

# DANVILLE FLYER

## Inside this issue:

Great Lakes Railroad?	1
UP Says No to GLR	1
Conrail Turns 40	2
About Us	2
March Meeting Notes	3
SW Chief Wreck	3
Careloading takes a hit	4
C&EI Annual Meeting	5
CP-NS Merger Question	5
CTA Equipment	6
Metra Adds Service	7
Chapter Motorcar Trip	7
RDC Excursions	7
Photo of the Month	8

April 17th – Monthly meeting will at Jocko's Pizza on Williams Street in Danville— 1 PM to 3:30 PM. Program by Jesse Bennett

April 16 – Danville, IL Annual C&EI HS meeting at DACC – see page 5 for details.

April 16-17—Decatur Train Show at the Civic Center.

May 21 & 22—Engine 401 steams at MRM

May 28<sup>th</sup> – 30<sup>th</sup> Rossville Museum Opens 12-4 PM each day.

June 25 & 26—Galesburg, IL 2016 Railroad Days at Galesburg High School, \$5

## New Great Lakes Railroad?

The U.S. Surface Transportation Board's (STB) Office of Environmental Analysis late last week issued a notice of intent to prepare an environmental impact statement (EIS) and initiate the scoping process for the Great Lakes Basin Transportation Inc.'s (GLBT) proposal to build and operate a 278-mile freight-rail line in Indiana, Illinois and Wisconsin. The STB also announced the dates for public scoping meetings that will be held next month in each of the three states.

GLBT is proposing to construct a new rail line around the Chicago area to speed up freight transportation and provide additional capacity for growing rail traffic, according to the organization's website. Specifically, the line would extend from LaPorte, Ind., through Illinois to Milton, Wis., and would connect with Class Is.

The proposed rail line would alleviate shipping congestion by creating a bypass for traffic not destined for or originating in the Chicago area. The scoping meetings will be held April 11 in Manteno, Ill.; April 12 in Lowell, Ind.; April 13 in Wanatah, Ind.; April 14 in LaPorte, Ind.; April 18 in Janesville, Wis., April 19 in Rockford, Ill.; April 20 in Rochelle, Ill.; and April 21 in Seneca, Ill.

The meetings will include an open house format for the first hour, followed by a presentation by the STB's Office of Environmental Analysis and an opportunity for public comments and questions, STB officials said.

Progressive Railroading 3-21

*Editor: Interesting idea and all railroads would have to come to some agreement. The Dolton project I was involved with when still working started in 2003. In 2005 we started the preliminary design, the environmental work was completed in 2015 and no money, as far as I know, for final design and then construction. This is all on existing right of way where the above project is all new right of way. Most of you reading this will probably not see it built in your lifetime.*

## Union Pacific Says No to Great Lakes Railroad Plan

If a proposal by a group of investors to build a 278-mile Chicago bypass from southern Wisconsin to northeastern Indiana goes forward, it will be without the support of a key railroad in the region, Union Pacific.

Great Lakes Basin Transportation, Inc., is seeking authority from the Surface Transportation Board to prepare an environmental impact statement and a draft study on the \$8 billion bypass, which would link Milton, Wis., with La Porte, Ind., connecting with numerous Class I and shortline railroads along the way.

(Continued on page 3)

## About Us

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 is open weekends from Memorial Day to Labor Day and features many railroad displays plus a large operating HO model railroad. Membership in the Chapter is open to any-

one having an interest in any aspect of railroading. Dues per year are \$30.00 for Chapter membership in addition to \$50.00 for NRHS membership. Rossville Depot Museum membership is \$30 per year. Meetings are held on the third (3rd) Sunday of each month (except June July, August and December) at the Jocko's Depot Restaurant, Gilbert Street (Illinois Route 1) and Williams Street, next to CSX (former Conrail), in Danville, Il with lunch beginning at 1:00 PM Central Time followed by meeting and program.



## Officers for 2016—our 48th Year

Allen Cooke – President  
 Doug Butzow – Vice President  
 Dick Brazda– Secretary  
 Doug Nipper– Treasurer  
 Dave Sherrill – Programs  
 Jess Bennett – Historian  
 Bob Gallippi – Museum Director  
 Rick Schroeder – Editor  
 Cooke Business Products - Publisher



## Hard to Believe — Conrail Turns 40

It's hard to imagine a more inauspicious day to start a new venture than April 1, but that's exactly what happened on April 1, 1976, when Conrail came into being. Congress ordained the new company to pick up the pieces of the seven bankrupt railroads concentrated in the Northeast United States.

