

SAFETY FIRST
**Palouse River &
Coulee City Railroad**
(MLAC Section)



TIMETABLE NO. 105

EFFECTIVE 0001
PACIFIC STANDARD TIME
FRIDAY, July 01, 2005

325 Mill Road
Lewiston, Idaho 83501
208-743-2559

Ray Leiterman
General Manager



WATCO
COMPANIES, INC.
"Your Transportation Specialists"

A Watco Companies, Inc. Property

JOB BRIEFING

Prior to performing any task requiring the coordination of two or more employees, those employees involved must hold a “job briefing” to ensure that all employees involved have a clear understanding of the task to be performed and their individual responsibility and must discuss the following:

- 1. The job(s) to be done or move(s) to be made.**
- 2. The responsibility of each employee.**
- 3. Any additional instructions due to an unusual condition.**
- 4. Any specific reminder due to a hazardous condition or unusual practice.**
- 5. When on or near track, discuss how you are protected, what your limits are, what type and time given.
If necessary, an additional briefing will be held as the work progresses or the situation changes.**

STATEMENT OF SAFETY POLICY

It is the policy of Watco that its operations be conducted in a safe manner. As an integral part of this policy, the management of Watco believes that:

- All injuries can be prevented**
- We are committed to provide a safe work environment for all employees**
- Employees of all levels are accountable for their own safety and the safety of their co-workers, preventing injuries and accidents, and displaying safe work behavior**
- Remember: No job is so important, no service so urgent that we cannot take time to perform all work safely.**

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MIRA LOMA INDUSTRIAL COMPLEX

SPECIAL INSTRUCTIONS

1. MAXIMUM AUTHORIZED SPEED

All tracks in Mira Loma Auto Center10 MPH

2. PERMANENT SPEED RESTRICTIONS

None.

3. MAIN TRACK AUTHORIZATION

All tracks in the Mira Loma Auto Center are designated as other than main track.

4. JOINT OPERATIONS

PCC trains have permission to operate on UPRR main track between UPRR MP 43.0 to UPRR MP 47.0 on the Los Angeles Subdivision and from the Mira Loma UPRR junction switch To the UPRR main track. PCC trains must contact UPRR Dispatcher on radio channel 27-27 or phone 1-909-879-6316 to obtain permission to enter UPRR track. UPRR track bulletins and timetable instructions apply. UPRR track bulletins are obtained by calling the UPRR Train Dispatcher at 909-879-6316.

5. RAILROAD CROSSINGS AT GRADE AND JUNCTIONS

Junction with the UPRR at Mira Loma Auto Center

UPRR Train Dispatcher must be contacted on channel 27-27 for authority to enter CTC on UPRR main track and controlled sidings.

6. INDUSTRIAL SPURS

All tracks inside the Mira Loma Auto Center are designated as industrial tracks.

7. FRA EXCEPTED TRACK

None.

8. RADIO CHANNEL INSTRUCTIONS

Radio Channels	
Radio Channel	AAR Channel
Auto Plant Switcher	44-44
East End Switcher #1	07 - 07
East End Switcher #2	08 - 08

9. SPECIFIC SWITCH INSTRUCTIONS

None.

10. DEFECT DETECTORS LOCATIONS

None.

11. LOCATIONS NOT LISTED AS STATIONS

None.

12. OTHER SPECIFIC INSTRUCTIONS

- A. Mira Loma Auto Center (MLAC) Switching Instructions: The following procedures on spotting the auto facility at Mira Loma:
- Prior to shoving cars into the auto facility, crew must contact the “Auto plant switcher” on channel 27 - 27 for spotting instructions.
 - When shoving cars into the auto facility, maximum speed is 5 MPH.
 - Prior to shoving east of the derail, the intended route must be lined for your movement.
 - At least a minimum automatic air brake application must be used when shoving the auto facility.
 - If additional brake pipe reductions are necessary, engineer must not use excessive power while shoving.
 - Care must be taken to prevent excessive slack action while switching or spotting movements are made.
 - When shoving tracks, the conductors must ride the rear car and stop movement short of the spot line on the east end of each track.
 - Apply four handbrakes on the east end (low) end of each cut.
 - When making cut(s) on the west end of track, ensure cars are left clear of all other tracks.
 - After hand brakes are applied do not release the air brakes to check securement.
 - Insure that a 20 pound brake pipe reduction has equalized before turning angle cock and closing slack to make the cut.
- B. Tracks 869 and 870 are designated as mechanical repair tracks. All movements on these tracks are coordinated and with the permission of the repair track Foreman who must ensure all men and equipment are in the clear before removing blue flag protection.

