

Photo Courtesy of Kyle Korienek

FALL 2022 MRA RAIL UPDATE

A publication of the
Michigan Railroads Association

FREIGHT RAILROADS MOVE AMERICA SAFELY

Freight railroads take a holistic approach to safety through ongoing private investments, employee training, implementation of technology and community outreach. Working together with their employees, suppliers, customers, and government partners such as the Federal Railroad Administration (FRA), railroads are constantly implementing new technologies and operating practices to meet the industry's ultimate goal of zero accidents.

EMPLOYEE SAFETY

The rail industry has lower employee injury rates than most other sectors, including trucking, airlines, manufacturing, and construction. State-of-the-art training centers with simulators and virtual reality enable employees to practice real-life skills in a controlled environment, while daily employee meetings emphasize teamwork and continual

learning on the job. New technologies, like drone-based bridge inspections, help keep employees out of harm's way while giving them the tools to excel at their jobs.

NETWORK SAFETY

In recent years, America's freight railroads have

been pouring record amounts back into their infrastructure and equipment, which has helped improve safety. In fact, the American Society of Civil Engineers (ASCE) awarded America's rail network the highest grade in its most recent Infrastructure Report Card, a B. Since 2010, America's Class I railroads have spent more than \$250 billion on track equipment while the train accident rate is down 31% since 2000.

TECHNOLOGY

Innovations have driven safety gains over the last two decades. Today's highly skilled rail workforce use technology – from new design specifications for rail cars and track components to smart sensors to big data and drones – to monitor network and equipment health in real-time. These technologies help



Photo Courtesy of CN

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Jon Cool, President
@ML_FreightRail

FROM THE PRESIDENT

This past spring and summer state officials, legislators and local officials came out to visit railroad operations to learn more about how railroads move goods across and out of Michigan. These visits are always positive with a great deal of information being shared. Thank you to everyone who took the time to come out to visit with rail carriers in our state.

Safety is always a top priority for railroads. Trespass and dangerous motorist incidents at rail crossings are issues consistently at the forefront of conversations relating to keeping people safe near rail right of way.

We were extremely thankful to state Rep. Julie Rogers, Rep. Christine Morse, Sen. Sean McCann and other public officials and members of the law enforcement community who joined Operation Lifesaver in kicking off Rail Safety week at a Kalamazoo event recently.

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FREIGHT RAILROADS MOVE AMERICA SAFELY

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guide maintenance planning, which has led to greater safety, accuracy and productivity than ever before.

Automated technologies will allow further progress in challenging areas like reducing human error and improving grade crossing safety. Many of these rail-related technological advancements are developed at MxV Rail (formerly the Transportation Technology Center, Inc. or TTCI) in Pueblo, Colorado, a subsidiary of the AAR that is widely considered the best rail research facility in the world.

For example, Positive Train Control (PTC) is technology that reduces the number of human error-caused accidents by automatically stopping or slowing a train to prevent four specific types of accidents. These include train-to-train collisions; derailments caused by excessive speed; accidents that can occur if trains are routed down the incorrect track; and unauthorized train movements on tracks undergoing maintenance. Today, PTC is fully implemented and in operation on 100% of Class I PTC route-miles network wide.

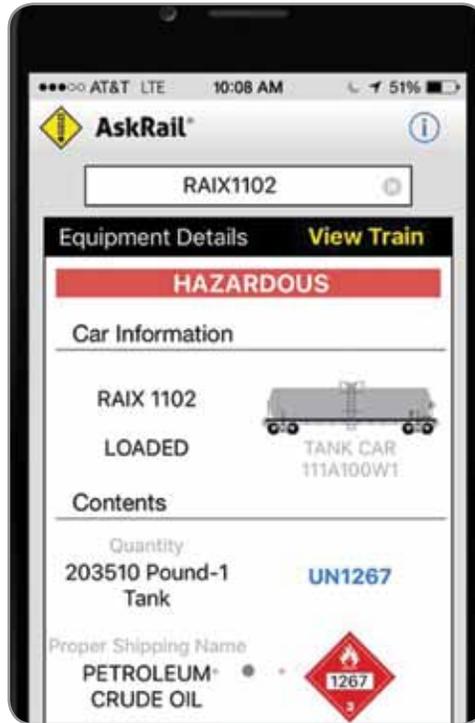
PREPAREDNESS & RESPONSE

Railroads work with public and private partners daily to monitor and protect the nearly 140,000-mile freight rail network. Natural disasters, physical and cybersecurity threats, and pandemics have the potential to disrupt railroad operations and hamper federal and state response and recovery efforts.

