

2024 ISSUE 2

Lake State Railway

The Turntable



FROM THE CHAIRMAN
LSRC LEADERSHIP CHANGES

SAFETY
FIRST RESPONDER TRAINING

ROUNDHOUSE REPORT
LEGACY OF EFFICIENCY

Photo courtesy of Travis Vongrey

From the
Chairman
--
LSRC
Leadership
change

By now, most of you have heard the news regarding leadership changes at Lake State Railway Company (LSRC). Mike Stickel has been promoted to President and Chief Executive Officer effective July 15, 2024. Mike's former position of EVP-Chief Operation Officer has been filled by Mark Rosner, a veteran railroader with a great deal of experience. Kevin Mitrzyk has been promoted to EVP-Chief Financial Officer and Chief Administrative Officer. These are three railroaders that I have tremendous respect for and that I am honored to know and have worked with for many years. I am confident that their leadership will continue to make LSRC better, bigger, and stronger. They are surrounded by a team of professionals in every department that I would hold up against any short line or regional railroad. In fact, I would say that they are as good as any railroaders you will find at any level. It has been my pleasure to work alongside and lead this group at LSRC while experiencing tremendous

growth, significant improvements in the physical plant, a strengthening of our capabilities in all areas and earning recognition as an industry leader.

LSRC has more than doubled the number of customers served and has experienced significant growth with many of them. Fourteen years ago, when I arrived at LSRC, we were heavily reliant on two commodities (grain and coal). Grain traffic is still an important part of our traffic base (but a lower percentage) and coal is no longer a part of our traffic mix. Recognizing a need to diversify our traffic base early on in my years at LSRC, we set out to do just that. By focusing on providing reliable service and thinking out of the box we have continued to find new business opportunities. Collaborating with our connecting partners to develop creative solutions to service needs has certainly helped LSRC and our partners be successful.

During my entire career and especially over the last 14 years, railroading has been everything that I could want or hope for it to be; challenging, exciting, and rewarding. A chance to lead, coach and mentor an outstanding group of people with diverse backgrounds and skill sets has its own rewards. The good fortune to meet, work with and share ideas with a lot of great customers, potential customers, political leaders, MDOT's Office of Rail, the Michigan Railroad Association, suppliers, and the public made every day a good one.

I am honored that I will continue to be involved with the success of LSRC with my new role as Chairman of the Board. While I will miss the day-to-day activities, I will remain connected to the continued excitement that exists with a company that is growing in so many ways. Thank you all for helping to make my career an absolute blessing.

John Rickoff
Chairman of the Board



John Rickoff Mike Stickel



John Rickoff Kevin Mitrzyk



Mike Stickel Mark Rosner

Safety Report

Lake State Railway was recently honored to welcome the Bay City Public Safety Team to our facility in Bay City, Michigan.

The team of police, firefighters, and medical first responders were provided an in depth look at common railroad equipment by two members of our own safety team, both of whom having had backgrounds in public service helped to bridge the knowledge gap between railroaders and first responders.

The exercise, which spanned three days and provided four training sessions, allowed the first responders an opportunity to get up-close and personal with a tank car and an all-access view of a locomotive with all its service doors open revealing many of the unseen components. While doing so, they received detailed instruction on things like railcar construction, how a locomotive works, and things to be mindful of when responding to a railroad incident.

While the questions and conversations were invaluable, the highlight of the event was being able to provide their team with unparalleled access to our equipment for a real-world training exercise.

The exercise, in which they simulated extricating an 'incapacitated' individual from the cab of the locomotive, was targeted towards improving the safety of our employees by reducing valuable time in the event of a real-world emergency.

In hosting an exercise such as this, Lake State Railway is striving to foster relationships with our community first responders to provide vital knowledge and training that could help reduce response times, and increase not only our own employees' safety, but also the safety of the communities we serve.

Dave Foster
Manager of Training & Safety



EXTRICATING EXERCISE/TRAINING



EXTRICATING EXERCISE/TRAINING

Illustrating the true definition of teamwork and professionalism, the Bay City Public Safety Team analyzed the simulated situation, taking their time to ask questions and identify all potential risks. The team then sprang into action with their plan, which was executed flawlessly, before running through the exercise a second time. The repeat attempt utilized a different plan of attack, which was equally successful, and served to provide them with critical insights into multiple options to achieve the same goal.



Roundhouse Report

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The Legacy of Efficiency

Having sufficient motive power is always a balancing act for railroads. If there are too many locomotives, maintenance costs will continue even when locomotives are placed in storage. Having too few locomotives, and customers don't get served. Having just enough locomotives, flexibility for future growth,

and may surges cause delays inhibiting our customers. We are always searching for the "Goldilocks" formula, "Just Right."

