April-June 2019

LSRC 800

The Turntable

Lake State Railway

FROM THE PRESIDENT CRISI Grant Award

BUSINESS DEVELOPMENT Operating Flint to Plymouth

SAFETY Why Train Horns



From the President...

ake State Railway Company (LSRC) is proud to announce that we have been selected by the Federal Railroad Administration (FRA) to receive a Consolidated Rail Infrastructure ad Safety Improvements (CRISI) Program grant. The amount of this

grant is \$8.6 million which will be matched by the State of Michigan (\$3.75 million) and LSRC (\$4.85 million) bringing the total to \$17.2 million. The plan submitted to the FRA is fo-

40 mph, significantly benefiting overall operating performance.

While final details still need to be developed, we expect the improvements will be completed over a 3 to 4-year period beginning in 2020. The need for these improvements is the direct result of our concerted effort put forth to grow traffic and keep trucks off of Michigan's crowded and deteriorating highways. LSRC's Business development has resulted in significant growth on the Mackinaw Subdivision as well as the Huron Subdivision. Carload growth on the Mackinaw Subdivision has exceeded 250% and is expected to grow significantly

more over the next

few years. The up-

grades that will occur

are far reaching as

they will help many

industries keep costs

low while growing

business. The im-

provements will also

LSRC's ability to con-

tinue the needed

enced similar growth

and is expected to

grow carload volume

at an even greater

These physical

impact

on our

Subdivision

has experi-

positively

upgrades

Huron

which

rate.

cused on improving the Mackinaw Subdivision and calls for the replacement of 30 miles of rail, 9 switches, installation of 3 hot box detectors, renewal of 22 crossings, grade crossing signal upgrades at ten locations and limited tie renewal. The rail being replaced is nearing an average of 100 years old and will add to the 6.8 miles already replaced on the Pinconning Subdivision in



New Rail Construction—Huron Subdivision

the last couple of years. When this project is complete, it will bring the total miles of replaced rail to 36.8 miles.

The new continuous welded rail will be American-made 115 Lb. (weight per 3 feet) and will replace 105 Lb. jointed rail. The installation will occur in the following key areas:

1) Approximately 10.5 miles starting in Pinconning (connection to the 6.8 miles already installed) and ending just North of Standish,

2) an approximately 14-mile stretch running through West Branch (near the center), and

3) the balance will replace curve rail between West Branch and Grayling. These improvements will allow LSRC to consider increasing operating speeds in strategic locations to up to plant improvements are positioning LSRC to be a viable transportation alternative here in Michigan for decades in the future.

I'd like to take a moment to sincerely thank the many who helped make this possible: LSRC's loyal customers are to be thanked for their business and support, the State of Michigan for their partnership, the many legislators (both State and Federal) supporting LSRC and our customers who were kind enough to write letters of support for the CRISI funding, the communities along the route, Bergmann and Associates whose fine work without a doubt, helped LSRC ensure that it met all the stringent application requirements, and last but not least, our employees who work hard every day to ensure that LSRC meets the needs of so many.

> - John Rickoff President & CEO

Business Development

ake State Railway is now 100 days into our acquisition of over 50 miles of mainline from CSX. This acquisition brings LSRC's total route mileage to 375, which means we are now officially a Regional Railroad. LSRC and CSXT are now interchanging seven days per week, including holidays, resulting in reduced dwell time and consistent service. The integration has gone well due to the dedication and hard work of our employees, although we have had some service delays as we trained and qualified an additional twenty employees over the last few months. Our locomotive shop has improved locomotive availability above 90%, which has helped tremendously as we await delivery of additional motive power. We expect a rebuilt GP38-3 along with our up-



graded SD50-3 locomotives to begin delivery in third quarter. Additional locomotives along with additional T&E employees will bring improved customer service in the coming months.

Carload volumes have been near or above projections, with a surprise influx of agricultural related traffic. We safely handled over thirty unit grain trains in the second quarter, including three inbound empty trains on the first weekend of operations. On the original LSRC, we pulled out our first loaded cars from the new ARAUCO facility in Grayling. Car counts in the Grayling terminal are increasing, so we have added a second full time switch crew. The second crew is also allowing for double switches and for consistent service to Gaylord where our new transload is producing daily carloads of forest products.

- Mike Stickel EVP & Chief Operating Officer





and manufacturing of innovative everyday products. You can find these bioplastics meeting the highest requirements for aesthetics, lightweight, durability, safety, cost-efficiency, and sustainability in products like footwear and LED lighting.

