DANVILLE FLYER A PUBLICATION OF THE DANVILLE JUNCTION CHAPTER, INC. NRHS

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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 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 anyone having an interest in any aspect of railroading. Dues per year are \$20.00 for Chapter membership in addition to \$37.00 for NRHS membership. Meetings are held on the third (3rd) Sunday of each month (except June July, August and December) at the Jocko's Depot Resturant, Gilbert Street (Illinois Route 1) and Williams Street, next to CSX, in Danville, II. with lunch beginning at 1:00 PM Central Time followed by meeting and program.

OFFICERS FOR 2009 - Our 41st Year

PRESIDENT: Doug Nipper SECRETARY: DickBrazda NATIONAL DIRECTOR: Rick Schroeder MUSEUMDIRECTOR: Robert Gallippi EDITOR: Rick Schroeder, rickschro1@gmail.com PUBLISHERS: Allen Cooke & Doug Nipper 1819 Coventry Dr. Champaign, IL 61822-5239

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

MEMBER: Association of Illinois Museums and Historical Societies

Visit our Chapter WWW Home Page On-Line - http://www.prairienet.org/djc-nrhs/



Union Pacific 4367 and UP 4629 lead O686 west on former Conrail track through Terre Haute, Indiana on November 21, 2008. Photo by R. Schroeder

Coming Events

January 18, 2009

Danville, IL - Monthly Chapter Meeting at Jocko's Depot Restaurant, 1:00 PM

January 11, 2009

Wheaton, IL - Great Midwest Train Show - DuPage County Fairgrounds, 9:30-3, \$7

February 15, 2009

Danville, IL - Monthly Chapter Meeting

February 15, 2009

East Peoria, IL-Illinois Valley & River City Railroad Club Train Fair, Illinois Central College, 10-3.

February 21 & 22, 2009

Mattoon, IL - Cross County Mall, Annual Cross County Model Railroad Days, Sat 10-9, Sun 12-5.

March 28 & 29, 2009

Urbana, IL - 32nd Annual Model Train Show and Swap Meet, Lincoln Square Village in downtown Urbana. Sat 10-6, Sun 11-5, free.

Model Railroad Operating Sessions

Mark your calendar now for the following operating sessions that will start at 1:00 PM and end after 3:00 PM:

Rossville

Saturday, February 7, 2009 Saturday, March 7, 2009 Saturday, April 4, 2009

Danville and Western

Operating Sessions, 1819 Coventry Drive, Champaign, beginning at 12:30 PM and ending after 3:00 PM

Saturday, January 24, 2009 Saturday, February 21, 2009 Saturday, March 14, 2009

Next Meeting

Our next meeting will be held Sunday, January 18 at Jocko's Depot Restaurant, Williams and Gilbert Street, beginning at 1:00 PM.

At the November meeting officers were elected for 2009. Doug Nipper will be President, Dave Sherrill is Vice President, Dick Brazda is Secretary, Allen Cooke remains as Treasurer and Rick Schroeder will be National Director again. As Doug noted, next November it would be nice for some others to step up for an office. We welcome Skylar Brown of rural Alvin as a new member. Skylar helps each summer at the museum.

The first operating session at Rossville with the DCC system went very well. Everyone enjoyed the operations and there were not head on wrecks - only a couple of close calls. Everyone agreed that this system had many benefits over the analog system but dispatching presented some additional challenges. It is still hard for some of the members that have worked with DC for so long to remember that you can now have two or more trains using the same track at the same time. Many ideas were exchanged via Email after the session. We would like to thank Doug Nipper for his pursuit of the change from DC to DCC and solving the problems as we went along. We also thank those that came to help rewire the layout, an almost impossible task for one person to accomplish. If you like to run trains come to the sessions, it is always fun.

Member Dick Brazda has invited Mary Kay Bruns to speak at the January meeting. Mary Kay is a Danville resident who grew up in the South Wayne, Wis. station of the Milwaukee Road on the Jansville-Mineral Point line. She will have some pictures for viewing and recount her and her parents experiences of living in a railroad station. Be sure to attend as this talk will bring back a time in history that is long forgotten.



<u>BNSF takes wraps</u> off Cajon Pass triple <u>track</u>

Beginning on November 3rd when the first train operated over the new track, the BNSF Railway Co. increased the capacity on the line by some 50 more trains through southern California's Cajon Pass thanks to a recently completed third mainline — the first additional track to be built through the pass since the second mainline was constructed in 1913.

The Class I spent \$90 million to build 16 miles of triple track on a portion of the Los Angeles-to-Chicago "Transcon" intermodal route that taps into the L.A. Basin. Now, BNSF can operate 150 trains through the pass daily instead of 100. On Monday, the railroad marked the first train to use the third mainline.

"Cajon Pass is our only southern California connection to the rest of the BNSF network from the San Pedro Ports," said Mark Kirschinger, BNSF general manager-California Division, in a prepared statement.

During the past four years, more than 300 BNSF employees and contractors worked on the triple-track project. Crews moved more than 1 million tons of earth, installed about 42,000 concrete ties and laid more than 30 miles of rail.

Editor: The firm I work for, URS Corporation, did the environmental, design and construction assistance on this project. Normally in California the environmental permitting can take from 4-8 years to complete and get the project permitted. Our firm was able to get the permitting process down to a 2year period prior to construction and thus awarded the design and geotechnicial assistance during construction. At the present time our firm is involved in the start of the environmental work on the Tehachapi Loop second main project. The track is owned by UP and the BNSF has rights, BNSF is funding the environmental work on the project.

The President's Corner

With the distraction of DCC behind us now (and assuming it's still working well at Rossville), we can resume my random thoughts agenda for these columns.

