



Saratoga & North Creek Railroad at the Sacandaga River bridge.



Stone Consulting, Inc.

324 Pennsylvania Avenue West

P.O. Box 306

Warren PA 16365

(814) 726-9870 telephone (814) 726-9855 fax

www.stoneconsulting.com

stone@stoneconsulting.com

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Tourist & Passenger Rail Projects



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Iowa Pacific Holdings
Saratoga & North Creek Railroad Startup — 2011

Track and Bridge Inspection

Full track and bridge inspections were conducted to determine critical repair and capital needs for 2011-2012, along with an FRA Part 237-accepted bridge plan.

FRA Compliance



Stone Consulting assisted ‘on the ground’ with the difficult task of achieving FRA 49 CFR Part 238/9 compliance for full passenger operations, including communications, timetables, passenger platform modifications and track inspections with appropriate program documentation. This was the first for-profit passenger operation fully certified by the FRA under new regulatory guidelines. S&NC has trackage rights over CP Rail to Saratoga Springs, NY for cross-platform Amtrak service.



Contact: Mike McConville - 608.359.1088

Redevelopment Authority of the County of Berks (PA)
(Colebrookdale Railroad Preservation Trust)
Implementation Study for the Creation of an Excursion Railroad on the Colebrookdale Railroad

Analysis of use of the existing County-owned branch line for scheduled excursion passenger services, including market and capacity analysis, business plan development, equipment research, regulatory impacts, capital cost needs, and maintenance projections.



Stone Consulting also prepared a site analysis and plan for the potential relocation of the Birdsboro PA ex-PRR freight station to Boyertown PA, to function as a combination community center and excursion railroad passenger depot.

Contact: Kenneth Pick, Executive Director - 610.478.6325

Adirondack Scenic Railroad, Thendara and Utica NY
Economic Impact Analysis Update – 2011-2012



Adirondack Scenic required a full update to the economic impact analysis of the Remsen-Lake Placid corridor, including the potential impacts to spending, resulting full-time jobs, projected ridership and resulting visitor spending for full through operations to Lake Placid. Stone Consulting performed a full RIMS II Economic Impact Analysis to allow comparative impacts on a standard basis with the other competing uses for the rail corridor. Key findings included the pronounced differences in impacts resulting from a full railroad operating budget compared to a passive trail activity.

Contact: Gary Douglas, North Country Chamber of Commerce - (518) 563-1000

City of Eureka, Eureka CA
Short Haul and Excursion Passenger Train Study

Stone Consulting, Inc. investigated the feasibility of operating excursion passenger services in Humboldt County between the towns of Samoa, Arcata, Eureka and points south into the redwood forest districts.

The project included:

- * Engineering and Capital Cost Evaluation
- * Operations
- * Equipment analysis
- * Economic impacts

SHN Consulting Engineers of Eureka conducted ridership studies during the summer of 2002 at over 13 sites in Humboldt County, including campgrounds, state parks, visitor centers and the waterfront.

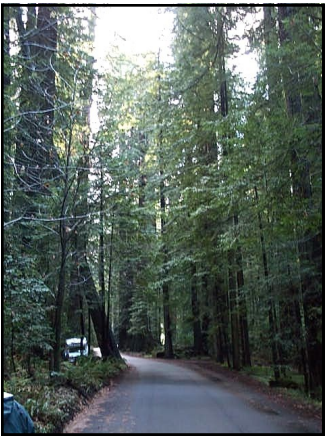


The surveys focused on:

- * Gross potential markets
- * Visitor interests
- * Source of potential riders
- * Preferred equipment
- * Proposed routes
- * Schedules and fares



Potential routes include connecting the historic company town of Samoa to the historic downtown areas of Arcata and Eureka.



Partners in the project include the Northern California Logging Interpretive Association, the owners of a large collection of stored Pacific Lumber Co. locomotives and historic logging equipment.

Operations began on the Samoa-Arcata portion of the railroad in 2010, using self-propelled speeders historically accurate to the lumbering era. Equipment was relocated from Blue Lake to the Samoa shop facilities, and ex-SP Harriman-style passenger cars were acquired from the V&T Commission in late 2010.