RAILROAD SPECIFIC INSTRUCTIONS

1. COMPANY OFFICERS

Company Officers	
Name	Title
Bill Brown	General Manager
Carlos Frausto	Assistant GM
Jesus Salazar	Trainmaster
Albert Farias	Trainmaster
Ignacio Valencia	Trainmaster
Jose Michel	Trainmaster

2. EMERGENCY TELEPHONE NUMBERS

MLAC First Response Telephone Numbers		
Contact	Emergency Number	Non-Emergency Number
Riverside County Sheriff	911	951-955-2400
California Highway Patrol	911	951-637-8000
UPRR Police	888-877-6267	888-877-6267

3. RAILROAD CONTACT NUMBERS

MLAC Office	Office: 909-879-6828 Fax: 951-685-9657
General Manager	Office: 951-205-3551 Fax: 951-685-9657 Cell: 951-205-3551
Assistant G.M.	Office: 909-879-6828 Fax: 951-685-9657 Cell: 951-836-5922
Trainmaster	Office: 909-879-6828 Fax: 951-685-9657 Cell: 951-836-0062
Command Center	Office: 909-879-6828 Fax: 951-685-9657 Cell: 951-836-3373

4. MLAC SPECIAL INSTRUCTIONS (ALL SUBDIVISIONS)

TIME ZONE IN EFFECT

MLAC employees will use Pacific Standard Time shown in Continental Time format on all switch lists and records. All procedures for Daylight Savings time will be used.

EQUIPMENT RESTRICTIONS:

Except in work train service, empty CWR equipment, pile drivers, Jordan spreaders, and locomotive cranes must be handled at the rear of trains.

All loads with over-dimensional widths or heights must be inspected by the Mechanical department prior to being moved from origin or interchange points.

The following equipment must be placed next car ahead of a caboose or at the rear of caboosless trains, except in work trains, unless otherwise indicated in the individual subdivisions:

- Pile Drivers
- Locomotive Cranes
- Empty ribbon rail cars
- Rear end only cars
- Jordan spreaders
- Wedge plows
- Dozers

Scale test cars must be placed ahead of the last car on caboosless trains.

Exception: BN 979019 --- 979024 and BN 979026 --- 979036 may be placed anywhere in train.

ADDITIONS TO THE ABTH RULES

1. Wherever possible, plan your movements to minimize or eliminate the need for making couplings in curves.
2. Always allow sufficient time for the brakes to release on cars.

TORNADO INSTRUCTIONS

If a train or yard assignment has an occupied caboose, upon being notified of a tornado watch, the occupants of the caboose should immediately move to the locomotive consist.

While in the process of moving to the locomotive, if the tornado watch turns into a "tornado warning", or a funnel cloud is spotted, those affected should seek shelter in a nearby ditch, ravine, culvert, under a bridge or in a depression. If none of these are available, lie face down on the ground with hands over the head away from the caboose or cars in the train.

A "tornado warning" means a tornado has been sighted or verified by the National Weather Service or by persons associated with official weather spotters. Train crews are to follow instructions as follows:

During a tornado warning, all train movements and yard activities must stop. Any train enroute will stop and employees should seek appropriate shelter consistent with the safety of all involved, avoiding the stopping of a train on a high bridge, across railroad and highway crossings at grade, or anywhere the presence of a train could be a hindrance.

After the tornado warning has been cleared and such information has reached the train crews, if the path of the tornado crossed the tracks at their location or in the immediate vicinity, crew members must inspect their train before moving to determine if any damage or derailment has occurred to the train or if the track structure has been damaged. After inspecting the train and track, and a qualified employee has relayed the limits of the tornado's path, the train may proceed, prepared to stop when approaching bridges, culverts, or other points likely to be affected. The qualified employee must be advised immediately of such conditions.

STORAGE CARS

The following procedures must be followed when placing storage cars onto tracks for storage:

- Follow ABTH instructions for securement of equipment.
- Apply at least four hand brakes on the rear of all blocks of cars.
- Always shove to a coupling to cars left for storage previously.
- Cut every crossing even if it looks like it has never been used.
- Couple all air hoses, cut in the air and move hand brakes up to the end of the cut. Never leave handbrakes or uncoupled air joints in the middle of the cut.
- Always check your list at least twice before leaving cars and give the accurate list to Customer Service.

FIRES

All fires along the railroad right of way must be reported to the dispatcher as soon as it is discovered.

