

Fall 2019

Lake State Railway

The Turntable



Photo Courtesy of Mike Mishler - Lincat Photography

FROM THE PRESIDENT
Signal Crossing Incidents

BUSINESS DEVELOPMENT
Customer Updates

SAFETY
Operation Lifesaver Train Event



In the rail industry, there is nothing more important than safety! Lake State Railway Company (LSRC) puts safety first and foremost to ensure that our employees and general public remain safe. Our goal is to have each and every employee return home every workday in the same healthy

condition they arrived in. When it comes to the general public, we strive to educate and make them aware of the importance to respect crossing signals, crossing signs and the private right-of-ways on which we operate.

LSRC has seen many accidents caused by just plain neglect of crossings that occur with the general public. In the recent few months, we have sustained damages to crossing signal equipment caused by automobiles whose drivers were not paying attention to what they were doing. Signal equipment damage can cost tens of thousands of dollars to repair. Not only are the damages to equipment significant and can cause costly delays in train movement but they also can be fatal or seriously injure those involved.

**“STOP, LOOK,
LISTEN AND
LIVE”**

– Operation Lifesaver

Most of the signal devices are specifically designed for the crossing they are protecting which means that replacing a damaged signal can be a lengthy process. Railroads are required by law to stop and provide crossing protection to cover for any signal equipment when it is not functioning as designed. In some cases, this protection, known as “stop and flag”, may go on for months and can cause significant train delays.

Part of our safety initiative is continuous involvement with Operation Lifesaver (OLI) and Rail Safety Week. The training and awareness education that Michigan’s Operation Lifesaver team provides to the public is an important piece to keeping people safe around trains and railroads.

LSRC will continue to work alongside and support OLI’s efforts to help provide a safe environment for the public as well as railroad employees. We are also committed to working with law enforcement agencies and first responders in an effort to prevent accidents along our rail line before they happen.

I want to close with an Operation Lifesaver slogan....**“STOP, LOOK, LISTEN and LIVE”!**

For more information on rail safety please visit: <https://oli.org>

– **John Rickoff**
President & CEO

RAIL CROSSING
CROSSROAD



Vehicle collision with Signal Equipment

Business Development



Kiros Terminal



AJD & Hydrolake



Port Huron, MI



This fall we are excited to welcome some new customers to the LSRC network. Kiros Energy just completed their new terminal. The two-track, twenty-car spot facility will help Kiros supply propane to a network of retailers across the State. The terminal allows retailers a competitive option for propane and reduces truck miles, a win for the communities in our territory.



Further north in Grayling, a new spur was completed last month for AJD Forest Products. The spur will allow LSRC to compete with long haul trucks for current business from AJD along with bringing them new business opportunities. The new AJD loading site will also benefit neighboring Hydrolake, which recently developed a utility pole facility adjacent to AJD in Grayling. Hydrolake plans on shipping untreated utility poles which were previously moved via truck. We are excited to work with AJD, Hydrolake, and Kiros to grow rail business in the coming years at their new facilities.

This summer, LSRC celebrated the one year anniversary of operations on the Blue Water Subdivision in Port Huron. The customers are now on a scheduled service, five days per week. A limiting factor historically for customers in Port Huron was the lack of physical track capacity. LSRC has stepped in with scheduled daily service during the work week for all customers on the line. LSRC also provides double switches if volume requires a second switch as well as limited 6th day service. The flexibility of double switches coupled with reliable scheduled service has allowed some of the customers to acquire new business and maximize their rail capacity. The scheduled service, daily customer communication and double switches have allowed the existing customers to grow over 20% year over year. We are proud to help our customers grow their rail business with CN and LSRC and look forward for the trend to continue.

- Mike Stickel
EVP & COO

KIROS

ENERGY MARKETING

Kiros Energy Marketing is a wholesale energy marketing company who specializes in full service natural gas liquids (NGL) and crude oil marketing that services Producers, Refiners, Gasoline Blenders and Retailers throughout North America. They not only manage the physical movement of Propane, Butane, Iso-butane, Olefins, Crude Oil and Condensate, they also provide customers with risk management, hedging and market-making activities.

Kiros has established NGL supply and distribution networks throughout North America. They are committed to providing customers with superior service and offer flexible volume, pricing, timing, and transportation options. Their substantial fleet of railcars offers the flexibility to purchase low cost energy and hold until needed in the market. Because each business is unique, Kiros offers cus-



tomized pricing, supply, or delivery options that meet anyone's needs. In addition, their size allows them to be nimble and able to adapt quickly to changing market conditions.

