

# DANVILLE FLYER

A PUBLICATION OF THE DANVILLE JUNCTION CHAPTER, NRHS

The **DANVILLE FLYER** is published monthly by the **DANVILLE JUNCTION CHAPTER** of the **NATIONAL RAILWAY HISTORICAL SOCIETY** for its members and other interested persons.

The **DANVILLE JUNCTION CHAPTER, NRHS**, is a not-for-profit corporation organized to preserve the history of railroading in Eastern Illinois and Western Indiana and operates a museum located in the former Chicago and Eastern Illinois Railroad depot on East Benton Street in Rossville, Illinois. The museum features many railroad displays plus a operating HO model railroad.

Membership in the Chapter is open to anyone having an interest in any aspect of railroading. Dues per year are \$12.00 for Chapter membership in addition to \$14.00 for NRHS membership. Meetings are held on the third (3rd) Thursday of each month (except July, August and December) at the Palmer American National Bank, corner of Vermilion and Main St., downtown Danville, Il. beginning at 7:30 PM Central Time.

## OFFICERS FOR 1994

### Our 26th Year

PRESIDENT: Larry Prosser  
SECRETARY: Doug Nipper  
NATIONAL DIRECTOR: R. M. Schroeder  
MUSEUM DIRECTOR: Doug Nipper  
EDITOR: Richard M. Schroeder  
P.O. Box 1013  
Danville, IL. 61834-1013

VICE PRESIDENT: Dave Sherrill  
TREASURER: Allen Cooke  
PROGRAM CHAIRMAN: William Darner  
HISTORIAN: Jesse Bennett  
PUBLISHER: Allen Cooke  
Cooke Business Forms, Inc.  
John Cooke Sr., Honorary Member

MEMBER: Illinois State Historical Society  
Illinois Association of Museums

Volume 26

November 1994

Number 10

## COMING EVENTS

### **November 17, 1994**

Next monthly meeting beginning at 7:30 PM, Palmer American National Bank in downtown Danville.

### **November 12, 1994**

American Post 38 Train and Toy Show, First United Methodist Church, 102 N. Chaucey Ave, West Lafayette, IN 10-5, Adm \$1.00,

### **November 19, 1994**

Annual Model Railroad Show and Swap Meet, Danville High School, Jackson and Fairchild Street. Hours 10 - 6, admission is \$1.50. Under 12 free

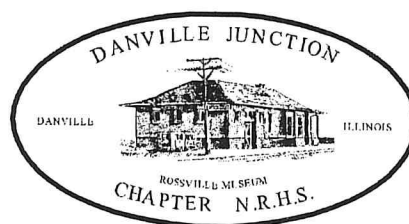
## **December 4, 1994**

Chapter's Annual Christmas Dinner at the Pizza Inn, corner of Williams and Gilbert Street, 1:00 to 5:00 PM. Reservations not required but a call to Lerry Prosser at 217-446-9769 would be appreciated.

## NEXT MEETING

The next meeting will be held on Thursday, November 17, at the Palmer Bank, corner of Vermilion and Main Street in downtown Danville beginning at 7:30 PM.

The model railroad show at Danville High School is only two days away. This will be a one day show this year. The committee has been meeting and will do so prior to the monthly meeting. Table sales have been very good this year and we have three layouts lined up so far. We need help in setting up on Friday night and working the show on Saturday. We need volunteers during the one day event to help at the door, sales table and general help to



guide the sellers to the proper areas. This appears to be a great show provided we get the public to come.

Two museum members have moved to Indiana. Rick and Phillip Stacey have moved to RR 1, Box 38, Boswell, IN 47921-9911. Rick is a rural postman out of Hoopeston and both helped last spring getting the layout ready for the summer.

The program will be by Bill Darner.

## EDITOR COMMENTS

The newsletter may be smaller this month and lacking local news. One reason is lack of news from members (hint - hint). The main reason is my schedule. The cutover at Springfield has taken a lot of my time. This will soon be behind us but other work has come up for the month of November and December.