Train crews must:

1. Determine cause of fire, if possible.
2. If a Locomotive is starting fire or fires, throttle down or isolate that particular unit.
3. Report the exact location of the fire to the yardmaster or supervisor.
4. Make a note of suspected cause of fire on mechanical report so mechanical department can correct cause if a locomotive is starting fires.

Yardmaster must:

1. Call proper emergency response (Fire Department)
2. Make a record of the report on the proper form.

INCIDENT REPORTING

When any incident, accident, or injury occurs in the field, the crew/employees must report immediately to the supervisor. The following information is the minimum that must be gathered:

- Time of the incident/accident
- Type: derailment, grade crossing, fire, etc...
- Milepost/location. If grade crossing, road name or number.

- Extent of incident/accident and type of equipment involved. Cars involved, Loads/Empties, commodity, condition of cars (upright/tipped over/leaking) condition of track,
- Leave a phone number where you can be reached to receive further instruction.
- Crews must also report any incident, accident, or injury to the proper manager as soon as possible. In addition, the proper reports must be filled out promptly or before the end of tour of duty.
- There is only one exception to this procedure. If you are unable to complete the reports due to the expiration of the hours of service, contact your supervisor and ensure the proper reports are filled out promptly on your return to duty.

The following reports are required:

Derailment or Crossing Incident (all crew members)

TA 003 Rail Equipment Accident/Incident Report

Personal Injury (all crew members within 2 hrs)

PI 002 Personal Injury Report

GRADE CROSSING ACCIDENTS

The following information is designed to serve as post grade crossing accident guidelines. It is designed to provide the utmost in safety for you and your crew. After the accident has occurred and the train is stopped:

- a. Ensure the safety of crew members, accident victims, and the public.
- b. Meet all rule requirements.
- c. Contact a supervisor and advise:
 1. Exact location and
 2. What emergency services are needed. Be sure to include alternate routes for the emergency vehicles if your train is blocking road crossings.
- d. Assess the damage to the vehicle and train to determine if there is any danger to your crew or the public.
- e. Assign a crew member to monitor a radio to provide further information for emergency assistance.
- f. If it is safe, render assistance to accident victims. It is important not to move the victim unless a life-threatening situation exists.
- g. Turn off the vehicles' ignition and inform the investigating officer you did so. Otherwise, do not disturb the accident scene.
- h. Only give information to:
 1. The investigating officer, or,
 2. Authorized company managers. Cooperate with the investigating officer. Answer the officer's questions and provide as much information as you can recall. Record the badge number and name of the investigating police officer at the scene. Witness with the officer, that the headlight is on and that the whistle and bell on lead unit are in proper working order. Also, note that the crossing warning devices are functioning.

- i. Assign a crew member to verify the accuracy of the train list. Save all train lists, track warrants, track condition messages, and other pertinent documents. Ascertain that no part of your train is derailed and that it will be safe to proceed once released by the investigating officer.
- j. Personal counseling will be available to any crew member who might experience post-accident trauma.
- k. If instructed by a company officer, take pictures of the scene, including the crossing and surrounding area.

<p><i>Watco Companies, Inc.</i> SYSTEM SPECIAL INSTRUCTIONS</p>
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ITEM 1. RULE BOOKS AND PUBLICATIONS IN EFFECT

Where applicable, employees must provide themselves with and have available for reference:

<i>General Code of Operating Rules, 5th Edition</i>	Effective April 3, 2005
<i>WATCO Air Brake and Train Handling Rules</i>	Effective December 1, 2003
<i>United States Hazardous Material Instructions for Rail</i>	Effective November 10, 2003
<i>WATCO Transportation Safety Rules (T&E employees)</i>	Effective December 1, 2003
<i>WATCO Transportation Safety Procedures (T&E employees)</i>	Effective December 1, 2003
<i>Emergency Response Guidebook</i>	Dated 2000 or 2004
<i>Roadway Worker Protection Rules</i>	Effective March 8, 2004
<i>WATCO Maintenance of Way Rules</i>	Effective March 8, 2004
<i>WATCO Engineering Safety Rules (MOW employees)</i>	Effective March 8, 2004
<i>WATCO Mechanical Safety Rules (MOE employees)</i>	Effective January 1, 2004
<i>WATCO Rules Governing Train Dispatchers</i>	Effective February 15, 2003
<i>WATCO Rules For Operations of Remote Control Units</i>	Effective October 15, 2004

ITEM 2. MAXIMUM SPEEDS

Train and equipment speeds specified by rules, Special Instructions, signal indications, track bulletins or other means must be maintained to the extent feasible, consistent with safety, but must not be exceeded. Where there is a difference in speeds, the lowest speed will govern.