Kiros also offers producers off-spec material solutions to ensure operations can return to normal as quickly as possible. With Kiros's tailored

risk management solutions they can help customers manage volatility in the commodity markets with fixed input costs or providing competitive fixed pricing options.

The partnership between Kiros and Lake State Railway has been strong in developing the newest Kiros Propane distribution terminal in Bay City, MI. With both companies taking a long-term approach to business this terminal will certainly become the backbone of delivering a cost-effective energy source to Michigan businesses and families.

**-Shasta Duffey
VP Marketing**

Space Shuttle History on Lake State Railway

Several successful railroad operations have business cars at their disposal for special events. In most cases these cars are utilized for community outreach, employee events and developing potential revenue streams by attracting new business. A railcar trip is one of the most unique and memorable ways to get to know your customers or potential customers. We've all seen marketing events that include a free meal, maybe free giveaways but throw in a train ride, and you've got a winner. LSRC has a small fleet of passenger cars which make a few trips each year spreading goodwill for the company.

An opportunity arose in early 2019 for Lake State Railway to acquire a former baggage, dormitory coach for use as a power car, replacing the current 50' boxcar which temporarily is housing the generator. The car had coach seating for 20 paying passengers, a 24 bed dormitory, a private room for the conductor and a baggage room. After becoming surplus, Amtrak sold the car and it was then utilized by its new

owners in private excursion service in the 1980's with something it never had, a name. The car was rebuilt to modern Amtrak standards in the late 1980s. Now known as the Santa Cruz, the car traveled through several states as a support car on several mainline steam trains throughout the Midwest, but that was all about to change due to one tragic cold morning in January of 1986.

The Challenger disaster at Kennedy Space Center in Florida required a new perspective as to the rail shipments of the solid rocket booster segments from the manufacture at Corrinne, Utah. No longer would the rocket booster segments be shipped on their own in special enclosed containers on six heavy duty flat cars without direct oversight. Now they would have continued monitoring with the assistance of an escort

car. A passenger car designed to carry a crew of three engineers that would monitor any issues or hazards with the rocket booster shipment. In addition to the rocket engineers, each escort car also carried a cook and an onboard mechanic that took care of any issues with the passenger car for the 1-1/2 to 2 week journey. Santa Cruz was chosen to be one of the ten cars utilized in rocket booster shipments from May 31st, 1988 until June 20th, 2007. Other shipments occurred after June 20th, but technology replaced the escort passenger cars. This was done in the form of sensors, cameras, GPS and a chase vehicle.

Of all the escort passenger cars utilized for these historic shipments, the Santa Cruz handled more than any of the nine other

cars used in this service. A total of 59 of the 198 trips between Utah and Florida were handled by the Santa Cruz. The car also handled 8 of the 21 shipments of unused rocket booster segments that went back to Utah for destruction. Those are pretty amazing numbers since the car was retired from service 8-1/2 years before the last escorted shipment took place.

Its last trip out to Kennedy Space Center was on December 7th, 1998. With the owners of the car having a second car in service that had better accommodations and a fresher rebuild, it was time to retire the Santa Cruz.

The car is being evaluated for service at the Saginaw roundhouse, having been purchased at a price less than the value of the parts on the car. The car may be sold as other organizations and individuals have expressed interest in the car, but you never know.

-Be Safe,

W. Roger Fuehring
Chief Mechanical Officer



Santa Cruz

LSRC SAFETY REALLY COUNT

Preliminary Michigan Rail Crossing and Trespass Statistics, 2018 vs. 2019
Thru May 2019 (Preliminary) - Source: FRA Office of Safety Analysis

Michigan Crossing Statistics				Michigan Trespass Statistics			
	Collisions	Deaths	Injuries		All Casualties	Deaths	Injuries
2018	26	1	11	2018	3	1	2
2019	19	6	7	2019	3	2	1
% Change	-26.9%	+500%	-36.36%	% Change	0%	+100%	-50%

September 25th between Flint, MI and Novi ,Mi to help educate our local police agencies on trespasser and rail crossing incidents. LSRC had a two-locomotives set up with wireless cameras feeding live video to a TV mount-
ed inside a business car so everyone could see what our Locomotive Engineers and Conductors experience. This
special event gave our local law enforcement agencies a firsthand look at what can take place on any given train
trip. I am pleased to report no incidents occurred that day but we did have a close call at a crossing involving a
motorist. The conversations were very productive and important in building positive relationships with our first
responders. The event closed with many compliments and requests to do it again next year with even more local
agencies and those that were unable to attend this year.