My company's railroad work load has increased. In late October Conrail gave us a contract for two years of work with them. On November 2nd we traveled to Philadelphia to discuss their upcoming work and meet the personnel we would be dealing with. On the 21th we will be going to Atlanta for a meeting with NS for their annual consultants workshop and hopefully additional work.

At the present time I have active projects with on-site engineers in Columbus, Ohio and Lafayette in addition to finishing Springfield. This fall and winter others will start including one for 103rd Street over the Calumet Yard in Chicago, the new Route 231 bypass in Lafayette, a flood control project in Van Loon, Indiana and bridges at Poag and Edwardsville, Illinois and southeast of Lafayette, In. Conrail has already ask for a construction person in Cleveland. CSXT has given us a project in Lafayette along with the NS projects. We have a proposal in to NS for a road bridge at their new

car loading facility in St. Louis for the Ford Motor Company. A proposal is also pending for a bridge for the BN in Missouri. Our Chicago office is rounding out the railroad work with projects for Metra and CP Rail.

## ICC FINDS TWO RAILROADS EARN 1993 COST OF CAPITAL

Just two Class I railroads earned their cost of capital last year, according to the Interstate Commerce Commission.

The two were Kansas City Southern and Illinois Central. IC, which has earned its cost of capital for four consecutive years, reported a return on investment of 14.3 percent. KCS had a return of 13.1 percent.

In order to earn its cost of capital, a railroad needed a return on investment of 11.4 percent for 1993. The ICC estimated the rate of return for all Class I railroads at 7.06 percent.

The ICC reported that Chicago and North Western had the industry's third highest return on investment last year, 10.5 percent, followed by Union Pacific at 9.7 percent, Norfolk Southern at 9.3 percent, Burlington Northern at 9.2 percent and Conrail at 7.0 percent.

It was followed by CSX Transportation, 5.2 percent; Santa Fe, 4.7 percent; Southern Pacific, 0.7 percent; and Soo Line, 0.5 percent. Grand Trunk Western was the only Class I railroad with a negative return on investment for the year.

"That only two of the industry's smaller Class I railroads were able to earn their cost of capital last year underscores the fact that this industry's recovery still has a ways to go," said Dr. Harvey A. Levine, the AAR's chief economist. At the

same time, he recognized that 1993 was a year of "unusually adverse weather conditions and strikes in the nation's coal mines, both of which adversely affected earnings."

Dr. Levine said he remained optimistic about the future of freight railroads over the long term, noting that "conditions of improved service, traffic growth, productivity gains and cost control give promise that the industry as a whole will eventually be able to earn its cost of capital."

The ICC considers any railroad that earns its cost of capital for a single year to be revenue adequate for that year. Dr. Levine and most economists believe that a railroad should be considered revenue adequate in an economic sense only if it consistently earns its cost of capital, usually defined as being over the length of a business cycle.

Railroads judged revenue adequate by the ICC may be subject to greater regulation than revenue inadequate railroads.

*Via Train-It*

## NS NEWS

What's up dock: The W&LE has reached an agreement with Norfolk Southern to lease the ore dock in Huron, OH for 50 months. Iron ore will be hauled from Huron to Pittsburgh Steel in Mingo, OH. Service was expected to begin this past August. Plans are to handle 3500 carloads totaling 350,000 tons of ore the first year. Included in the deal are trackage rights on Norfolk Southern's ex-NKP mainline from Bellevue to Huron via Shinrock. *Via Wheeling & Lake Erie News*

Operations Update: NS continues to make operational changes on the Cleveland and Buffalo districts. Effective August 1, NS, New York Susquehanna & Western, and Sealand established a pair of intermodal trains that operate between Little Ferry, NJ and Chicago. Eastbound service

is handled by Train 290, which operates on a 18 hour schedule between CSXT's Bedford Park intermodal yard at Chicago and CP's (ex-D&H) SK Yard at Buffalo. At Buffalo, the train is interchanged to the NYS&W for movement to Little Ferry on NYS&W train 258. Generally, Train 290 can be seen operating over the Cleveland District (Bellevue-Conneaut) during the mid to late morning hours. Its counterpart, Train 291 features an early afternoon departure from Buffalo and is scheduled to arrive at Chicago at 9:45 am on the second morning. Both trains feature NS and NYS&W power, with NYS&W providing four units to the Little Ferry-Chicago pool.