To help ensure continued operations, railroads employ cyber and physical security experts, police officers and intelligence professionals to monitor, identify and respond to threats. Working together with federal, state, local, and industry partners, railroads maintain and implement comprehensive response plans based on past experiences such as Hurricane Katrina, 9/11 and the 2009 H1N1 pandemic.

HAZARDOUS MATERIALS (HAZMAT) SAFETY

More than 99.99% of all hazmat moved by rail reaches its destination without a release



<http://askrail.us/>

"With the push of a button, AskRail equips first responders with accurate, real-time information to plan a swift, safe response to a rail incident. Combined with specialized on-the-ground training, the AskRail app ensures communities have the tools they need to keep people safe."

— AAR President and CEO Ian Jefferies

caused by a train accident. Railroads work with customers, suppliers, communities, and federal regulators to move hazardous materials safely and mitigate the rare accidents that do occur.

Railroads train more than 20,000 first responders each year. The industry also created the AskRail mobile app that gives emergency responders immediate access to information on what is in a particular rail car and how to respond to it. These efforts – coupled with ongoing investment, technology, employee training, improved operating practices and community outreach efforts – have lowered hazmat accident rates 64% since 2000.

PEDESTRIANS & MOTORISTS

Railroads work with state, local and federal officials, safety organizations, technology companies and the public to reduce accidents and injuries at highway-rail grade crossings and along railroad tracks. Collisions at grade crossings, along with incidents involving trespassers on railroad property, account for well over 95% of rail-related fatalities. These incidents usually arise from factors outside railroad control, but railroads are committed to reducing their frequency.

Railroads invest heavily in grade crossing safety, spending hundreds of millions of dollars each year to close, improve and maintain crossings and millions more on educational programs, including Operation Lifesaver, a non-profit dedicated to improving safe behavior at grade crossings.

Thanks to these efforts – as well as the federal Section 130 program, which allocates approximately \$230 million per year to states for grade crossing improvements – the grade crossing collision rate was down 46% between 2021 and 2000. Despite this progress, much work remains.

Source: AAR

FROM THE PRESIDENT

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National Rail Safety week was Sept 19-24. Here in Michigan there were various activities to promote safety near rail operations. Key events – and areas of concern – were held in Ann Arbor and Kalamazoo.

The MRA membership would like to thank Rep. Tim Sneller for his introduction and steadfast work on updating the Active Traffic Control Maintenance cost-share in the Railroad Code. Chairman Jack

O'Malley played a key leadership role to help guide this legislation through the House of Representatives. Thank you Chair O'Malley and Rep Sneller!

We will continue discussions at the state level on the topic of grade separation funding. While some positive steps have occurred, there is more work to be done. Thank you to Governor Whitmer, administration staff and all stakeholders who have

been a part of the grade separation conversation in Lansing.

Last, we were greatly appreciative to see the Legislature approve additional funds for freight rail preservative and development in the Fiscal Year 2023 budget. While details are being finalized, we believe this is a positive infrastructure decision that will help ship more freight by rail – and off of our roadways and bridges.

MOVING MICHIGAN

FEATURING

WMI

WEST MICHIGAN RAILROAD CO.

In southwest Michigan, a former Pere Marquette Railway branch links the small town of Hartford with even smaller Lawrence, a line that started life in 1877 as part of the Toledo & South Haven Railroad.