2002-2003—\$45,000
Contact: Cindy Trobitz-Thomas,

Director of Redevelopment and Housing, City of Eureka
707.441.4209

Stone Consulting, Inc. retains specialty tourism subconsultants in national & regional market analysis, economic impact analysis to Federal EDA standards, and ‘hands-on’ development of marketing programs and materials development.

Stone Consulting’s nationwide experience in feasibility studies, project development, marketing and master planning is available for your railroad today!



Lake Shore Railway Historical Society, North East PA **Strategic Plan / Site Improvements / Equipment Donations**



Stone Consulting, Inc. has worked with the Lake Shore Railway Historical Society (LSRHS) since 2007 on developing new strategic goals for the organization in both disposition and procurement of the equipment collection for a more focused visitor interpretive experience. We have also developed a comprehensive site plan and grant application package to develop NS+CSXT railfan viewing platforms and site structural improvements.

Contact: Ray Grabowski, Executive Director—814.873.0679

Xanterra Parks & Resorts, Inc. **Grand Canyon Railway Inspection Report**

Stone Consulting, Inc. performed an inspection of the facilities, track and equipment of the Grand Canyon Railway for Xanterra Parks and Resorts, Inc.

We quantified the condition of the equipment and provided an opinion of market value for the train cars in inventory and in service.

A timetable with estimated capital and replacement cost over a period of ten years for all train cars and equipment was provided along with an analysis of the costs of running steam vs. diesel locomotives.

Contact: Hans Desai, Xanterra Parks & Resorts - 303.600.3412



Morris Community Development Foundation, Morris IL **Liberty Street Crossing Development**

Stone Consulting, Inc. was selected to perform a Feasibility and Re-Use Study for the Morris, IL ex-Rock Island Railroad Station and Square Deal Grain Elevator which were purchased by the community.

Engineering and Cost Estimates were done to determine possibilities for the buildings as a museum, commercial business, excursion/commuter station, or City offices.



Stone Consulting's recommendations of a joint Community Center/Chamber of Commerce Office with annual NRHS excursions were accepted by the City.

Contact: Jim Baum, Morris Community Development - 815.942.0389



Texas State Railroad Authority, Palestine & Rusk TX

Stone Consulting, Inc. has provided the following services for the Texas State Railroad Authority (TSRA):

2009, 2010 & 2011 Consulting Services

Engineering and consulting services for the rehabilitation of both the track and the equipment, using TXDOT/TEA-21 funding and reimbursement guidelines.

Steam Locomotive 300

Specifications, procurement and bidding for rehabilitation work for 2-8-0 #300. This project was completed on-time and under budget between August 2008 and September 2009 and was back in service September 2009.



Passenger Cars



Exterior paint, rehabilitation and structural work to the entire car fleet; interior updates and rehabilitation to follow during 2010-2011 season.

Historic research and clearance of air conditioning project for ex-ATSF Pullman café-Observation #1511 for on-board power generation and updated air conditioning (underway); 2 additional coach air conditioning projects underway.



Steam Locomotive 400 (Baldwin 2-8-2, 1917)



Engineering, specification and procurement services for 1472 day inspection; boiler repair program, superheater element replacement and oil heater appliance.

Steam Locomotive 500 (ATSF 4-6-2 #1316)

Engineering investigation of frame cracks, development of weld repair program.



Track

2011 scheduled capital maintenance program for 11,000 replacement ties between Rusk and Palestine (year 2 of 3); development of 350' extension project for Mewshaw Siding, and rehabilitation of the UP Interchange.

Bridges

2010-2012 bridge inspection program to bring TSRR into full federal compliance for bridge inspection program.



2007 Consulting Services

Stone Consulting, Inc. assisted the communities of Rusk and Palestine with a strategic plan to acquire the railroad from the Texas State Department of Parks and Wildlife, create an owning entity, transfer legal authority to the entity and bid the railroad out to a qualified operator. This process was completed by November 2007.

Operator Selection

With the transfer of the railroad underway, a competitive operator selection process through Phase I RFQ and Phase II RFP was performed. Five qualified operators were reviewed at the RFQ stage and four submitted full proposals that were scored and interviewed at the RFP stage. The Authority selected American Heritage Railways of Durango CO.