At Lake State Railway, we currently have 32 individual locomotives. Four of the 32 locomotives are zero-emission slugs that receive power from a mother unit, making four sets (mother and slug) primarily used north of Bay City.



With a quarter of our fleet dedicated to doing more with less through the mother/slug project, power utilization is critical for future business growth. By working closely with the transportation department, the locomotive shop has captured 598 days of storage for in-service locomotives in the year's first six months. That's an average of over three locomotives in storage every day. That still allows the shop to inspect, repair, and upgrade other locomotives that are unavailable for service on those days.

Compared to the first six months of 2022, Lake State only averaged one locomotive in storage daily based on 185 days of storage for in-service locomotives.

So, what changed? More locomotives? Less business? Why does Lake State Railway have locomotives in stored serviceable status?

The answer is that Lake State Railway is doing more with better power utilization every year based on the decisions made by the management team assembled by retired CEO John Rickoff since he took the reins in 2010. Business and carloads are increasing annually, but power utilization has improved based on some key decisions/business models laid out by Mr. Rickoff and his team. Some of those critical locomotive purchases and upgrades were:

- Retiring older, inefficient, outdated locomotives.
- The purchase of five six-axle locomotives (SD40-2) that started the current six-axle, high-horsepower fleet project, --which aims to increase the tons per horsepower ratio.
- Implementing the Mother/Slug project gave the railroad the power of two locomotives with only one prime mover.
- Upgrading older locomotives on the roster plus purchasing and upgrading additional six-axle locomotives.
- Purchase of the SD70M fleet with an additional 1,300 horsepower, more than the previous six axles, plus improved emissions.

The last of those (and other) projects were the direct reason for improved power utilization, with the first SD70M going into service in June 2022. With increased horsepower, our train crews on some routes have fewer locomotives on the head end and improved emissions. In addition, zero-emission slugs provide the same bang for the buck as an equivalent locomotive (with an engine) at speeds below 25 mph.



So, what does this all mean? Simply put, John and his hand-picked team, through his leadership, have left Lake State Railway in excellent shape with improvements across the board:

- Pulling more tons with fewer locomotives.
- Emissions have decreased dramatically.
- Reliability is up, which keeps our customer spots on time.
- Improved locomotive utilization, giving our operation room

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to grow with additional business. To quote Jack Laurin, Superintendent of Locomotives and a Lake State employee since 2005, **"John Rickoff was the best thing that happened to this railroad."**

The wrench turners at the Saginaw Locomotive shop wish John the best in retirement. We are truly grateful and blessed by his leadership and support over the years. The fleet and facility improvements have secured this railroad's future for many years.

Congratulations to Mike Stickel, who took on the role that John had done so well. Under John's leadership, Mike has been essential to our success at the locomotive shop, and we look forward to continuing our success and improvements with Mike as our new CEO.

We look forward to working with Mark Rosner as our new COO as the railroad continues its legacy of safety, customer service, and being a good neighbor in the communities in which we operate. Under Mark's leadership, we will continue improving power utilization and reducing emissions with our locomotive fleet.

So, how do you sum up a storybook career? Just look around. Through character and dedication, what was once an "as-needed service," if we had the manpower, a locomotive, and the track held together, is now Excellence in Transportation—servicing our customers daily with reliability and safety.

Well Done, John, Well Done Indeed!

**Be Safe,
W. Roger Fuehring
Chief Mechanical Officer**



**Congratulations to LSRC
Locomotive Shop Team on
1-Year injury Free!**

Well Done and Keep up the Great Work!

From Left to Right:
Tom Leaman, Mike Milkowski,
Dan Heimberger, Scott Perkins, Brendan Forrest, Mark Eick-
holt, Travis Smith, Dustin Tomczak, Richard Stakalosa

Front: Robert McEnrue, Pete Adams



John Rickoff Railroader at Heart—Leader by Nature

We could write a best-selling novel on the man who has led Lake State Railway for the past 14 years. John Rickoff's vision and gentle strength have played an integral part of the growing success of LSRC. He is a rare natural-born leader with a brilliant mind for business success, who genuinely cares about the people he leads.

It all started in Mason City, Iowa where John was born and raised with his older sister, Kris and two younger brothers, Jim and Billy. When John was around 7 or 8 years old, he met a sweet little girl named Jill in grade school. John and Jill grew up about 1 block away from each other, and later became high school sweethearts. After graduating from high school, John moved to Winona, Minnesota where his parents had recently moved to open a pizza parlor. While there, he attended Winona State University, playing football for a year as a WSU Warrior. When Jill graduated high school and continued her education at the University of Iowa, John followed his love to Iowa City. In 1980, John graduated from the University of Iowa with a Bachelor of Business Administration Degree in Marketing. To help pay for his college education, John spent his summers gaining his first real experience with the workings of a railroad, starting in track maintenance as a laborer.