yond destinations are handled on Trains 509, Y09, and 547 while empty mine hoppers are moved on Train 510. What's interesting about these trains is that solid Conrail lash-ups, including new wide cabs, often power these trains. On the Fostoria District (Bellevue-Fort Wayne) a new train was established August 5 called the Blair Turn (Train 403). This train is called daily at 12 noon and operates to Blair Yard at Fostoria and return. This train sets out Fostoria traffic at Fostoria and returns back to Bellevue with hump traffic for reclassification. This train is not allowed to perform local switching between Bellevue and Fostoria because the engine is needed for evening train 404, which operates between Bellevue and South Lorain and return. A directive was issued August 1 stating that intermodal trains 233, 234, and 236 have preference over Triple Crown trains when they are running late or if a meet will make them late.

*Via The Mainline*

**Excursion Train Cars Damaged in Yard Accident**

On September 28 while the NS excursion cars were in the Lynchburg, VA, yard waiting for 611 to be serviced, a train of freight cars was switched over into the passenger cars, causing damage to several cars.

Two cars are reported to be damaged to the point they will never be back in service. Nine cars were off the track including the Chapter's WATX 539.

All the cars were taken back to Roanoke Shops to be inspected for any other damage before they will be put back in service shortly. Norfolk Southern is investigating the accident.

*Via Whistle Stop*

## IC OPENS TRANSFER FACILITY

Illinois Central has opened a new transfer terminal here for plastic pellets and other bulk commodities.

The transfer terminal is a storage track, accessible by truck, where carloads of plastic pellets and other dry products can be stored and transferred to truck for final delivery.

"The railcar becomes a temporary mini-warehouse," said John Crowley, assistant vice president, chemicals.

"The shipper benefits by being able to take advantage of the economics of shipping large quantities by rail. The shipper's customer, who may not be able to use a carload of the product, benefits by being able to receive only the amount of the product it needs at any particular time."

The 11-acre paved, lighted and secured terminal has a capacity of 52 railcars, with potential for expansion.

*Via Train-It*

## CSX NEWS

**Power Notes:** In anticipation of high business levels for the remainder of the year, CSXT has gone to the secondary locomotive market to lease upwards of 75 units for the annual fall traffic surge. One company has signed a contract for 63-3,000 horsepower units. The leased locomotives will be joined later this fall by 30-4,400 horsepower AC (alternating current) locomotives to be built by General Electric. On August 16, NS delivered CSXT their first two AC units, engine numbers 9000 and 9001. It was also accompanied by GE test car 90. During the late afternoon hours of the 16th, CSXT operated a special train between Cleveland and Willard. Sym-

CSXT RCV	9:45 pm		
Fort Wayne	Ar	1:25 am	
Forest Hill	Lv	9:55 pm	
Fort Wayne	Lv	1:30 am	
Chicago	By	11:45 pm	
Wheeler	By	6:45 am	
Wheeler	By	12:45 am	
Chicago	Ar	7:45 am	
Fort Wayne	Ar	5:00 am	
Forest Hill	Ar	9:35 am	
Fort Wayne	Lv	5:05 am	
CSXT DLV	9:45 am		

In other operating news, NS and Conrail have diverted the movement of coal traffic from the Hagerstown gateway to the Buffalo gateway. This move is due to the increasing congestion of manifest and intermodal traffic moving through the important eastern gateway at Hagerstown. NS and Conrail are planning on operating several new intermodal trains through the Hagerstown gateway in the near future. As a result of this move, NS has been operating several extra coal train movements over its Bellevue-Buffalo route. Loaded coal trains destined for Buffalo and be-

bolled Train X-005-16, the train consisted of units 9000, 9001 and GE 90. Upon arrival at Willard, the new units were dispatched to Corbin, Kentucky where they performed two weeks of testing, hauling coal trains from the Corbin Division and C&O Business Unit to Florida power plants and export piers at Newport News.