The bankruptcy of the ill-fated Penn Central in 1970 started the dominoes toppling, and the 1972 Tropical Storm Agnes flooding was the final blow for the Reading, Jersey Central, Lehigh & Hudson River and Lehigh Valley, while the Michigan-based Ann Arbor went bust in 1973. The new company had over 40,678 track miles and more than 94,000 employees when it started.

On day one, there were hundreds of miles of weedy, 10 mile-per-hour track, balky signal systems, ancient locomotives, bad order freight cars by the score, and yet, Congress expected this all to become profitable in short order. But even with millions of dollars of taxpayer funds, Conrail bled money. Not until the enactment of the Staggers Act in 1980, which allowed the railroads nationwide to recover their actual costs and abandon unprofitable lines, did Conrail have a chance to turn itself around.

(Continued on page 4)

## 2016— March Meeting Minutes

The meeting was called to order at 1344 by President Cooke.

The minutes of the previous meeting were approved with a correction in the dates of the Urbana train show to 4/2-3. The treasurer's report was provided and approved. Expenses for the month were \$110 and income was \$160 in dues, sales, concessions and donations. Program responsibility for the rest of the year was reviewed.

The Urbana train show will be April 2-3, which will shift the monthly operating session to 4/9. Popcorn will again be on the menu. Skyler will take items from the depot.

The May 15 meeting will be held on the Vermilion Valley RR. The start is scheduled for 1100 at Foster.

A spring trip was targeted for May 21. Driving to Matteson will feature the viewing platform near the CN loop connections. A ride on Metra will be taken to Homewood for the Homewood Rail Fest. Metra Saturday service is hourly. Departure is scheduled for 800 from Cooke on Liberty. Lunch will be in Homewood.

Rick mentioned the C&EI meeting at DACC on Saturday, 4/16. The meeting adjourned at 1359.

Henry Schmitt presented a show on the many tourist operations in the Midwest, some of which are now gone.

**The April meeting program will be presented by Jesse Bennett on the Illinois Railway Museum.**

*(Continued from page 1)*

In a statement to Trains News Wire, a railroad spokesperson confirmed that UP is not interested in the project.

"After carefully reviewing the proposal, Union Pacific determined in July 2014 that it was not interested in moving forward with a discussion on the Great Lakes Basin Railroad's bypass project," the railroad says. "We have repeatedly communicated this position to Great Lakes Basin's leadership team and associated organizations."



UP underscored its interest in CREATE, the Chicago Region Environmental and Transportation Efficiency Program, a public/private \$3.2 billion plan to ease congestion through track and route improvements. The project emphasizes the use of flyovers such as the one already constructed at Englewood on

the city's southeast side.

"Union Pacific is focused on several major public-private partnerships, including CREATE, which will benefit the region and enhance efficiency for Chicago-area and regional railroad operations," the railroad says.

*TRAINS On Line 3-25*

## Cause of Southwest Chief Wreck

An agricultural truck hit rail track and shifted it 12 to 14 inches a day before an Amtrak train derailed Monday at the location in southeast Kansas, the National Transportation Safety Board (NTSB) said in a media briefing on the incident yesterday.

The Chicago-bound Amtrak Southwest Chief Train 4 derailed about 125 miles west of Wichita shortly after midnight on Monday, Amtrak officials said. There were 131 passengers and 14 crew members on board. The incident sent 32 people to the hospital. The train was traveling about 60 mph just prior to the derailment, which occurred after the engineer reportedly saw the bend in the track and applied the brakes.

The truck that hit the track the day before was carrying cattle feed and belonged to Cimarron Crossing Feeders LLC. NTSB member Earl Weener did not say if the truck was the cause of the derailment, according to a report by ABC News. The NTSB posted photos of the truck on its Twitter account. Cimarron Crossing has been "very cooperative" and granted derailment investigators access to the truck, according to Weener, who was quoted in the ABC News report.

*(Continued on page 4)*

(Continued from page 3)

BNSF Railway Co., which owns the track, has restored the track and normal Southwest Chief service has resumed in western Kansas, Amtrak officials said yesterday in the railroad's blog. BNSF asked the public to immediately notify the Class I at 800-832-5452 of any incident involving railroad tracks.

*Progressive Railroading 3-16*

(Continued from page 2)

In 1981, Conrail President L. Stanley Crane got rid of 4,400 miles of track that carried just one percent of Conrail's traffic. The company got out of commuter train operations, always a drain on profits, by turning many commuter-heavy branches over to public transit agencies such as Boston's Massachusetts Bay Transportation Authority, New York City's Metro-North and Philadelphia's Southeast Pennsylvania Transportation Authority. It finally began to turn a profit.



The government privatized Conrail in 1986, and in 1987, it offered itself in the largest initial public offering ever of \$1.65 billion.