In 1986, the branch extended east 15 miles from Hartford to Paw Paw and was sold in its entirety to the Southwestern Michigan Railroad, doing business as the Kalamazoo, Lake Shore & Chicago. After KLS&C went into bankruptcy in 1995, the shortline holding company Pioneer Railcorp acquired the line, naming it

West Michigan Railroad Co.

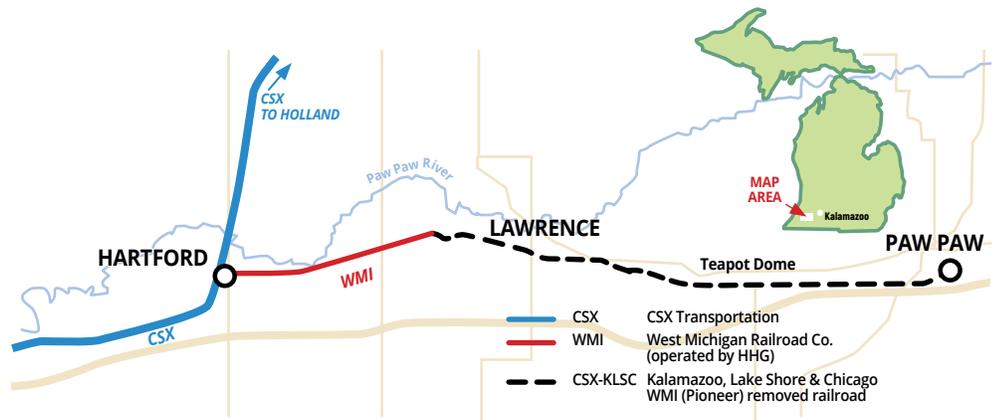
Watching all this unfold over the years was Linus Starring and several associates. Starring eventually would meet some of the KLS&C staff and began volunteering with that railroad.

After Marquette Rail started operating ex-C&O lines north of Grand Rapids in 2005, Starring began helping out as an engineer and got to know the general manager, Rick Jany, who would become an investor in West Michigan. Also at Marquette Rail, Starring met Mike Hnatiuk, who would become West Michigan's marketing director.

FORMING A NEW RAILROAD

While working at Marquette Rail, Starring kept an eye on the Hartford-Paw Paw line. When Pioneer filed to abandon the route from Lawrence to Paw Paw in 2013, he saw his chance.

Under Surface Transportation Board procedures, an entity can offer to purchase a line being abandoned under an Offer of Financial Assistance provision. Starring and some associates formed Hamilton Hartford Group LLC to acquire the line and filed for an OFA.



With Mike Hnatiuk, West Michigan acquired an experienced sales and marketing man. Having known Starring at Marquette Rail, Hnatiuk relished the chance to grow railroad business in his West Michigan backyard. He figured the quickest way to do it would be to land some transload business.

He also was aware of a plastic receiver, about 10 miles away, using another party's track for transload. When the track owner went out of business, the customer agreed to relocate to the West Michigan. The first 17 cars per year had been secured. Next, West Michigan landed a shredded-rubber-tire shipper, located on Norfolk Southern Railway. The customer couldn't get consistent service at their two-car track, so West Michigan promised the customer as much service as needed, then backed it up.

Next to come to the railroad was a methanol customer whom Hnatiuk knew through a mutual connection. With scarce locations for transloading hazardous material in the area, the customer contacted him. Although initially hesitant to get involved in the regulations surrounding hazmat, Hnatiuk eventually found a

suitable location along the track and secured an easement with an adjoining property owner to allow truck access.

BUILDING A CUSTOMER BASE

Hnatiuk continued to find ways to expand the railroad's customer base. Soon came another transloading opportunity in which corn oil, various greases, and lard are custom blended in a tank car.

The end product goes into biodiesel or animal feed. Also transloaded is used cooking oil from restaurants, another ingredient for making biodiesel. What came next was pure chance. A young railfan who lived in the area had made a post on social media, to which Hnatiuk replied. After communicating for a while, Hnatiuk invited him out to see the railroad. The young fan asked if he could bring his father along.