TABLE OF TRAIN SPEEDS

Min.	Sec.	MPH	Min.	Sec.	MPH	Min.	Sec.	MPH
1	00	60.0	1	28	40.9	1	56	31.0
1	02	58.0	1	30	40.0	1	58	30.5
1	04	56.2	1	32	39.1	2	00	30.0
1	06	54.2	1	34	38.3	2	05	28.8
1	08	52.9	1	36	37.5	2	10	27.7
1	10	51.4	1	38	36.8	2	15	26.7
1	12	50.0	1	40	36.0	2	24	25.0
1	14	48.6	1	42	35.3	2	30	24.0
1	16	47.4	1	44	34.6	2	45	21.8
1	18	46.1	1	46	34.0	3	00	20.0
1	20	45.0	1	48	33.3	3	30	17.1
1	22	43.9	1	50	32.7	4	00	15.0
1	24	42.9	1	52	32.1	5	00	12.0
1	26	41.9	1	54	32.6	6	00	10.0

SYSTEM SPEED RESTRICTIONS

Movement on all tracks other than main track and through turnouts (unless otherwise specified)	10MPH
Trains or engines with lead units not equipped with event recorders	30MPH
A controlling locomotive unit with a defective speed recorder	20MPH
Within Mechanical Department limits	05MPH
Balloon tracks & wye tracks	05MPH
Movements on live rails of track scales	05MPH

ITEM 3. TRAIN MAKEUP AND EQUIPMENT RESTRICTIONS

- When trailing tonnage exceeds 5000 actual tons, the first five cars behind the locomotive must weigh 50 tons or more provided the train contains 5 cars weighing 50 tons or more, for application of this restriction, two consecutively loaded platforms of an articulated car are to be considered the equivalent of one car weighing 50 tons.
- The following cars must be entrained with no more than 4000 trailing tons:
 - Empty tank cars less than 35 feet in length
 - Other cars measuring less than 42 feet in length and they must not be coupled to a car longer than 75 feet in length.
- Two axle intermodal cars weighing less than 25 tons must be entrained with no more than 1500 trailing tons.
- Scale test cars and other cars designated as required to be on the rear end of trains must be entrained within the rear 5 cars of the train. Unless equipped with operative air brakes, scale test cars must not be handled as the rear car in a train.

5. Loaded continuous welded rail (CWR) trains must be handled separately from other trains.
6. When making up trains, the following will govern (unless otherwise specified):
 - Loaded cars should be placed toward the head end of trains, with empties placed near the rear.
 - Loaded multi-platform double stack cars should be entrained on the head end of trains.
 - Blocks of ten or more cars having an average weight over 100 tons per car must be placed near the head end of trains.
 - Any block of 20 or more conventional TOFC / COFC or multilevel cars must be placed as close to the rear as good train make-up will permit i.e., loads ahead of empties.

PREVENTION OF HARMONIC ROCK

The critical speed range for harmonic rock is between 13 and 19 MPH. Every effort must be made to operate trains at speeds above or below these limits except when:

1. **An engine** is operating at its maximum.
2. Train is operating on ascending grades.
3. When automatic brakes are applied.

Trains operated in a draft condition are less susceptible to harmonic rock. While in the critical speed range, the engineer, and conductor should make a constant and careful observation of as much of their train as possible to determine if any cars are rocking excessively.

ITEM 4. INSTRUCTIONS FOR WINTER TRAIN OPERATIONS

1. Extreme caution should be used in setting out cars. Use the locomotives to go into back tracks and sidings first, then, and only then, shove in with loaded or empty rail cars, as tracks which are used on less than a daily basis have the possibility of the crossing and tracks freezing over and causing a possible derailment.
2. Train crews must be cautious throughout winter months about not riding cars into sidings and back tracks on the building side of the track, due to the danger of snow sliding from the tops of the buildings, creating additional hazards. Again, the possibility of a rail car derailing and resulting in injury to switching personnel is preventable if we follow the above instructions and use a little extra care and judgment in the winter months.
3. Snow removal for switching operations will be the joint responsibility of the entire train crew including the locomotive engineers and the maintenance of way. This will truly require a team effort to provide our valued customers with the excellent service that our company demands. All locomotives used in our heavy snow areas will be equipped with snow plows and will be set no higher than 5" above the top of the rail. If the setting is higher, it will cause ice problems, and should it become necessary to use the wedge, there is a higher potential for a derailment. If plow settings are not correct, please notify the Mechanical Department immediately.