By 1998, the company was down to 21,000 track and 19,600 employees. Just 10 years later, CSX and NS came calling, and on June 1, 1999, the two split up Conrail and it was all over.

About 1,200 miles of Conrail continues today, as Conrail Shared Assets, operating as a terminal railroad in New Jersey and Philadelphia, as well in the Detroit area.

*Editor: As noted in the headline, it is hard to believe that Conrail is 40 years old. In the fall of 1976 Ed Davis and I made a trip east to Pennsylvania – the bicentennial year. We visited many places on the "new" Conrail and shot a lot of photos of Lehigh Valley, Reading, NYC and PRR locomotives in both the old scheme and the new Conrail lettering. It was a fun time and now we have the slides as memories. For those of us from the Danville area we will remember the planned connection from the P&E to the NYC line near the high school. (oops, a fill and buildings in the way), then the plan to use the Milwaukee to north of town and down onto the NYC line (turnouts were hauled and dumped off) and then they found property in the way.*

## Carloads take another hit

Carloads and intermodal units both took a hit in March 2016, dropping 14.2% and 7.7%, respectively, compared to the prior-year period, the Association of American Railroads (AAR) said on April 6, 2016, reporting weekly traffic as well as March traffic.

"Railroads are still looking for the light at the end of the tunnel, and for some commodities, including coal and other energy-related products, it's just not there yet," said AAR Senior Vice President of Policy and Economics John T. Gray. "That said, most economists are calling for continued slow but steady economic growth for the U.S. in the months ahead. Railroads stand ready to provide the freight transportation service the economy will require," Gray added.

Total carload traffic in March 2016 totaled 1,196,167 carloads, down 14.2% or 198,737 from March 2015. U.S. railroads also originated 1,250,925 containers and trailers in March 2016, down 7.7% or 104,343 units from the same month last year. For March 2016, combined U.S. carload and intermodal originations were 2,447,092, down 11% or 303,080 carloads and intermodal units from March 2015.

In March 2016, seven of the 20 carload commodity categories tracked by the AAR each month saw carload gains compared with March 2015. These included: chemicals, up 5.5% or 8,439 carloads; miscellaneous carloads, up 24.8% or 5,925 carloads; and motor vehicles and parts, up 5.2% or 4,690 carloads. Commodities that saw declines in March 2016 from March 2015 included: coal, down 35.9% or 188,250 carloads; petroleum and petroleum products, down 22.4% or 15,524 carloads; and metallic ores, down 27.1% or 7,281 carloads. Excluding coal, carloads were down 1.2% or 10,487 carloads from March 2015.

Total U.S. carload traffic for the first quarter of 2016 was 3,143,251 carloads, down 13.8% or 501,616 carloads, while intermodal containers and trailers were 3,339,672 units, up 1.5% or 49,958 containers and trailers when compared to the same period in 2015. For the first quarter of 2016, total rail traffic volume in the United States was 6,482,923 carloads and intermodal units, down 6.5% or 451,658 carloads and intermodal units from the same point last year.

Three of the 10 carload commodity groups posted an increase compared with the same week in 2015. They included miscellaneous carloads, up 20.2% to 9,324 car-

loads; chemicals, up 12.1% to 34,131 carloads; and grain, up 4.3% to 21,761 carloads. Commodity groups that posted decreases compared with the same week in 2015 were coal, down 39.2% to 62,256 carloads; petroleum and petroleum products, down 24.6% to 10,670 carloads; and motor vehicles and parts, down 3.2% to 17,330 carloads.

Canadian railroads reported 72,554 carloads for the week, down 6.8%, and 55,885 intermodal units, down 9.3% compared with the same week in 2015. For the first 13 weeks of 2016, Canadian railroads reported cumulative rail traffic volume of 1,669,001 carloads, containers and trailers, down 5.5%.

Mexican railroads reported 16,006 carloads for the week, up 10.7% compared with the same week last year, and 10,080 intermodal units, up 35.7%. Cumulative volume on Mexican railroads for the first 13 weeks of 2016 was 342,696 carloads and intermodal containers and trailers, down 0.2% from the same point last year.

## Senators Question NS-CP Merger

Two U.S. senators who serve on the Senate's Subcommittee on Antitrust, Competition Policy and Consumer Rights have written to the U.S. Attorney General's Office to express their concerns about Canadian Pacific's proposed takeover of Norfolk Southern Corp.

U.S. Sens. Mike Lee (R-Utah) and Amy Klobuchar (D-Minn.) sent the letter to Assistant Attorney General William Baer last week to say that CP's proposed voting-trust structure as part of its takeover bid could limit railroad regulators' ability to "protect competition and the public interest," according to a report in *The Wall Street Journal*.