According to CSXT officials, the railroad wanted to get the new units in order to gain some real world experience prior to the construction of their 27 production units. Over the next four years, CSXT will take delivery of 300 new locomotives from GE, including 250 AC units. In preparation for the new AC units, several employees from Mechanical operations have studied the new units at GE's factory in Erie, PA and are taking their knowledge of the new AC technology to CSXT shops across the system.

#### *Via The Mainline*

CSXT units continue to show up on the SP through Springfield. Several times they are the leading power on the train. At the same time SP and Cotton Belt power is running through Danville on CSXT. On one Sunday there were 4 SP units on various trains past the Rossville depot. Motive power from the UP and Conrail is also running the Nashville route.

### **EBT SHUTDOWN THREATENED; SUPPORT URGED FOR STATE AID**

Owners of the narrow-gauge East Broad Top Railroad are threatening to permanently close the historic property at the end of the 1994 season, a support group warned last month. Friends of the East Broad Top Issued a letter reporting that the present owners, who revived the defunct coal-hauler in 1960, are running out of assets to

sell in order to cover the railroad's chronic operating deficits.

Based at Rockhill Furnace in central Pennsylvania, the little tourist road is a gem of early 20th Century technology, with a fully-equipped shop, roundhouse, large station building, six Mikado-type steam locomotives dating from as far back as 1911 and a vintage Brill-built doodlebug. But ticket revenues rarely have been sufficient to cover costs, and the railroad has survived through the beneficence of the owning Kovalchick family. EBT's final event of 1994—and perhaps forever—will be its annual fall spectacular set for October 8-9.

A registered National Historic Landmark, EBT was included in the State's 1994-95 redevelopment budget, with \$30 million authorized to acquire and restore all 30 remaining miles from Mount Onion to Robertsdale as a new State Heritage Park. But with many competing priorities, it often takes years for such funds actually to be appropriated by the Budget Office—time which EBT does not have.

### **SANTA FE ADDS 75 LOCOMOTIVES**

Santa Fe is ordering 75 new locomotives to keep up with burgeoning freight traffic.

Fifty of the locomotives will be delivered in September and October, in time to meet peak fall demand. Twenty-five will be delivered during the first quarter of next year.

The locomotives slated for delivery beginning next month will be the General Electric 4,400 horsepower DASH9-44CW model, similar to 50 received earlier this year by Santa Fe. Locomotives scheduled for delivery early next year are the 4,300 horsepower General Motors Locomotive Group SD70M model.

"We have replaced more than one-third of our 1,200 road-haul loco-



motives since 1990 with higher horsepower, lower emission units," stated Santa Fe

Chairman Rob Krebs. "Santa Fe is servicing its customers with one of the newest locomotive fleets in the industry. As traffic volume continues to grow we are making additional investments in equipment, facilities and our physical plant to meet our customers' needs."

The GE locomotives will be manufactured at Erie, Pa., and maintenance will be managed by GE at Santa Fe's Kansas City, Kansas, facility using railroad employees. GM locomotives will be manufactured at London, Ontario, and maintenance will be performed at the GM facility located in Santa Fe's Corwith Yard in Chicago.

Santa Fe spent more than \$500 million on capital improvements in 1993. It said that an equal amount is being invested this year.

#### *Via Train-It*

### **NARP CRITICIZES AMTRAK'S BLEAK PROJECTIONS**

Fiscal Year 1994, which ended September 30, had some bright spots. But overall, news from the fare-box was bad, so Amtrak's Board on September 28 asked management to develop a cost-cutting plan for consideration December 13 and implementation in January. Route cuts are possible.

#### **The Good News.**

Ridership on Amtrak's Seattle-Portland line jumped 44% June through August, compared with a year earlier. Frequency rose just 14% (24 weekly departures versus 21), through reducing the Pioneer from daily to tri-weekly last November and adding the daily Talgo

## BURLINGTON NORTHERN ANNOUNCES GALESBURG EXPANSION

Burlington Northern has embarked on a three-year \$20 million project at Galesburg, IL that is intended to relieve the pressure on Cicero. The Galesburg classification yard will be expanded from 32 to 48 tracks and there will also be three new receiving and departure tracks. This is being done to eliminate interchange block building now done at Cicero. Plans for the future include the closing of the Cicero Hump sometime in 1995 to allow that space to be overtaken for intermodal service.