Contact: Steve Presley - 903.731.3007

Steam Into History, Inc.
Business Plan and Market Analysis



Stone Consulting assisted Steam Into History, Inc. with the market analysis and business plan for the reopening of the ex-Northern Central Railroad in York County PA for development of a civil-war era theme featuring excursions to the historic Hanover Jct. depot, using a reproduction 4-4-0 similar to the NPS “UP 119” and the 2008 “Leviathan”. This proposal has been publicly presented and has met with favorable response from both County and State officials; fundraising is now underway for equipment procurement and track rehabilitation.



As a result of the Study, Steam Into History, Inc. has now contracted with Kloke Locomotive Works and construction has actively begun on the “York” #117 reproduction 4-4-0.

Contact: Robert Trebatoski - 717.818.9287



Downeast Rail Heritage Preservation Trust
Bar Harbor ME

Stone Consulting, Inc. performed the original feasibility study for this startup operation over the ex-Maine Central Calais Branch, from the track analysis to the business plan, and assisted in the lease negotiations between the State of Maine and Downeast. Downeast began passenger excursion operations in fall 2010, on track in the immediate Ellsworth ME area.



Stone Consulting, Inc. also assisted with the procurement and appraisal of two locomotives - ex-B&ML GE 70-tonner #54 and the Davenport switcher, along with consulting on FRA compliance issues for initial startup.

Contact: Thomas J. Testa, President - 866.449.7245



Western Maryland Scenic Railroad, Cumberland MD

Stone Consulting, Inc. has performed a wide variety of services for the Western Maryland Scenic Railroad, including:

- * Evaluation and Inspection of track, maintenance procedures, and projection of capital costs
- * Bridge Inspections
- * Ridership Studies and Marketing Analysis
- * Strategic Planning
- * Economic Impact Analysis



Western Maryland Scenic Railroad (WMSR) was challenged to preserve their operation and redefine their mission of expanding their role as a member of the Cumberland Community to preserve their funding and public support. We provided analysis and planning services that answered questions of cost, role in the community, and set plans.

20-year Business Plan

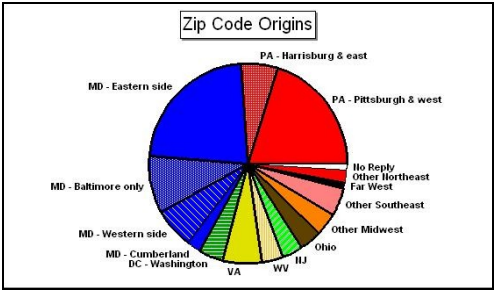
Prepared a 20-year Business Plan for the WMSR focusing on the following:

- * new ridership markets
- * specialty events and development
- * service and equipment opportunities

The Report served as the basis in determining the potential for the railroad to contribute toward future capital costs and investments.

We conducted an additional Cost Estimate engineering project on new turntable construction for WMSR, and a railroad real estate management rate study.

More recently, we have completed bridge, track and tunnel inspections, a five year strategic plan and marketing assistance that resulted in bringing Thomas the Tank Engine for 2006.



Contact: Dan Pluta, WMSR - 304.738.1022

Nevada Commission for the Reconstruction of the
Virginia & Truckee Railway Carson City NV
Operator Selection & 2008 Economic Impact Analysis



Stone Consulting, Inc. assisted the Commission on developing an operating partnership for the expansion of the V&T Railway between Gold Hill NV and Carson City—a \$21 million construction project expected to be completed for the 2010 operating season.

This included development of a Request for Proposals, competitive operator selection and assistance with technical, engineering and contractual issues during the reconstruction process.

Stone Consulting, Inc. has assisted the Commission on an ongoing basis with additional economic impact analysis studies and equipment procurement. Stone assisted in the negotiations between the Commission and Timber Heritage Association that resulted in the successful sale and transport of five ex-SP commuter coaches between the two organizations. Stone Consulting, Inc. also assisted the Commission in the negotiations and purchase of ex-McCloud River Railroad 2-8-2 #18, now in service over the railroad between Virginia City and Carson City in the 2010 season.



Contacts: Candace Duncan, Carson City Convention & Visitors’ Bureau - 775.687.7410
Michael S. Rowe, Esq. - 775.782.8141