Lee chairs the subcommittee and Klobuchar is its ranking member. The senators asked Baer, who serves in the U.S. Justice Department's antitrust division, to help evaluate the voting trust proposal. They wrote to Baer after CP filed its request with the U.S. Surface Transportation Board, which regulates railroad mergers, to issue a declaratory order that would confirm the voting trust structure, according to the article, which was posted on Klobuchar's web-

*(Continued on page 6)*

April 16, 2016

Danville, IL

## Annual C&EI HS meeting at DACC Conference Center located south part of the campus on East Main Street

**10 AM to 12 Noon: Meet and greet fellow members and friends of the society, sale and display tables available, no charge.**

**12 Noon to 1:15 PM - lunch on your own at local restaurants.**

**1:30 -4:30 PM – Tour of C&EI from Danville to Cayuga, IN, then follow the NKP toward Ridgefarm to where we will check out the former Milwaukee, then to the C&EI caboose and depot at Westville. From there we will follow the former Grape Creek line back to Danville.**

**5 PM to 6:30 PM - Group dinner at Jocko's Pizza, railroad decor.**

**7 -7:30 Annual Business meeting.**

**8 - 9:30 PM Program**

This year's evening program following the annual business meeting will be presented by Jeffrey Payne. Mr. Payne is a retired writer/producer/director of TV Production at Illinois State University in Normal. As a young man he worked as a crew dispatcher for the Gulf Mobile & Ohio Railroad in Bloomington, Illinois.

Jeffrey is the grandson of Earl W. Thornton who was the editor of the C&EI Flyer employee magazine from 1942 to 1950. Jeffrey inherited a 292 volume collection of the C&EI's monthly magazine and has written a book about the C&EI during World War II. Mr. Payne researched his large Flyer collection to chronicle a month to month history of the C&EI during the war.





(Continued from page 5)

site.

Under CP's proposed voting trust plan, CP Chief Executive Officer E. Hunter Harrison would sell his CP shares and take over executive operations at NS. CP would then be run by its President and Chief Operating Officer Keith Creel. The structure would be established prior to the STB's final approval of the merger.

NS has rejected all three of CP's merger proposals, the first of which was issued in November 2015.

In their letter, the senators wrote that the voting trust structure would allow Harrison to "implement a commercial strategy at Norfolk Southern different from that envisioned by current Norfolk Southern management," the Wall Street Journal reported.

They also said the STB's evaluation would benefit from Baer's expertise as to whether the voting trust would allow Harrison to coordinate with CP or begin integrating the companies before the merger receives final regulatory approval, the newspaper said.

"We have serious concerns that the voting trust Canadian Pacific plans to implement as part of its proposed acquisition of Norfolk Southern will limit the ability of the STB to protect competition," the senators wrote, according to the newspaper.

Progressive Railroading 3-9

## CTA to get New Equipment

The Chicago Transit Authority's (CTA) board yesterday awarded a \$1.3 billion contract to CSR Sifang America JV to build 846 rail cars. As part of its winning bid, the company has pledged to construct a new rail-car assembly facility in Chicago, which will be the first of its kind in 35 years, CTA officials said in a press release. Expected to generate 170 jobs, the plant represents an investment of \$40 million. CSR will complete prototypes of the new 7000-series cars in 2019. Following testing, the cars will go into service in 2020. CTA will purchase a base order of 400 cars first, with options to purchase the remainder in the future.

"This rail car purchase — the largest in CTA history —

will give CTA one of the newest fleets in the United States and provide our customers with state-of-the-art trains providing comfortable, reliable rides," said CTA President Dorval Carter Jr.

The cars' design, which was based on riders' feedback, will resemble the 5000-series with stainless steel bodies, LED lighting and signage, and AC power propulsion. On the interior, the units will feature a mix of forward-facing and aisle-facing seats. The seating configuration is designed to provide customer comfort while maximizing passenger flow and capacity, CTA officials said.

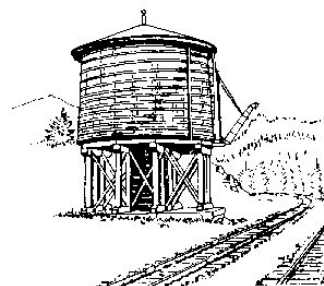
After delivery of the new units is complete, the agency will have its youngest rail fleet in decades, with the average age of its rail cars decreasing from 26 years to 13 years. The cars are expected to save the CTA \$7 million annually in reduced maintenance costs and reduced use of power, agency officials said.