*Via North Western Limited*

(normal speeds) on April 1. The Talgo aroused great public interest, boosting ridership (which had been declining) on all trains in the corridor.

Meanwhile, the first decent Detroit station in Amtrak's history, albeit a temporary facility to be replaced with an impressive intermodal terminal, opened May 5. That sparked solid ridership and revenue gains on the Chicago-Detroit line, with no change in frequency. June-August ridership rose 8%. Michigan's other routes (Chicago-Grand Rapids; Chicago-Lansing-Toronto) also did well.

### **Other bright spots:**

--Among long-distance routes, the Chicago-Seattle/Portland Empire Builder and Chicago-New Orleans City of New Orleans had a solid year, the latter boosted by public response to the Superliners introduced in March. Since conversion from daily to tri-weekly last November, the Eagle performed as expected, the Pioneer somewhat better than expected.

--Chicago-Milwaukee ridership was up 14%, October through June. Despite the Soo Line strike that cut frequency 43% and lengthened schedules by a third, August ridership dropped only 27%. (The strike began July 14; full service resumed September 1; normal speeds September 6).

--Harrisburg line ridership and revenues responded positively after

more trains were extended to New York last November 1. Ridership rose 4% (January-August).

--Metroliner ridership rose 3%, October through August.

--San Jose-Roseville, California's Capitol Corridor, responded well to state-sponsored lower fares and advertising.

### **The Bad News.**

Elsewhere, ridership and revenues generally were disappointing. Travel (passenger-miles) declined almost 5% from 1993. The apparent reasons are mostly short-term:

--Passenger surveys indicate banning smoking on short distance and some long distance trains cost Amtrak over \$20 million in lost passenger revenue. The decline only happens once, but the lost revenue continues. Perhaps Amtrak should restore a smoking car to seriously affected short distance runs, and to avoid a further decline, keep long distance policy as is (i.e., banned on half the long distance trains).

--For a year the public has been spooked by continual bad publicity about safety. The May 16 Silver Meteor derailment rekindled fears just when many were planning summer vacations. Since then, the media has covered the following:

1. The June 21 National Transportation Safety Board meeting on last year's Sunset Limited tragedy;

2. The unexplained, non-fatal Lake Short Limited wreck;

3. On September 11, the second fire this year in an RTG turbo power unit (the four remaining units now are out of service for thorough inspection and evaluation);

4. September 22 release of NTSB's Sunset Limited final report.

--Service quality problems, equipment and staff related.

--More low air fares. Some may be temporary because some airlines are losing so much money. Other airlines, however, are not. This underlines the need for a resumption in amtrak labor productivity improvements.

--San Diegan ridership is down for the right reason, trains delayed by construction to improve line capacity, including a second main track Fullerton-San Juan Capistrano.

NARP finds too bleak Amtrak's assumption that 1995 passenger revenues will be 5% below 1994's weak level. NARP said, in a September 29 release, more new rolling stock is arriving, boosting revenues and cutting costs; the "winter from hell" will not be repeated, given Amtrak's winterization investment; the no-smoking ban is a one-time decline; Downs' customer focus will bear fruit; the economy will grow; and the safety image will recover.

NARP is working to prevent the gloom at Amtrak headquarters from producing decisions that cripple the future of the business.

*Via National Association of Railroad Passengers*

## TALGO TRAIN

In October Amtrak and the State of Illinois ran the Talgo Train from Springfield to St. Louis and Chicago as a demonstration project. On October 17th the train made three trips between Springfield and

Carlinville with invited passengers. A similar trip was made north to Bloomington on the next day.

A day of testing south of Carlinville proved that the train could take the 60 mph curves at a much greater speed. The FRA allowed the test to raise the speed limit to 75 mph on the 60 mph curves in the river bottom south of Carlinville. According to riders of the train the tests went very well. Even on the trial runs the train rode smooth. The only rough ride was on the IC north of Joliet where several 10 mph slow orders are in effect. The train set was powered by two F40PH's and made top speed of 79 mph on most of the runs.