As a leader in synthetic polymer technology, Trinseo offers high quality rubber materials that cover a wide range of automotive needs including the tires we all rely on every day. Other end products utilizing synthetic rubber include hoses, mats, and conveyor belts, to mention a few.

Lake State Railway is proud to partner with Trinseo as a safe and reliable transportation supplier to their Midland, MI facility, serving customers throughout North America. We are presently transporting plastic pellets in covered hopper cars, as well as latex binders in tank cars via our new interchange

UPCOMING EVENTS

Independence Day07/04
Labor Day09/02
Autumn Begins09/23
Columbus Day10/14
Halloween10/31

point in Plymouth, MI with CSX.

Visit Trinseo's website at <u>www.trinseo.com</u> for more information and a complete list of end products.

- Deanna Hennessy

As a global materials solutions provider and manufacturer of plastics, latex binders and synthetic rubber, Trinseo was formed in 2010 by combining the technologies and capabilities of four businesses of The Dow Chemical Company. With 16 manufacturing sites and 11 research and development facilities globally, Trinseo now employs over 2,500 people in more than 20 countries.

Trinseo spearheaded the development of latex binders for paper and board more than 60 years ago – and has been helping customers with cutting-edge technology ever since. These latex binders enable manufacturers to deliver tailored solutions that enhance packaging materials, help highway infrastructure last longer, and allow carpet and textile manufacturers to produce high quality applications as well.

Trinseo's plastics portfolio includes families of renowned, highquality soft and rigid materials that offer benefits for the design



Roundhouse Report

In March of this year I was welcomed into the Lake State Railway family to help enhance technical training, safety and maintenance procedures for the expanding locomotive fleet at Lake State. Working directly with Jack Laurin, the guys hit the ground running as we prepared the fleet for the new operation that is now successfully underway between Flint and Plymouth. Since that time we started implementing new preventative maintenance and procedures at the locomotive facility in Saginaw.

As the railroad has grown in miles and car loads, we needed to approach the long-term maintenance of the locomotives from a different direction. No longer would locomotives be returning to Saginaw for regular servicing. We needed to extend those periods in between servicing to match industry standards for the utilization of each locomotive to ensure the high quality of service provided to our customers.

In order to accomplish that goal, we first started with training on improved procedures and detailed classroom instruction on the Federal Regulations as they apply to locomotives. This included a written test with over 145 possible answers. The majority of the answers were essay. All testing required a 95% passing grade. The classroom portion for all staff took less than the expected three weeks to accomplish.

Much of the work we have done to date has been enhancing the skills of the talented mechanical forces. Most of the items we are now doing on locomotives you will never see. We are taking a closer look at operating systems, adjustments and servicing the locomotives up for longer runs. Rebuilt compressors will start going in on several locomotives to help facilitate the increased car loads as well as updated restroom facilities for the crews.

In October, we hope to have installed a new 30,000 pound bridge crane in our back shop. In addition, other improvements will take place at the shop over the next three years. These improvements will assist Lake State in doing most, if not all of our own major repairs in Saginaw. This will start in January with a complete engine change out and truck rebuild of a six axle locomotive that is currently in storage. Next year, we start a 3-4 year in-house process of changing out the control systems on our GP40 fleet to the proven ZTR system. Crews have already seen this new and reliable control system on our road slug sets 4303/303 and 4304/304, 4325 and 4201 (formerly 1179).

As we move forward, the staff at the Saginaw Locomotive Facility will see to it that the Lake State Railway fleet will not only meet today's needs, but tomorrow's growth.

-Be Safe, W. Roger Fuehring Chief Mechanical Officer





BESSFETY REALLY COUNT

ET SAFETY REALLY COUNT is our slogan here at Lake State and what exactly does it mean? Well, every aspect of safety counts in how we apply it in our everyday lives, in our attitudes, our beliefs, our character, and in our education. Since coming here to Lake

State in March of this year, I have had the opportunity to talk with many of the great team members and get their prospective on safety and rules compliance. I can honestly say that I have been impressed with the knowledge they possess and their desire to be leaders in safety. Being leaders in safety requires a lot of team effort and I have the utmost faith that with the team we have in every department, Lake State Railway Company will be #1 in Safety.