CSR's partners include the Chinese state-owned rail-car manufacturing company CRRC Qingdao Sifang and CSR America, according to the Chicago Tribune. CRRC had previously been awarded a \$556 million contract to build 284 rail cars for the Massachusetts Bay Transportation Authority.

*Progressive Railroading 3-10*



Dave Sherrill and his wife visit Hawaii in January and road this train.



## Metra adds Additional Service

Metra has added a new mid-afternoon departure time for its Heritage Corridor Line, effective this week. The new service, which required agreements from CN and Amtrak, follows years of efforts by Metra, U.S. Rep. Dan Lipinski (D-Ill.) and other elected officials, Metra officials said in a press release.

The 2:45 p.m. departure from Chicago's Union Station expands weekday service on the line from six to seven trains. The train makes stops at Summit, Willow Springs, Lemont and Lockport, Ill., before arriving at its final destination in Joliet, Ill., at 3:50 p.m. CN owns the tracks and operates freight service on the line, while Amtrak owns Union Station.

Meanwhile, Metra announced yesterday plans to conduct "safety blitzes" at 45 train stations in conjunction with Operation Lifesaver Inc. During the blitzes, Metra safety employees will distribute educational materials about train and grade crossing safety, answer questions and listen to safety concerns from commuters. The railroad also presents a short video about crossing safety to riders. The initiative is part of Metra's ongoing efforts to raise awareness of the importance of safe behavior around its trains and tracks, officials from the commuter railroad said.

*Progressive Railroading 3-16*

## RDC Excursions on the R & N

**READING & NORTHERN ANNOUNCES RDC EXCURSIONS:** From May through September the Reading and Northern Railroad will operate RDC Excursions. For the first time in a generation, RDC trips will originate in Pottsville. Included in the ticket price enjoy food service in our refreshment car on board the only RDCs that have windows that open and shut. The commuter-like schedule will get you from Schuylkill County to Jim Thorpe in less than 2 and a half hours. While in Jim Thorpe, enjoy many of the shops, restaurants, and attractions. Pottsville to Jim Thorpe with stops at Schuylkill Haven and Tamaqua: May 8, May 28, June 18, July 10, August 13, August 28. Also available are Schuylkill County trips that head to North Reading, then take a tour at the Reading and Northern Railroad Corporate

Headquarters in Port Clinton. The headquarters tour will last nearly one hour. See a functioning car shop, engine shop, headquarter building, and dispatching center on the tour. Pottsville to North Reading with stops at Schuylkill Haven and tour at Port Clinton Headquarters: June 11, July 30, September 10. Call 610-562-2102 for pricing, scheduling, and purchasing tickets. (R&N -posted in RailPace 4/01)

## CHAPTER MOTORCAR EXCURSION AND PICNIC FOR THE MAY 15th MEETING

Rather than the usual meal and meeting at the restaurant on May 15, we will head to Foster, Indiana to take a short ride using Jim Montgerard's and Doug Nipper's motorcars. This ride will take place on the Vermilion Valley Railroad, which operates on the former Conrail (P&E) trackage from the state line east of Lynch Road to the former Olin plant west of Covington, now Flex-N-Gate. After arriving at Olin, we will have a picnic featuring burgers and hotdogs provided by Mr. Montgerard at the former Olin cabin once used for company picnics that now serves as the V V RR's headquarters. **Please do consider a donation to Jim to help cover his food costs.**

Foster is just off US136 right before you get to IN63 headed towards Covington. Turn north at the motel there, and cross the tracks and turn left. You can park back in the grain elevator's parking lot, and the cars will be staged nearby. We will get permission ahead of time to park cars at the elevator. Perhaps a group could share a ride in from Danville.

Please wear attire suited for the railroad environment. No sandals, but sneakers should be OK. Prefer hard shoes or boots if available. If you have a safety vest, it would make the group look "official"!

**The trip will start when everyone arrives, hopefully no later than 11:30 A.M.** If time permits, we will ride back past Foster on the return trip and see as much as we can of the line. At the time of this writing, there are a LOT of storage cars on the line, so the far west end may be blocked.

Hope to see you there.

**Danville Junction Chapter, NRHS**  
**PO Box 1013**  
**Danville, IL 61834-1013**

Phone: 217-552-6514  
Email: rickschro1@gmail.com

**We're on the Web!**  
**[www.danvillejct.org](http://www.danvillejct.org)**

## Photo of the Month



Norfolk Southern started installation of a new turnout on the crossover just north of Williams Street in Danville. Allen Cooke shot this photo on March 25<sup>th</sup> of the replacement project. NS has welded rail strung out along the westbound main and the turnout is part of the replacement project.