4. In heavy snow or blowing snow or ice storms and conditions where accumulation of snow exists, layers of ice can build up on brake shoes and may reduce brake efficiency. Under these conditions, engineers should begin brake pipe reductions earlier than usual. Initial brake pipe reductions should be made sufficiently in advance to allow accumulated ice to melt from the brake shoes before braking is necessary. Must take extra precautions to ensure hand brakes are sufficient to hold cars.

5. In heavy snow conditions, Trains must approach grade crossing prepared to stop if rail is not visible over the crossings. A member of crew on the ground must watch train over crossing. Do not shove cars through drifts of snow or on crossings packed with snow and ice.

6. In extreme cold, supervisors and crew members must make determinations for each train whether or not to limit train length, especially on heavy grades. Supervisors must also determine whether or not to reduce train speeds account the possibility of broken rail at extremely low temperatures.

ITEM 5. LOCOMOTIVE INSTRUCTIONS

FUEL CONSERVATION

Locomotive engineers must comply with fuel conservation instructions and employ train handling techniques consistent with efforts to reduce fuel costs. Always isolate unneeded locomotives within a locomotive consist.

OPERATING CONDITIONS

1. Equalizing leakage in all locomotives must be zero on all controlling locomotives of a train, unless it develops enroute, in which case the locomotive can be moved to the nearest forward point where the link can be repaired.
2. Using the WATCO Train Profile Information Sheet, locomotive engineers must know (by previous Train Profile Information Sheet or by testing) the operation status of the dynamic brakes of each locomotive in the consist at the initial terminal or anywhere the engineer first begins operation of any train. This status must be recorded on the WATCO Train Profile Information Sheet and kept on the controlling locomotive.
3. If the dynamic brakes of any locomotive are inoperative, the locomotive shall have a tag bearing the words "INOPERATIVE DYNAMIC BRAKE" securely attached and displayed in a conspicuous location in the cab of the locomotive. If dynamic brakes are found to be inoperative during the daily inspection or become inoperative enroute, the locomotive engineer shall apply this tag. The tag shall include the following information:
 - The locomotive initial and number
 - The name of the discovering railroad
 - The location and date where the condition was discovered
 - The signature of the person who discovered the condition

If the dynamic brakes have been deactivated, the locomotive must be clearly marked (stencil, sticker or tag) with the words "DYNAMIC BRAKE DEACTIVATED" and the locomotive must be incapable of utilizing the dynamic brakes.

4. Any train when descending a section of track with an average grade of one percent or greater over a distance of three continuous miles shall be immediately brought to a stop, by an emergency brake application if necessary, when the train's speed exceeds the maximum authorized speed by 5 mile per hour or more.

ITEM 6. MISCELLANEOUS

HIGHWAY / RAIL GRADE CROSSING SIGNAL BOXES

An illuminated white light above the door of a signal box at highway/rail grade crossings indicates the AC power is being used for an active device(s) at that location. When the light is not illuminated, AC power is not being used and the crossing warning device(s) is operating on battery power only. Extended battery operation of crossing warning devices can affect the safety of the crossing. Contact the train dispatcher if the light on the signal box is not illuminated.

OPERATIONAL TESTING

When performing operational testing, stop signal appliances such as unattended burning fusees, red flags, red lights or banners displaying the words "STOP" or "STOP OBSTRUCTION" may be used to test for compliance with GCOR 6.27 and 6.28. When unattended fusees are used for this purpose, the officer may allow the movement to depart the testing site without complying with restricted speed as required by GCOR 5.6.

CONSIST VERIFICATION

All crews receiving trains or picking up cars on foreign railroads must verify that the cars received are part of the train by comparing at least six (6) cars of each track to the train list furnished by the delivering road.

AUTHORIZED PROTECTION BY YELLOW OR YELLOW –RED FLAG

GCOR 5.4.4 is in effect for all WATCO properties.

FOLLOWING TRAINS

Flagging for following trains is not required on all WATCO properties.

WATCO TRAIN PROFILE INFORMATION SHEET

The Watco Train Profile Information Sheet is available at all crew reporting points. Train and engine crews are responsible to ensure that all appropriate information is filled out on the form and the form be kept accurate at all times while the crew is on duty. The form is to be kept on the controlling locomotive. If train profile changes are made, the Train Profile Information Sheet must also be changed to keep the sheet accurate at all times. If being relieved, the form must stay on the controlling locomotive and the information included in the job briefing with the relieving crew. If the train or locomotive consist remains intact, the sheet must stay on the controlling locomotive as information for the next crew.