As a safety conscious company, we continue pushing forward with our internal safety education and rules compliance for all employees but, we also want to help educate the public on railroad safety as well. As many railroads will concur, one of the most common complaints we get from residents and businesses located near railroad crossings focuses around the infamous "TRAIN HORN". Examples of complaints are: "The horn is so loud", "why do you have to blow that horn at 2 am?", "why can't you turn the volume down?"...... We have heard all the complaints and truly understand the frustrations. It is not our intention to annoy anyone, it simply is the law governing every railroad. Our #1 goal is to keep everyone as safe as possible, and those annoying horns, believe it or not, have saved countless lives. To help the public further understand why trains are required to blow their horns, we have listed below the federal regulation that governs all railroads operating in the United States.

Train Horn Rule 49 CFR Part 222

Under the Train Horn Rule, locomotive engineers must begin to sound train horns at least 15 seconds, and no more than 20 seconds, in advance of all public grade crossings.

If a train is traveling faster than 60 mph, engineers will not sound the horn until it is within ½ mile of the crossing, even if the advance warning is less than 15 seconds.

There is a "good faith" exception for locations where engineers can't precisely estimate their arrival at a crossing and begin to sound the horn no more than 25 seconds before arriving at the crossing.

Train horns must be sounded in a standardized pattern of 2 long, 1 short and 1 long blasts. The pattern must be repeated or prolonged until the lead locomotive or lead cab car occupies the grade crossing. The rule does not stipulate the durations of long and short blasts.

The maximum volume level for the train horn is 110 decibels which is a new requirement. The minimum sound level remains 96 decibels.

For more information on the use of Train Horns, visit <u>https://www.fra.dot.gov/Page/P0889</u>.

-Brian Edwards/D. Hennessy Director of Safety

Welcomed Guests







On June 28, 2019, Lake State Railway welcomed Congressman Dan Kildee (D-MI-5) for a tour and public policy discussion on transportation. The visit included a tour through our approximate-112 acre Saginaw yard, with a stop in our Roundhouse (built in 1920) where Lake State locomotives are serviced, and concluded in the Tower where LSRC Dispatchers direct rail traffic across our 375 mile system.

Discussions commenced on the challenge of finding sufficient funds to maintain America's freight railroad network and advocated for support of the Building Rail Access for Customers and the Economy (BRACE) Act. The BRACE act will allow the nation's small, local freight railroads to increase their reinvestments to upgrade and expand the "first and last mile" of transportation infrastructure, benefitting Michigan communities and shippers that depend on affordable and competitive access to rail-based freight shipping. Other discussions surrounded the BUILD and CRISI grant programs funding both public and private transportation projects that are of regional significance and enhance user safety.

Since his election in 2012, Congressman Kildee has been a leading advocate of the 45G Short Line Railroad Tax credit which helps Class II and III railroads afford investment in rail infrastructure. "Railroads are an important part of Michigan's economy and play a critical role in connecting businesses and *(Continued on page 8)*

(Continued from page 7)

farmers with markets around the world. I'm grateful for the opportunity to once again meet with Lake State Railway and receive an update on their work to boost mid-Michigan's economy. I will continue to work in Congress to invest in Michigan's infrastructure and make our region more economically competitive," said Congressman Kildee.

Lake State Railway Company, its employees and shippers are very grateful for Congressman Kildee's support.

http://files.aslrra.org/images/news_file/VN2019-7-10_final2.pdf



John Rickoff and Congressman Kildee discussing LSRC Saginaw Yard operations

Community Relations Office Car Special

On June 3rd, Lake State Railway hosted a business train tour from Saginaw to Novi, Michigan. Invited guests were community leaders, economic development groups, local and state legislators and industries served by Lake State Railway. The tour made 5 Stops after embarking from our Saginaw yard. Guests boarded the train at each stop including Flint, Grand Blanc, Holly, Milford and Wixom. We enjoyed visiting with some familiar friends and customers and meeting new faces from the communities we now serve. Everyone enjoyed touring the rail line and seeing the current and potential industries along the way. Lake State Railway looks forward to efficiently serving our new customers and working closely with the communities to grow business together.





From left to right: Senator Jim Runestad, Steve Brown, Ron Moore, Tim Sikma (City of Wixom officials)



Employee Spotlight



Ben Schramm - Bridgetender

IVI eet Ben Schramm, Lake State Railway's trusted Bridgetender and all-around Jack of all trades. Ben was born and raised in Crump, MI, one of those All-American small towns with no traffic lights where anyone who's anyone can be found hanging out at the local Crump Pump. Ben comes from a close-knit family, the youngest of 4 with 2 brothers and 1 sister. His father, Ken, who also works for Lake State in our locomotive department, describes Ben as having been a good kid-typical teenager, into a little trouble but always willing to lend a hand and help anyone he can. Today, Ben has taken up roots in the rural town of Rhodes, MI about 15 miles north of his hometown soaking up country living.