Upon graduation, John started his railroading career with the Chicago and Northwestern Railroad (CNW) in sales and later joined the company's Energy Marketing Group in 1981 as CNW prepared for its entrance into the Powder River Basin.

In 1982, John married the love of his life Jill and soon thereafter began to start their family of "J's". Together, John and Jill have raised four hard-working children, who have grown to become successful adults, two boys and two girls, Jamison, Jaclyn (Hopen), Jennalee (Andress), and Jared. After an impressive 42 years of marriage, their family has grown to include 10 sweet and crazy grandchildren.



In 1986, Rickoff joined the Soo Line Railroad to head their coal marketing department. Following the 1990 acquisition of Soo by the Canadian Pacific Railway (CP), he joined CP's executive team while continuing to oversee all of the company's U.S. coal marketing.

Rickoff joined The Indiana Rail Road Company (INRD) in 1997 as Senior Vice President of Marketing and was quickly promoted to Executive Vice President and Chief Operating Officer overseeing operations, marketing, and maintenance-of-way. During his 13-year tenure at INRD, the company grew from a marginal Class III railroad to a strong Class II railroad where revenue grew from approximately \$13 million to \$75 million. During this time, INRD also underwent significant upgrading of its rail infrastructure and the acquisition of Canadian Pacific Railway operations from Chicago to Louisville, Kentucky.

In 2010, Rickoff was chosen to be the President and CEO of Lake State Railway Company (LSRC) and Saginaw Bay Southern Railway Company (SBS) (which was merged into LSRC in 2012). Under his leadership, LSRC has grown from a Short Line Railroad into a flourishing Regional Railroad.

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With a lifelong career in railroading, John Rickoff is a respected name throughout the industry, and for good reason. His vast and impressive knowledge of all aspects of railroading has earned him recognition and respect. He has served as the Chairman for the Michigan Railroads Association for three consecutive years and has been asked to speak at numerous rail events including rail conferences, radio interviews, participate in round table discussions, and present to Michigan legislative subcommittees on issues and proposals affecting rail transportation. During John's tenure as President and CEO, LSRC has received numerous safety, business development, and Jake awards. LSRC has also had the great honor of being

named the Short Line of the Year by Railway Age in 2018, and Regional Railroad of the Year in 2021. This recognition is a direct result of John's incredible integrity and leadership skills.



2018—LSRC awarded Short Line of the Year by Railway Age



2019—Rickoff discussing LSRC Saginaw yard layout with Congressman Dan Kildee

When I started here almost 8 years ago as John's Executive Assistant, we had roughly 70 employees. Today, under his leadership, we are looking at 146. John has always maintained an open-door policy to anyone and everyone and has always been willing to simply have a conversation, share a few jokes or listen to grievances. In John's eyes, everyone is equal; he has never exhibited the air of superiority when it comes to relationships. It's a rare quality in executive-level positions, but he has mastered the balance of strong leadership with genuine care for those he leads. Many people here at LSRC and across the industry share a fondness for the man who has led us for almost a decade and a half. It has truly been an honor to learn and work under his guidance.

We are sad to see John step out of the role of President and Chief Executive Officer, but we're glad he will still be around as Chairman. John has left us in good hands with Mike Stickel taking over the helm, but his legacy here will always remain.

Deanna Hennessy
HOS Compliance Mgr., A/R
Newsletter Editor

"I have known John for over 20 years, he still gets as excited as ever about new business and growth. John had a major impact on the growth at Indiana Rail Road, and has changed the trajectory of Lake State Railway. The team that has been built at LSRC will be a lasting legacy as LSRC continues to grow and achieve success through the future. I am grateful for John's leadership and mentorship over the last 21 years." - Mike Stickel

"Over the past fourteen years, our strong friendship and mutual respect have been invaluable. If I've learned anything from John, it's that walleye fishing is something I'll gladly skip." - Kevin Mitrzyk

"My favorite mentor has helped me learn how to think not what to think, channel my energy, guided my growth, always encouraged my success and was willing to share their experience. Thank you, John, for sharing the wealth of knowledge you have gained over the years to help us continue to grow and succeed. The value you brought to many will always be cherished." - Shasta Duffey

LSRC
Family Day
at Dow
Diamond



LSRC
Family
Day at
Dow
Diamond



LSRC WELCOMES MICHIGAN STATE UNIVERSITY Center for Railway Research and Education Railway Management Certificate Program



LSRC's Trista Wolgast going back to school!