About every 3 hours a pe

Recently, Lake State Railway participated in rail
safety week along with over 30 volunteers from Opera-
tion Lifesaver as well as local law enforcement and
first responders from Birch Run, Flint, Grand Blanc,
Holly and Novi. LSRC hosted a round-trip train ride on



2019 Operation Lifesaver Volunteers and Participants

Person or vehicle causes an incident involving a train.

LSRC would like to thank Sam Crowl, State Coordinator for Michigan Operation Life Saver and his team for all their help in making this event a success and for all they do to educate the general public about railroad safety. LSRC will always be a strong supporter of Operation Life Saver and plans to further our relationships with law enforcements agencies, first responders and the communities we serve.

-Brian Edwards
Director of Safety & Training

For more information on Operation Lifesaver visit: <https://community.oli.org/state/mi>



John Rickoff & OLI Volunteers



Local law enforcement watching live video feed.



Michigan Operation Lifesaver is an active, continuous public information and education program designed to help prevent crashes at highway/rail grade-crossings. In addition, the goal is to eliminate trespasser incidents along the railroad right-of-ways.

The 3 "E"s of Operation Lifesaver are: Education, Engineering, and Enforcement. Each has a role in our attempt to reduce the over 500 fatal crashes and over 600 trespasser fatalities that occur each year.

States across the U.S. and several foreign countries have OL programs in place.

In connection with LSRC's ongoing effort to keep our track maintained to the highest safety standard, the members of our MOW Department coordinated with the FRA to utilize their hi-rail geometry truck to assist in identifying any track defects that cannot be seen.





Great Lakes Bay Regional Alliance Institute

LSRC hosted the Great Lakes Bay Regional Alliance Institute for Leaders with a tour of the locomotive roundhouse along with a train ride from Saginaw to Free-land on September 19th, 2019. The vision of the Institute is to collaborate to address any issues facing the Great Lakes Bay Region along with working in unison to capitalize on opportunities that may exist within our communities. The Great Lakes Bay Region includes Bay, Isabella, Midland, and Saginaw Counties. These four counties are natural partners by geography. Our region can only be strengthened through the leadership of individuals who are knowledgeable, informed, and ready to advocate and bring resources to the table.

The Great Lakes Bay Regional Alliance Institute for Leaders represents a long-term investment in providing the leadership essential to creating positive individuals in leadership roles that are able to make an impactful difference to the community. Lake State Railway is proud to be a supporter of the Great Lakes Bay Regional Alliance Institute for Leaders.



Ken Sauve has loved and admired trains his whole life, and what a long life he has lived. This last September, Ken turned a blessed 100 years old and his family wanted to celebrate this milestone by helping him fulfill a lifelong dream, to get up close and personal with the big engines. Thank you to the Bay Region Alliance group for letting he and his family join the ride so his dream could come true. LSRC was glad to be able to play a role in it. **Happy Birthday Ken!**

Ryan Krengel—Certified Engineer & Conductor

Meet Ryan Krengel, better known around here as “Kris Kringle” or “Santa” for short. Santa ... I mean Ryan has only been with Lake State for a little over 6 months now, but we quickly learned what a great addition he has become. Ryan started his career in railroading when he was 19 years old as a brakeman for Conrail (traditionally known as an apprentice conductor to help with communication). He worked for CSX as an engineer for 22 years before joining our team here at Lake State.

Ryan is a big proponent of Safety in the workplace and states his number one goal is to go home every night to his family in one piece. LSRC Director of Safety & Training, Brian Edwards, feels Ryan is extremely rules knowledgeable and is an excellent leader in safety. When asked what he enjoys most about his job he replies, “I enjoy the art and craft of being an engineer, but how do you describe what you love? When you do it for so long it becomes a part of you”. If you ask Ryan’s co-workers to describe him, you will get descriptions like. *“Always has a great attitude”, “hardworking”, and “he’s a great teacher without making anyone feel stupid.”*. To quote LSRC Director of Transportation, Mike Ewing, *“Outstanding employee, truly goes above and beyond to ensure he exceeds everyone’s expectations. We are very lucky to have him on our team.”*

Ryan grew up in Indianapolis, IN with his parents who have been married for 45 years and his younger sister who now works for the State. Ryan married his wife Cricket 18 years ago and they have a 10-year old son named Jasper. He and his family recently moved to Midland, MI where Jasper attends Adams Elementary.