In his early career, Ben worked as a concrete finisher for Wolgast Construction before starting in the rail industry 9 years ago with Tri City Railcar. In October of 2015, Ben joined us here at Lake State and we are grateful to have him. Ben is known as being a "jack of all trades" with his car repair knowledge, Maintenance of Way skills, cabbing crew members, and everything in between, but he's best known around here as the expert bridgetender for our 123-year old swing bridge in Bay City. Built in 1896, the old bridge can be a little finicky at

times and requires a special touch to get her old gears to work smoothly. Ben does a great job keeping up with the daily train schedules crossing the river and the weekly maintenance of the old bridge including greasing the turntable and jack along with performing a full service overhaul every month with safety checks on all gears, bearings and the center pin.

Ben considers himself a little shy and a fairly private person but graciously agreed to give us a little insight as to who he is outside of the weekly norm. Some of Ben's favorite things to do when he's not working is riding his Harley and hanging out at family outings. He is also the proud father of 2 young sons, Gage 9 and Mavryke 4 who he loves spending time with in the great outdoors roasting marshmallows around a campfire, ATV riding and teaching them how to hunt.



Ben has a great reputation at work and when we asked his co-workers what they thought of him here's a few things they had to say:

"He's very self-motivated and has a strong work ethic." - Jeremy Johnson

"He's very polite and I'm proud to call him my co-worker." - Dora Fitzgerald

"You can always count on him to help if needed. He's definitely a jokester, and likes to mess with people." - Brian Balenda

We pinned down his supervisor, Mark Pennell for a few words, and with a smirk and a chuckle he replies, "You can't print what I think of him" "Seriously though, he's a great worker, you can always count on him, he's versatile, reliable, self-motivated, and will work as long as it takes to get the job done. On many occasions he can be quite the smart.... I mean quite witty."

And there you have it! Lake State is honored to have another great employee like Ben. He is a valued asset and his efforts do not go unnoticed.

-Deanna Hennessy

Employee Corner

2019 2nd Quarter LSRC Promotions:

Tom Scott - Certified Engineer Tyler Frye - Conductor

Congratulations to you both! LSRC thanks

you for your commitment to Excellence in

Transportation

Congratulations goes out to W. Mike Rose, Lake State's IT Support Manager. Mike graduated Cum Laude with a Bachelor of Science Degree in Information Networking and Telecommunications from Fort Hays State University – Hays, KS.

Congratulations



Congratulations to Brian Benson and his new bride Tammy on their June 2019 wedding.

Welcome

We want to give a warm welcome to our newest team members who joined Lake State April-June, 2019 Welcome aboard! We look forward to all the great knowledge and workmanship you will bring to Lake State Railway.

,	Ethan Cumberledge	MOW
:	Wayne Kuch	MOW
-	Thomas Leaman	MOE
	Michael Novak	Transportation
	Nicholas Sweet	Transportation
	Jedediah Merrifield	Car Shop
	Joseph Estill	Car Shop
	Brenda Dault	Dispatch
	Riley Nunley	Transportation
	Jeff Denay	Administration
	Devlyn Kalinowski	Transportation

Employee—Family Day At the Ballpark



Great job Mike!



All Aboard



On June 9th, Lake State Railway hosted our annual employee appreciation family day at Dow Diamond to cheer on the Great Lakes Loons and relax a little from the weekly grind. The weather was a little rainy and chilly but that didn't stop us from enjoying the day.



Employee—Family Day At the Ballpark





















2019 3rd Qtr. Work Anniversaries

Sandy Miller 18 Years
Charley Zeleck 17 years
Kevin Podgorniak 16 years
Joe Vongrey 14 years
Lloyd Douglas 14 years
Josh Johnson 14 years
Troy Mott 14 years
Helen Huneycutt 13 years
Ed Currie 11 years
Richard Ruse 11 years
Ray Stomberski 11 years
John Rickoff9 years
David Murringer8 years
Quinton Huff7 years
Mike VanAllen7 years
Mike Stickel
Ben Schramm5 years
James Reed4 years
Kelsey Fetters
Kevin Klepser
Darrell Collins
Amber Neumeyer
Christopher Smith2 years
Andrew Weise1 year
Kyle Reilly1 year
Mike Hnatiuk1 year
Travis Bishop1 year



"The Turntable" - Lake State Railway Company's official newsletter

Lake State Railway Company

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Flint, MI

