy for the cost of \$20 plus shipping and handling. Ronda's website is www.rondalynnichel.com.

Ronda has also written and illustrated six other children's books that are available on Amazon.com or her website for the same prices.

Sasha and the Stars: A Channukah Tale
A story of a new miracle during the Festival of Lights

Ava the Singing Fairy
A sweet story about a singing fairy who saves her family's farm.

Justin and the Keys to the Kingdom
A story about how a boy becomes a king and then uses his power to exile boys who had bullied him and others.

Keylina and the Magic Garden
A story about the power of imagination.

Matthew and the Animation
A story about the power of innovation.

When the World Was Gray
A magical tale about a time when the world lost all of its color and turned to gray and how two children restored color to the world.



To celebrate Victor Gavinski's retirement the entire signal department had lunch at Basile's near Tamaqua on one of his last days of work. Left to right: Darnell Young, David Hutton, Graham Hantz, Matt Collins, Victor Gavinski, Jonathan Barket and Edward Kopeck.

Retirement Announcement

BY: MATT COLLINS, SIGNAL COMMUNICATIONS MANAGER

This article comes with mixed feelings as we announce the retirement of one of our employees. Victor Gavinski (aka MacGyver) has been our Senior Signal Maintainer for the past twenty years and after thirty plus years of railroading, has decided that the time has come to retire.

Victor began his railroad journey in 1977 when he hired on with Conrail. In 1996 he came aboard the Reading & Northern, happy to return to territory he once worked on for Conrail. In the early years, he was a one man show who would handle all of the Lehigh Division Signal Department needs. From crossings, signals, and pole line repairs to testing and construction you could always count on Victor being out on the right of way, with a solution.

Victor has greatly contributed to the Signal Department and the Reading & Northern that you see today. With his attitude “we can make it work” and always having the right part at the right time from the seemingly endless well stocked HRV-18. In addition, he has helped train all of our department employees from our AVP to the newest Maintainer, passing on his vast knowledge of railroad signaling and everything in-between.

Victor has contributed over twenty years of experience to the Reading & Northern and his contributions will not be forgotten. Please join me in wishing him the best in the next steps of his journey. ♦

Reading & Northern's Family Recipes

At the Reading & Northern Railroad, we take a lot of pride in the diversity and character of our quickly expanding personnel staffs and crews! Everyone certainly has something special to bring to the table, and thankfully for everyone's rumbling tummies, that often means a good old fashioned family recipe! Our own Therman Madeira was asked to share his famous potato salad recipe, and we would like to encourage everyone to send us their favorite family recipes to share with our readers!



Schuylkill Haven Station Open House

The newly restored Schuylkill Haven Station, and the new headquarters of the Reading & Northern Railroad's Passenger Department, held its first Open House on a sunny summer's night on July 12, 2016. Invited guests from the Schuylkill Haven Borough Council, county and state officials gathered to view the restoration of the station from its recent use as the Schuylkill Haven Borough offices to its original state as a Philadelphia & Reading Railroad Company station, circa 1901. The Schuylkill Haven Station is now open to the public during regular business hours, Mondays through Fridays 8:30 – 5:00, and will be open for special events such as Schuylkill Haven's annual Borough Days celebration. ♦



Bustling scenes from the Schuylkill Haven Station's first Open House, July 12, 2016.



Therman's Potato Salad

1. 4 Large Red Skin Potatoes (size of baseball) scrubbed clean – skins on.
2. Dice potatoes into $\frac{3}{4}$ " squares.
3. Put in pot – cover with water till $\frac{1}{2}$ " over top.
4. Add $\frac{1}{2}$ tsp. salt.
5. Bring to boil till desired potato softness is to liking.
6. Drain water off entirely.
7. Add 3 finely chopped Hard Boil Eggs.
8. Add $\frac{1}{2}$ medium sized finely chopped Vidalia Onion (tennis ball size).
9. Add 8 pcs. finely chopped crispy bacon ($\frac{1}{2}$ " size).
10. Add dressing to desired wetness – or just slightly dry.
11. Mix lightly – careful not to mash the diced potatoes (use large serving spoon).
12. Serve!

Dressing Prep –

1. $\frac{1}{2}$ tsp. of sugar in mixing bowl.
 2. Add 2 tablespoons brown apple cider vinegar.
 3. Mix these two ingredients vigorously.
 4. Add 1 cup mayonnaise and stir till no lumps.
 5. Add 2 tablespoons mustard – mix.
 6. Taste – should not be too vinegary. If it is add a little more mayonnaise.
 7. Once desired dressing taste is achieved, add to potatoes, onions, eggs, & bacon. Stir in gently.
- Note: Adding the dressing slowly allows for getting the desired consistency of potato salad.

**Reading Blue Mountain &
Northern Railroad Company**
PO Box 218
Port Clinton PA 19549



Conductor Ian McKeown is shown on the point of a shove move on the West Hazleton Fast Freight(WHFF). Engineer Jeffrey Knadler is on the other end in the locomotives. Photo credit John Smolczynski.