## SANTA FE OPENS NEW CHICAGO INTERMODAL TERMINAL

Santa Fe has dedicated its new \$73 million, 269-acre Hodgkins/Willow Springs Intermodal Facility near Chicago.

"Our intermodal facility is opening at a time when Santa Fe is experiencing tremendous growth in domestic traffic," said Santa Fe Chairman, President and CEO Robert D. Krebs. "This expansion provides additional railroad freight handling capacity when and where it is needed. Santa Fe Railway's capital improvement projects during 1993 and 1994 will total more than \$1 billion, with much of that money being used to build or expand facilities. The Hodgkins/Willow Springs facility will increase our Chicago area handling capacity to more than 1.25 million carloads annually, up from 775,000 previously handled at Corwith Yard."

"This new facility will enable us to handle continued double-digit intermodal growth," said Steve Marlier, Santa Fe's senior vice president and

chief marketing officer.

"Santa Fe's success in growing our intermodal business is attributable to our ability to provide low-cost transportation and to meet our customers' service expectations," he added. "Recent performance for on-time shipments has exceeded 90 percent. As a result, we are taking long-haul business off the highways and returning it to railroads. The single most important source of our growth comes from the trucking industry, where we are developing a number of mutually beneficial partnerships."

*Via Train-It*

## RAILROAD RELOCATIONS Lafayette, Indiana

Hopefully some of you have had the chance to visit Lafayette and see the depot on "stilts". The depot was moved to the new site and raised about 20 feet to where its final resting place will be after the foundation is constructed underneath. The contractor is planning to get the building ready for winter work, that is have the basement closed in and work on the interior during bad weather.

The Ninth Street project has started with the excavation for the abutment footings. The fabricator has received final plans and has begun the drawings. It is planned to set steel on all bridges beginning in March of next year.

The relocation contractor is finishing the street work north of Harrison Street. There is still grading work to be done south of Smith Street and along the Wabash Avenue area. They plan to be finished by Thanksgiving but weather may delay much of the work.

Continued on Page 7

## NORFOLK SOUTHERN TO END STEAM PROGRAM

Norfolk Southern announced today (October 28) that it will discontinue its steam program after the close of the 1994 season.

"As much as we love the history and tradition that attach to steam excursions, steam operations have become incompatible with our total commitment to customer service," said David R. Goode, chairman, president and chief executive officer. "In the 28 years opportunity to showcase the heritage of railroads, and we are proud of the Norfolk Southern contribution to that heritage, but we can no longer justify the program in terms of the physical, financial and human resources that it demands."

All excursions trips scheduled for the remainder of the 1994 season will take place.

(Editor) From Internet via Doug comes the word that N&W 611 and 1218 will be returned to the park for display. The shops at Birmingham will be closed and all excursion equipment will be sold. A recent accident at Lynchburg damaged several of the cars, a couple of which would not have been rebuilt. Also, as stated by Steve Lee of the UP steam program the ADA act has caused them to look at making some of their equipment handicapped accessible. This is probably a cost that NS looked at and became part of their decision to stop the program. This move will not affect the 1995 NRHS convention but will have a direct effect on the one scheduled for 1996 and beyond.

The press release did not say that the railroad would not operate excursions if other equipment was used, but the statement about human resources indicates that personnel are not longer available to work the weekend trips. We would

expect that NS, along with the other eastern roads, will discontinue excursions except for very special occasions.

---

The repaving of Fifth Street has begun at the north end and this work will finish next spring. Final alignment plans for NS have been submitted to Atlanta for review. Next spring the city hopes to let the contract for two more bridges thus paving the way for trackwork in 1996 or 1997.

### Springfield, Illinois

On October 24 the first of the planned cutover began in the rain. On the west side of the city the railroad installed a left hand turnout that will lead to a local industry near Cockrell Lane. For the first 6 days the mainline trains traveled through the turnout side at 10 mph. The new alignment was aligned with the straight side and placed in service on the 30th.