At the same time, Hnatiuk was in conversation with a local farmer whose business he had been chasing. On the appointed day, Hnatiuk and Starring arrived to meet the young man and his father and each immediately recognized the other. "What are you doing here?" asked Jason Meachum, the boy's father and also the farmer. "And what are you doing here?" Hnatiuk replied.

Needless to say, a business partnership bloomed. Meachum began handling the trucking involved in the transloading and had the land for a much needed permanent transload site. As business had grown on the railroad, efficient switching had become more difficult, with only the one switch and side track at Hanson Logistics. A new transload area and track was constructed on Meachum's property and the footprint has expanded three times since. West Michigan and Meachum formalized their partnership as Paw Paw River Transload LLC.



A trio of active locomotives await evening duty. Two former Milwaukee Road MP15AC's that wound up on UP sandwich an ex-GTW SW1200. Photo courtesy of Brian Buchanan/Trains magazine.

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The railroad acquired other pieces of machinery such as an excavator on stilts to unload gondolas of rock, and a tamper. West Michigan was able to identify frozen cherries being trucked to Chicago for transloading there into refrigerator cars to go west. These are now loaded on railcars at Hanson Logistics. The customer is happy because his trucks can make multiple local shuttle trips in a day and are much more efficient, instead of one round trip in and out of congested Chicago.

Next came frozen pork parts outbound to the West Coast, again through Hanson, followed by inbound apples used for applesauce and cider production from the Pacific Northwest. As all these moves are in mechanical refrigerator cars, the inbound apple cars can be loaded back to Union Pacific with the frozen pork parts.

Another business West Michigan captured is organic soymeal. This required Paw Paw River Transload to go through a certification process to handle it, but it has given them a niche site. Cereal waste is trucked in and loaded in railcars to hog farms in the East. Decorative stone is brought in by rail for unloading. Inbound canola meal has become a significant move, being used in animal feed as a protein source.

In 2020, ballasting was done for the first time,

as was some bridge work (it has three). West Michigan can handle 286,000-pound shipments, so with the light rail, good tie condition is a must. The railroad's goal is FRA Class 2 track (25 mph). West Michigan aspires to be a high-end service provider and does not want to have to deal with any service interruptions.

DECEPTIVELY SIMPLE OPERATIONS

Operations at West Michigan Railroad Co. appear simple at first glance but are actually quite complex. With the main line used as an unloading track, cars have to be moved out of the way, then put back. Locomotives spend much time sandwiched between cars.

There are no double-ended tracks, so the line's hilly profile is used to the railroad's advantage as cars can be rolled past the power at both sidings. A lot of time is spent behind Paw Paw River Produce east of Hartford, switching the transload business.

Then it's down to the CSX interchange, with a stop if needed at Hansen Logistics, which in 2021 was acquired by Lineage Logistics.

West Michigan's roster of three locomotives might look like overkill, but with the hilly terrain – the grade at the transload is 2% – and constant starting and stopping, the short line needs reliable power.

The railroad's first locomotive was SW1200 No. 1512, a former Grand Trunk Western unit.

Two MP15ACs came later, acquired from Union Pacific.

Hnatiuk's characterization "This is the stuff we do every day," paid off in 2018 when CSX honored West Michigan at its annual shortline conference, demonstrating the largest year-over-year percentage carload increase among CSX's connecting short lines. West Michigan realizes the transload business can be transient and hopes to relay track eastward to directly serve industry.

For the immediate future, plans have been drawn up to lay more tracks at the transload site. This will not only provide additional capacity to handle more business, but also will clear the main line.

Traffic has grown every year, and in 2021, it surpassed the 1,300-car mark. This impressive growth aside, Starring and Hnatiuk believe 2023 will be a transformational year, with multiple projects in the works.

These results testify to the impact a customer-focused, locally based short line can have on businesses in a region. All it took was hard work, a little chance, and some lucky encounters along the way.