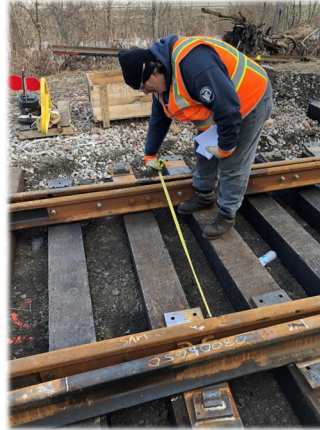


Lake State Railway welcomed students from the Railway Management Certificate Program at Michigan State University for a live tour and learning session. Students were able to tour LSRC's Flint yard including the Vehicle Distribution Center and our Saginaw Yard which included our 100+ year old Roundhouse. The tour concluded a two-week certification course on Railway Management. Two of LSRC's own, attended the program, Sean Pengelly, Engineer of Project & Development and Trista Wolgast, Railcar Fleet Manager. Lake State Railway truly enjoys hosting this group every year to help support our up-and-coming railroad managers. They are welcome back any time. Thank you to Nick Little, Director of MSU's Railway Education for bringing this fine group to LSRC for the past few years.

Deanna Hennessy
HOS Compliance Mgr/AR/Turntable Editor

Look Who Retired!

Kevin Filarski, Assistant Superintendent, put in an impressive 25 years with Lake State Railway in our Maintenance of Way Department. Filarski, as we like to call him, started his railroading career in 1981 with the Detroit & Mackinac Railway. He always claimed he grew up with the railroad as both his grandfather and father had worked for the D & M as well. Kevin proudly served our country with the U.S. Army from 1984-1987 and we thank him for his service. His career at LSRC started in 1999 and he has been a staple around here with his hard-work ethic and vast knowledge of track maintenance. Kevin was also one of our re-railing masters. He will surely be missed, but we are so happy for him to start this new chapter in his life.



Noah & Ruth Steffen
welcome the newest
addition to their family!
Congratulations!



Mabel Louise was born on June 4th at
7:29pm! Weighing 7pounds 8ounces. We are
all so in love with her!



We would like to thank the Transportation Department for arranging this photo opportunity for the Essexville Garber Baseball Team. Our son and his teammates appreciate the effort it took to get them this cool experience they will remember for years to come.

Thank you!
James & Allison Collins

REMINDERS upcoming dates

- Labor Day—September 2
- Start of Fall—September 22
- Columbus Day—October 14
- Bosses Day—October 16
- Halloween—October 31
- Daylight Savings Times Ends—November 3
- Veterans Day—November 11
- Thanksgiving Day—November 28



Updates for Lake State Mates



2024 ANNIVERSARIES

QUARTER 3

EMPLOYEE.....YEARS

Sandy Miller	23
Charley Zeleck	22
Kevin Podgorniak	21
Joe Vongrey	19
Lloyd Douglas	19
Josh Johnson	19
Troy Mott	19
Ed Currie Jr.	16
Richard Ruse	16
Ray Stomerski III	16
John Rickoff	14
David Murringer	13
Mike Stickel	11
Benjamin Schramm	10
Kelsey Fetters	8
Kevin Klepser	8
Darrell Collins	8
Amber Neumeyer	8
Christopher Smith	7
Andrew Weise	6
Mike Hnatiuk	6
Phil Kent	5
Christopher Vaughn	4
Jarod Bucholtz	4
John Junga	4
Matthew Bolen	3
Spencer Smith	3
Zach Kimmel	3
Jared Markva	2
Allison Collins	2
Alexander Nelson	2
Philip Deel	2
Janessa Lutenske	2
Jacob Dean	2
Robert McEnrue	1
Andrew Dronsella	1

New Hires!

*We'd like to give a warm welcome to our newest Lake State Railway team members!
Welcome Aboard!*

2nd Quarter—2024

- Kristopher Halleck—IT
- Mark Rosner—Administration
- Ashley Neuman—HR

PROMOTIONS!

*Matthew Bradley II—Marketing Administrator
Jeremie Hascall—MOW Roadmaster/Track Inspector*

Congratulations!

**Lake State Railway
appreciates our loyal and dedicated employees! Through your diligence, we continue to prove that we are the premier regional railroad of Michigan by providing
Excellence in Transportation!**



WE WANT TO HEAR FROM YOU....

If you have any interesting railroad facts, stories, pictures, or exciting news to share, please submit an article (with corresponding pictures if possible) for a chance at having your story published in LSRC's "The Turntable".

EMAIL SUBMISSIONS TO:
hennessyd@lsrc.com

*Please note, not all submissions will be accepted and those that are approved for publishing will be subject to editing.

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BIRDSEYE VIEW OF LSRC SAGINAW ROUNDHOUSE

Photo: Courtesy of Kevin Burkholder



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