The first train through was #145 about 3:00 in the afternoon. The first eastbound was the local. As the local approached the turnout (the straight side track has not been moved yet) they ask how they would get through as all they could see was an empty space beyond the turnout.

NS worked Monday and Tuesday at the west end getting all tracks aligned and surfaced. On Wednesday they moved about 3 miles east to near West Grand Avenue to line over the SP mainline to the new track. This began at 7:00 AM as the SP spiked their turnouts at Hazel Dell and KC Junction and removed their #1 track from service. NS took control of the track and began lining over to the new west main. Three NS welding crews moved in to begin welding the former SP track and the three No. 20 turnouts. A total of 40 NS M of W personnel were on the project for the first 4 days of the

cutover. In addition the signal department had 4 gangs for a total of about 30 people. Progress through Friday was good with the last cutover of the former SP mainline being done on Friday.

The contractor was at work on Wednesday removing the temporary turnout at the south end and moving to the new IC connection. This was accomplished by loading the switch and track panels on two flatcars. The SP brought in a SD-45 for the worktrain and moved the panels through the new crossovers for the contractor to move to the north end.

Thursday was catch up day with lining and tamping of the new connections, welding joints and picking up material. The contractor unloaded the switch and panels and began work at the IC connection. On Friday NS lined over the north end of the former SP mainline to the new track. Welding was completed at Hazel Dell area and preparation were made for Sunday.

Sunday, the big day, began at 6:00 AM. The last NS train had gone by around 4:00 AM and by 7:00 NS was shifting the track east of the diamond while the SP was removing the plug west of the same location. The removal of the SP was delayed until 8:30 AM when the eastbound Amtrak slid past pulling the section of #322 that would begin at Springfield (passengers were bussed from St. Louis).

The area of Iles Avenue was a beehive of activity. The SP had two track gangs working along with machinery and one signal gang. NS had three gangs along with machinery. The contractor was in with equipment excavating and placing sub-ballast. A total of about 100 workers were involved and with state people and sightseers we were near the 150 mark. With all of the activity there were no accidents.

By 11:00 the SP had most of their track in place and were beginning to

line and surface. The NS, due to lateness of Amtrak, got the train in place around 2 PM and began surfacing. The first Amtrak operated through the project at 2:20 PM, just about 25 minutes late. At 4:45 PM NS ran #145 westbound through the crossovers at Iles and down the siding to West Grand.

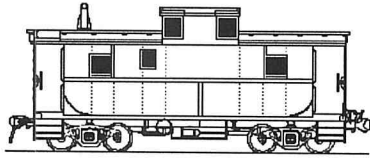
The entire cutover schedule worked well for the most part. As with all big projects there were bugs in the work, and their still is. By November 1 most of the signals were in operation and by the 3rd the control had been turned over to the dispatcher.

After 2 1/2 years of involvement with this project I must say that it was a thrill to see the first trains travel through the corridor. I spent most of Sunday evening with the signal department at Hazel Dell. We ran Amtrak, two SP and two NS trains. We had the first meet on the new track, a eastbound NS met the westbound Amtrak between Iles and Hazel Dell. To bad it was dark. The section between Hazel Dell and Iles will be a great place to railfan, especially when it is warmer.

On Monday we have a move with the Gateway Western. They had to get 90 cars of grain out of Currens elevator west of Springfield and lacked motive power. They leased C&IM #61, 31 and 21 and operated engine light to the elevator and returned the cars to the SP at the north edge of Springfield.

Work will continue on the IC connection and grading and seeding will continue as the weather permits. Iles Avenue is expected to be opened by November 13 (IDOT date) but lack of progress should shove that date to around Thanksgiving. My involvement will be less now but I will make some visits through next spring.