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PUBLIC OFFICIALS TOUR LAKE STATE RAILWAY SAGINAW TO FLINT OPERATIONS



Lake State Railway President, John Rickoff and his hard-working team hosted a tour from their Saginaw yard to the new Flint auto loading operations. The May trip provided an opportunity to discuss rail economic development, safety along rail right of way, grade separations and a close-up look at the new Lake State Railway Flint auto loading operation.

Many valuable conversations were held during the tour, and we look forward to future opportunities to get together again to talk about freight railroads in our state.

We appreciate all state legislators, federal partners and local officials who took the time to be with us for this tour.

Local officials, state officials and staff joined the Lake State Railway team for a trip from Saginaw to Flint.

MICHIGAN RAIL DAY 2022

In May, members of the Michigan Railroads Association participated in "Rail Day at the Capitol" in Lansing. Representatives from railroad companies met with over 30 legislators to discuss the importance of a strong and vibrant railroad network across our state. Thank you to all legislators, policy staff and administration officials who took the time to discuss railroad policy.



Sen. Sylvia Santana



Rep. Tim Sneller



Sen. Roger Victory



Rep. John Roth



Rep. David Martin

MICHIGAN OPERATION LIFESAVER UPDATE



Michigan Operation Lifesaver's (MI-OL) goals include reducing and eliminating highway/rail crashes and trespasser/pedestrian tragedies in Michigan through public education and enforcement programs.

Federal Railroad Administration reported fatalities in Michigan for the first half of 2022 were up to 4, involving 22 crashes. Nationally the fatality rate was up by 21% in 2022.

Trespasser incidents in the state were even in both years with two people killed and two suicides each year YTD. Nationally trespasser fatalities are up by 37%.

Operation Lifesaver National (oli.org), along with state OLs are promoting the 50th anniversary of OLI and the 83% improvement nationwide over its 50-year existence. In Michigan, there have been as many as 40 fatalities per year in the 1970's.

New promotional and commemorative items about the OLI 50th anniversary are available on the OLI.com web site, along with many pictures. Also, Amtrak has a special paint theme for 'See Tracks - Think Train' on one of its locomotives travelling around the country supporting awareness.

MI-OL activities have been reduced due to restrictions from the guidelines for Covid. Zoom meetings have been held for several groups and many OLAV's have attended remotely.

Some recent OLI activities in Michigan include:

- The new Rail Investigation Safety Course is now being presented to law enforcement agencies and is getting handled by the railroad police departments.
- A class was held in Durand for new Operation Lifesaver Authorized Volunteers (OLAV) with nine new OLAV's now able to make presentations.
- New "See Tracks - Think Train" stencils from the CN Railway have been used to paint our message on sidewalks near schools and other high foot traffic areas.
- In the Upper Peninsula, the Michigan Rail Safety Conference was held in Escanaba and attended by Curtis Stewart and OLAV Louis deKoster. In addition, Louis has made many "in person" presentations to truck driver classes and others.
- Suicide prevention placards have been made with durable material and posted in areas where intentional acts have occurred in the past.
- Former State Coordinator - Sam Crowl, now the Assistant State Coordinator was honored by the MRA at its Summer Conference.

Contact Curtis Stewart for more information: 517.974.1737 or frmn2009@sbcglobal.net



August 19, 2022 Operation Lifesaver Authorized Volunteer (OLAV) class in Durand. Front L-R David Lewis, Louis deKoster, Curtis Stewart, Angie Quinn, Lourelle McKnight, Marcela Ozanich, Rahn Stokes. Back L-R Jack Stryker, Steve Osbourne, Keith Dille, Leonard Charette, Fred Doelker, Kelly Curell, Sam Crowl. Photo courtesy of Mary Stone.

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RAIL SAFETY WEEK



Local officials, law enforcement, Operation Lifesaver, rail industry experts and state legislators helped kick off Rail Safety Week 2022 in Kalamazoo Sept 19, 2022. Photo courtesy of Rick Burn.



Jon Cool – MRA, Rep. Julie Rogers, Rep. Christine Morse, Curtis Stewart - DL and Sen. Sean McCann promoted Rail Safety Week in Kalamazoo Sept. 19, 2022. Photo courtesy of Rick Burn.