When Ryan’s not hard at work, he enjoys hiking, dabbling in photography, hanging outside with his family, and traveling through Northern Michigan. He also has a talent for music as many of us were surprised to learn, Ryan plays the piano, the bass guitar and the drums.

Ryan is a great asset to the LSRC family and we are honored he chose to join our team.

—Deanna Hennessy



LSRC IS A PROUD EMPLOYER OF ACTIVE UNITED STATES MILITARY AND VETERANS.
THANK YOU FOR YOUR SERVICE!



Scott Brown—Marine Corps
Gregg Campbell—Navy
Darrell Collins—Army
Ed Curry— Air Force
Jade Dowdy—Army
Joe Estill— Marine Corps
Quinton Huff—Navy
Kevin Filarski—Army
Joshua Johnson—Seabees
Jack Laurin— Marine Corps
Troy Mott—Army
David Murringer—Marine Corps
Brandan Pennington—Army
Ralph Rogers—Marine Corps
Travis Smith—Navy
Mike VanAllen—Army
Dylan Wiggins—Army

UPCOMING EVENTS

Halloween 10/31
Veterans Day 11/11
Thanksgiving 11/28
Black Friday 11/29
Toys for Tots Santa Train .. 12/07
Pearl Harbor Remembrance 12/07
LSRC Christmas Party 12/14
Christmas Day 12/25
Year 2020 begins 01/01
Martin Luther King Day 01/20



EVENT DATE: SATURDAY, DECEMBER 7TH

SANTA TRAIN SCHEDULE

LOCATION	TRAIN ARRIVAL	LINE CUT OFF
Standish	0800	0930
West Branch	1200	1245
Roscommon	1500	1600
Grayling	1830	1930

This is a great
opportunity to be a part of bringing Christmas joy to
children within communities along our railroad.

Bring a toy and Share the Joy!
Partnering with Toys for Tots!

MERRY CHRISTMAS

Welcome

All Aboard

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

Bryan Koch—Car Repair
Phillip Kent—Transportation
Martin Chase—Car Repair

2019 4th Qtr. Work Anniversaries

Brian Balenda.....	20 Years
Jesse Erickson	18 Years
Jack Laurin	14 Years
Gregg Campbell.....	14 Years
Steve Rainey	14 Years
Rick Krajniak	14 Years
Louie Tremble	14 Years
Chris Copp.....	9 Years
Dora Fitzgerald.....	5 Years
Brandan Pennington	4 Years
Quentin Johnson	3 Years
Alec McLennan.....	3 Years
Shasta Duffey.....	3 Years
Nick Wirtz	2 Years
Nathan Beach	2 Years
Mike Rose.....	2 Years
Dylan Wiggins	2 Years
Michael Edwards.....	2 Years
Jade Dowdy	1 Year
Becca Krabbe	1 Year

Congratulations



Congratulations to Alex Nikora (MOW) and his new bride Crystal Nikora on their August 17th nuptials.

Achievements

Special Congratulations goes out to Michael Davis, LSRC Human Resource Manager. Mike recently achieved the SHRM –SCP Certification (Society for Human Resource Management-Senior Certified Professional), the highest credentials awarded to today's HR professionals. This certification finishes off Mike's Masters Degree in Business Administration –Human Resources Management from Baker College. Mike, we are honored to have you on our team and salute your commitment to education.

Meet Levi Allen Beach



Nathan Beach
(Transportation)
and Kimmie Dailey
welcomed Levi to
their family on Sep-
tember 18th weigh-
ing in at 7 lbs 13
ounces and 21 inch-
es long.



Meet Anastasia Lily Schupp



Logan Schupp
(Transportation) and
Laurie Easter wel-
comed Anastasia to
their family on Sep-
tember 17th weigh-
ing in at 8 lbs. 13
ounces and 21 inch-
es long.



“The Turntable” - Lake State Railway Company’s official newsletter

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PLEASE
PLACE
STAMP
HERE



Mailing Address Line 1
Mailing Address Line 2
Mailing Address Line 3
Mailing Address Line 4
Mailing Address Line 5

NEW SIGN AT FLINT TERMINAL—designed by Kevin Burdick of Scrap Designs

This sign represents LSRC’s commitment to Flint and showcases our 25th anniversary locomotive, the City of Flint, and a 1949 Buick Roadmaster that was built from start to finish at the old Buick City plant. Every part was made and assembled at Buick City. The last car, a Buick LeSabre, rolled off the line on June 29, 1999. At one time there was over 46 miles of rail servicing the Buick City plant.