TORPEDOES

The use of railroad torpedoes is not allowed on Watco properties. Employees that discover torpedoes must report that fact to their supervisor, who will arrange for collection and disposal.

ITEM 7. CHANGES AND REVISIONS TO THE GENERAL CODE OF OPERATING RULES (and M of W rules as applicable)

1.3.1 RULES, REGULATIONS AND INSTRUCTIONS

Add: Roadway Worker Protection Rules and Maintenance of Way Rules:

Employees whose duties include the inspection, construction, maintenance or repair of track, bridges, roadway, signals, and machinery or provides protection for other employees or themselves must be qualified on these rules and have access to these rules while on duty.

1.33 INSPECTION OF FREIGHT CARS

Add: Tie Down Chains/Cable - Cars equipped with tie down chains and/or cables must not be moved until the chains and/or cables are properly secured.

5.9.2 HEADLIGHT OFF CHANGE ITEM #2 TO READ:

The train is left unattended on the Main Track

6.13 YARD LIMITS

Second paragraph is changed to read:

All movements entering or moving within Yard Limits must be made at restricted speed regardless of signal indications.

6.23 EMERGENCY STOP OR SEVERE SLACK ACTION

Add: Inspection of Cars and Units. The entire train must be inspected for derailed cars, shifted loads, or other conditions affecting safe train movement. Promptly report results on the inspection to the train dispatcher or proper authority.

7.7 KICKING OR DROPPING CARS

Add: The dropping of cars is prohibited when movement is initiated by a locomotive except in specified areas.

7.14 SAFETY STOP

Add New Rule:

When shoving in spur tracks containing other car(s), stop must be made approximately 1 car length before making coupling.

8.16 DAMAGED OR DEFECTIVE SWITCH

Add: When switches are spiked they will be identified by a tag or colored tape attached to the switch stand or handle. This does not relieve the requirements of additional protection as required.

8.20 DERAIL LOCATION AND POSITION

Add: Crewmembers must communicate when derails have been placed in the non-derailing position before proceeding with movement.

RWP Rules: PROTECTING MEN AND EQUIPMENT

Add:

Where applicable, all trains authorized are notified of the men or equipment using track warrant line 12 or line 18 and the track warrant identifies the employee in charge by name. Trains must not enter the limits of the track warrant held by men or equipment unless verbally authorized by the employee in charge named. Also, a track warrant must inform the employee in charge about the trains using track warrant line 11. Employee in charge must not authorize train movement into the limits unless all men and equipment are clear of the main track and the track is safe for train movement. When so authorized, trains may move as specified by the employee in charge. When so authorized, trains may move as specified by the employee in charge. Restricted speed as indicated by line 12 does not apply.

Add: *Roadway Worker Protection Rules*, page 10, Add a fourth bullet after the sentence: "The method that a Lookout will use to warn roadway workers will consist of:" That reads:

- A visual means of warning that is discussed and agreed upon in a job briefing prior to establishing on-track protection.

Add: *Roadway Worker Protection Rules*, page 10, under the chart identifying the minimum distance required for the maximum authorized speed... "NOTE: ADDITIONAL TIME MUST BE ADDED FOR THE TIME REQUIRED TO CLEAR THE TRACK

WATCO Transportation Safety Rules & Recommended Work Guidelines; Rule T-9 WATCO Mechanical Safety Rules; Rule M-16:

Add fourth bullet under item a. to read as follows:

- After work in the Red Zone is complete, Red Zone Protection must be released only by the person who requested it before the engineer can release Three-Step Protection.

WATCO Air Brake and Train Handling Rules; Rule 102.1.2

Add item 3a. between items 3 and 4 to read as follows:

- 3a.** After air stops exhausting at the automatic brake valve, secure the cars to be left unattended with a sufficient number of hand brakes using chart in rule 104.14.

GLOSSARY

Add: DAILY OPERATING BULLETIN (DOB)

Instructions regarding track conditions, restrictions, and other information, which affect the safety and movement of a train or engine. All track bulletin rules apply to DOBs.

ITEM 8. ADDITION TO WATCO'S EMPLOYEE HANDBOOK

Add to the policy concerning Drugs and Alcohol:

"In addition, no employee who performs covered service may use a controlled substance at any time, whether on duty or off duty, except as prescribed by a medical practitioner."