*Rick*



## WHEEL

**EMD** is constructing 25 more SD70M's. They will be in their lease fleet. The units will be numbered 7003-7027 (right behind the original maroon, silver & gray trio of demonstrator's 7000-7002) and will be leased to the Union Pacific at least until EMD can start delivering the SD80MAC's that the UP presently has on order. The delivery of the lease fleet units is expected to begin in January 1995. *Via North Western Limited*

**Special 1995 Convention enclosure in NRHS BULLETIN** issue number four. Open that envelope immediately and take out the special enclosure from LANCASTER CHAPTER regarding pre-convention registration and/or request for a copy of the full convention flyer which will be available after the first of the year. The enclosure gives detail of the convention program, hotels, etc. Even if you do not pre-register at this time, you must return the pull-out post card reply to receive the full convention flier. This is a special experiment by the Lancaster convention committee. (Ed. My copy of the BULLETIN did not have an enclosure, if yours didn't let me know.) *Via NRHS News*

**JOLIET JUNCTION RR** A new railroad has started in Joliet, Illinois by continuing service over 6 miles of ex-EJ&E trackage in the western part of the city. The line was abandoned in 1993 after fire destroyed a bridge on the line. In July service began using a SW1000 #RE 1401, an ex-GM Central Foundry unit from Saginaw Michigan. The line services business in Crest Hill, Joliet and Rockdale with interchange ser-

vice to the EJ&E at Crest Hill and CSXT in Rockdale. Don Bachman of Minooka based Relco Locomotives, Inc is the operator of the new line.

**INDIANA HI-RAIL CORPORATION** ceased to exist as of June 26th. The lines are now being named the WABASH AND ERIE RR, a new corporation operating the Connersville, Maumee, Rochester, St. Mary's and Tiffin Districts. The WABASH AND OHIO RR is operating the Evansville, Olney, Kentucky, Poseyville & Owensville and Huntingburg Districts.

**IC - KCS DEAL DIES** The Illinois Central and the Kansas City Southern have announced that their planned marriage has been terminated. Neither company has said what the reason is but it is speculated that the drop in price of the Illinois Central stock made the deal difficult. Kansas City Southern Industries is the owner of KCS and is still in the railroad business. The railroad is probably still for sale and the next round of purchaser's may be looking soon.

**NS - CR** Last month we reported that the rumored NS - Conrail merger was off. No additional work has been received but all employees of NS have heard the same word. Both railroads still continue to merge operations where effective, the most recent will be in Cleveland where NS will give Conrail finished auto products.

**BN - ATSF** The proposed merger of both railroads was officially filed before the ICC on October 13. In early October the UP made a proposal to acquire the ATSF at a price higher than the BN had offered. The ATSF board reviewed the proposal but decided the BN deal would win approval of the ICC and felt the UP merger would not. The merger must be approved by early 1996 according to the ICC schedule.

**TRAIN SHOW SCHEDULE** For those working the train show on the 19th we can gain entry to the DHS facility on Friday at 6:00 PM. Enter on the south side of the building. Saturday morning we can enter at 7:00 AM at the same doors. Dealers will be early so we need to be on time.

**NS SETS RECORDS** NS reported third quarter net income of \$168.3 million, up 19 percent from \$141.4 million in last year's third quarter. Third quarter earnings per share were \$1.24, up 22 percent from \$1.02 in 1993, and set a third quarter record.

Net income for the first nine months was a record \$491.7 million, up 13 percent from \$435.5 million in 1993. Earnings per share were a record \$3.59, up 15 percent from \$3.12 in 1993.

Railway operating revenues in the third quarter were \$975.8 million, up 7 percent from 1993. Third quarter motor carrier revenues of \$195.4 million were up 12 percent. Total third quarter transportation operating revenues of \$1.17 billion were up 8 percent.

Third quarter railway operating expenses of \$711.9 million were up 1 percent from 1993, while motor carrier expenses of \$181.8 million were up 13 percent. Total transportation operating expenses of \$893.7 million were up 3 percent.

Nine month railway operating revenues were \$2.92 billion, up 4 percent from the first nine months of 1993.

NS also set a nine month record for its railway operating ratio, the percentage of revenues that goes into operating the railroad. The ratio was 73.0 for the third quarter, versus 76.8 in the third quarter of 1993, and 73.9 for the first nine months, versus 76.1 in the first nine months of 1993.