ITEM 9. TRAIN AIR BRAKE TESTS

1. WATCO railroads perform only Class I (Initial Terminal), Class III (Application and Release) and Transfer Train Movement air brake tests.
2. At initial terminals (where the train is originally made up), no defective cars may depart the initial terminal in any train. Trains that require a Class I (Initial Terminal) air brake test on the entire train must not move defective cars. Trains that require a Transfer Train movement air test on the entire train may not move defective cars.
3. During a Class I (Initial Terminal) air brake test, in addition to the inspection requirements listed in the WATCO Air Brake and Train Handling rulebook, the train must be inspected on BOTH sides during the application of the brakes. Each piston on each car must be inspected to ensure it is within allowable limits. Allowable limits for standard 10" X 12" body-mounted brake cylinders are between 7 and 9 inches at the initial terminal and up to 10 ½ inches at outlying points. Allowable limits for standard 12" X 10" body-mounted brake cylinders are between 5 and 7 inches at the initial terminal and up to 8 ½ inches at outlying points. Allowable limits for standard 7 5/8" X 12" body-mounted brake cylinders are between 5 and 6 inches at the initial terminal and up to 7 ½ inches at outlying points. Cars with non-standard mounted brake cylinders (truck mounted) will have the allowable piston travel on the badge plate, stencil, or sticker applied to the car. A record of the test is to be recorded on the WATCO Train Profile Information Sheet and kept on the controlling locomotive of the train.
4. While enroute, if a car is determined to be defective for air brakes or safety appliances and must be moved in the train, in addition to the requirements in the WATCO Air Brake and Train Handling rulebook, the railcar must be bad-order tagged on both sides of the car by the conductor, if no mechanical forces are present, and the defective car information recorded on the WATCO Train Profile Information Sheet. The conductor must determine from a supervisor or train dispatcher if the car can be moved forward to the nearest repair point or must be left for movement in the opposite direction. In cases of these defects, the car must be moved to the nearest repair point which may not necessarily be forward in the direction of train movement. The conductor shall determine if the car(s) is safe to move, maximum speed and any other movement restrictions. If in doubt, contact your supervisor or the Mechanical department.
 - a. The bad order tag applied to the defective car must contain the following information:
 - Car initial and number
 - Name of the railroad
 - Name and position of the inspector
 - Inspection location and date
 - Nature of the defect
 - Movement restriction descriptions
 - Destination where the repairs will be made
 - Signature of the inspector

5. All trains must have a minimum of 85% operative brakes at all times (100% when at the initial terminal). To determine this percentage, divide the number of operative control valves in the train by the total number of control valves in the train. Count all locomotives and railcars.
6. All air brake tests require an accurate gauge at the rear of the train to determine air pressures.
7. Railcars cannot be moved any distance over one mile without performing the required air brake test.

Item 10. Verification of Main Track Switch Position

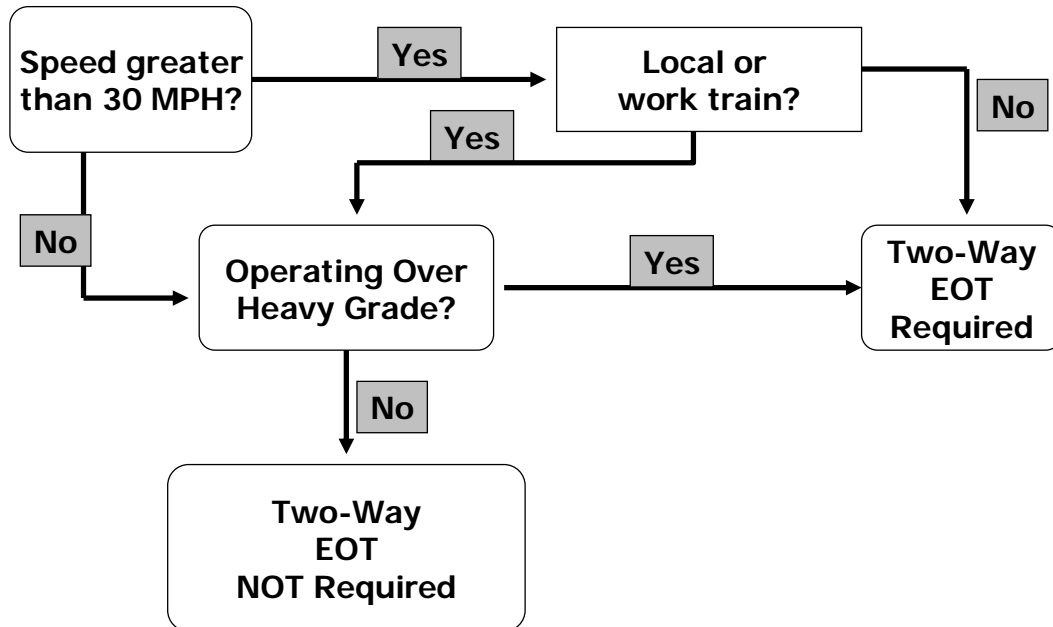
In Track Warrant Control Territory, before reporting clear of a track warrant, the track warrant is made void, or a portion of the track warrant limits are released, crewmembers must:

- ✘ Restore all hand operated main track switches to the correct position.
- ✘ Discuss in a job briefing with other crewmembers the position of all hand operated main track switches that were operated within the limits being released to verify they have been restored to the correct position.
- ✘ Discuss in a job briefing with the train dispatcher the position of all hand operated main track switches that were operated within the limits being released to verify they have been restored to the correct position.
- ✘ All Train Dispatchers will verify that any main track switches are restored to correct position before releasing or voiding any track warrant.
- ✘ All field supervisors are to increase and document efficiency testing regarding this General Order and the operating rules governing main track switches to ensure strict compliance.

ITEM 11. TWO-WAY END OF TRAIN DEVICES:

1. Heavy grade is:
 - A train with 4,000 trailing tons or less operating on a section of track with an average grade of two percent (2%) or greater over a distance of two continuous miles.
 - A train with more than 4,000 trailing tons operating on a section of track with an average grade of one percent (1%) or greater over a distance of three continuous miles.
2. A local is a train assigned to perform switching enroute which operates with 4,000 trailing tons or less and travels from origin point to destination in a crew's typical single tour of duty.
3. A work train is a non-revenue train of 4,000 trailing tons or less used for the administration and upkeep service of the railroad.
4. Use the following flow chart to determine whether or not a two-way end of train device is required:

Two-Way End of Train Devices



ITEM 12. COMPANY OWNED BUSINESS CARS

All company owned or operated passenger or business equipment including cabooses, will be handled only in freight trains of 25 total cars or less. The above noted cars are to be handled on the rear of the train only. Due to the brake equipment, the brakes on these cars may slide the wheels if excessive brake pipe reductions are made. Allow extra time for the brakes on these passenger cars to release before moving them.

The company owned passenger cars are to be moved with all doors and vestibules locked and closed at all times. All electrical lockers and generator compartment lockers must also be locked.

Cars SKOL 9201, 9202, 9203, and EIRR 29 each have a hand brake that must be released in transit and are located in the vestibule of these cars. The Chicago 401 has one hand brake on the open vestibule end. The Business caboose, Good Times 100, has two hand brakes, one on each end and the brakes must both be released before moving the car. In all cases when the cars are detached from other equipment all hand brakes must be applied and wheels blocked with wood blocks to prevent movement.

After each and every trip with any of these cars, clean up all trash, and clean floors and bathrooms and unload trash bags off the equipment before releasing to return to storage location.

If bathroom holding tanks need dumping or service, have this done prior to release. Use a licensed septic tank company to dispose of wastes from bathrooms. Prior to winter, all water tanks and bathroom holding tanks must be drained of water to prevent freezing of water lines and holding tanks. Add RV anti-freeze to all drain traps for winter storage. If cars are used in freezing weather add 1 gallon RV anti-freeze to holding tanks and drain when done using the cars and follow winter storage.

When cars are taken from normal storage they must be placed in a secure location where they will not be vandalized.

ITEM 13. FIELD ACCIDENT/INCIDENT REPORTING PROTOCOL

When any incident, accident or injury occurs in the field, the crew members/employees must immediately report the incident to the WATCO dispatching center for further handling. The following information is the minimum that must be provided to properly handle any situation and contact the appropriate personnel:

Dispatch phone number: 877-926-9663 or 208-733-4686.

- Time of incident.
- Type of incident/accident (example: derailment, struck vehicle, fire injury..)
- Subdivision and mile post location, if incident occurs on or near a roadway, the location, road name/number must be provided.
- Extent and description of the incident/accident and type of equipment involved (example: derailment-5 cars derailed-loads or empties-leaking/not leaking-upright-tipped over and car numbers involved).
- Leave a phone number where you can be reached to receive further instructions as determined.