This time I would like to talk about what it took to build a railroad at the end of the 19th Century. An easy example that you can still see today is the old wood trestle on the Judyville Branch just east of Rossville Junction. If you ever take the eastern "back way" to Rossville, up through Alvin and then by the cemetery next to the railroad, you will soon be on that road that straightens out after the river and continues to Attica St. About halfway between the river and the end of the road where it T's into Attica Road, you'll see a hump in the pavement. Look east and you'll see that trestle out in a farmer's field.

The trestle is in pretty bad shape now, but as recently as 10 years ago I think the farmer used it to get his equipment and cattle over the creek. What impresses me, though, is the fill that was required between the road crossing and this trestle. It's easy to think of how they would build that today, with modern earth-moving equipment and the power of hydraulics. But then think of it in terms of mule power and steam shovels and manual labor. When workers were plentiful and relatively cheap, things got done that would seem like Herculean tasks today with the same methods.

In some of the abandoned line tours that Rick has given, the key to finding old grades is to look for these fills. Southeast of Covington, Indiana there is a field just north of I-74 where you can see a slight rise in the ground for the length of the field. This was the Chicago, Danville & Vincennes' "Punkin' Vine" line that took off at Bismarck and ran to Snoddy's Mill in Indiana. Although slight, just think of the thousands of cubic yards of dirt that were moved to create this artificial rise. It boggles my mind, especially when I have to do any digging around my house and get worn out after a couple of wheelbarrow loads!

The main line of the C&EI was well planned, unlike the Punkin' Vine with its many hills and valleys (the joke was the conductor in the caboose would lose sight of his engine even if the train was short). The reason that CSX values the line to Chicago that runs through Danville is the level nature of the roadbed and large radii of curves. It took a lot of fills and cuts to make that happen.

One of my favorite cuts was on the old Chicago, Indiana and Southern (NYC) that came south into Danville from Indiana. This line was built after the turn of the Century, and one can imagine more mechanized construction. Just south of Liberty Lane, the surrounding ground rose up about 30 feet, and the railroad was in a wide cut there where the slope was cut way back. In walking that line in my youth, I always thought that if they would ever have a tank car in danger of exploding for some reason, this would be the place to move it. Any blast in that cut would be deflected upwards for certain...

Doug

CN, Amtrak agree on Chicago line access

Earlier commitments made by Canadian National are embodied in an agreement announced Wednesday that will ensure Amtrak's continued access to the St. Charles Air Line route for its trains between Union Station in Chicago and downstate Illinois destinations, including Carbondale and Champaign.

The agreement is part of CN's continuing effort to ease concerns about its proposed acquisition of the principal lines of the Elgin, Joliet & Eastern, to which it would divert some of the freight traffic that now moves through Chicago. The agreement also provides for CN to continue to maintain the route used by Amtrak.

CN is urging the Surface Transportation Board to reach a final decision on its proposal so that the transaction can close by the Dec. 31 deadline set by the parties to the purchase agreement. "We hope that the resolution of Amtrak's concerns will help the STB expedite its overall review to that end," said CN's president and CEO, E. Hunter Harrison.

Editor: Shortly after the CN announced they were looking to purchase the EJ&E the word came out it might affect Amtrak. Within a short time many of the cities along the Illinois route of the Illini and Saluki voted in their councils to oppose the acquisition. There was no investigation, just the jump in and vote against it. As part of CREATE one of the proposed routes for these trains will be off the CN near Grand Crossing and up on NS and other routes into Union Station. This plan has been in the works for a long time before the CN looked at the EJ&E purchase as Mayor Daley wanted to get trains out of the area being develped into condos.



Indiana Rail Road #6007, former Soo Line #6007, waits in the shadow of trees on the former Milwaukee mainline at Fayette, just east of Indiana Route 63 and the north side of the Duke Power Plant, north of Terre Haute. The empties are located behind the power waiting for a crew to arrive and head back to the mine. November 21, 2008, by R. Schroeder

President Elect selects Illinois Republican to head DOT

Peoria, Ill., Republican Rep. Ray LaHood has been chosen as Barack Obama's secretary of transportation, placing him in a key role in an administration that has signaled plans for an ambitious public works program, according to a story in the *Chicago Tribune*.

According to the Tribune, LaHood's nomination fulfills a pledge Obama made to name a Republican to his Cabinet. LaHood is an ideological moderate who has a reputation for bipartisanship and a deep network of relationships with members of Congress from both parties.

LaHood, 63, who planned to step down from Congress at the end of the current session, is a Capitol Hill veteran, a former chief of staff to then-House Minority Leader Robert Michel (R-III.) who was elected to his former boss' seat in 1994. The tide of Republicans elected to Congress that year and the change in party control ushered in a highly partisan era, but LaHood is an institutionalist who maintained a diplomatic style and co-sponsored retreats designed to promote civility in Congress.

LaHood has a record of supporting funding for Amtrak and public transit, even when doing so put him at odds with other Republicans in Congress.

Via TRAINS On-Line 12-22 Editor: The incoming administration is pro-Amtrak and pro-rail and thus Amtrak and the rail industry should see a better future. Once the current political issues are resolved with our governor, and Illinois is represented by the President and Secretary of Transportation, perhaps we will see the rail climate in Illinois, especially in the Chicago area with CREATE, improve with more funding. .



<u>CN orders 40 EMD</u> <u>high-horsepower</u> <u>locomotives</u>

Canadian National Friday said it has ordered 40 additional high-horsepower locomotives from Electro-Motive Diesel, Inc. (EMD), and secured an option for 50 more. CN will receive 40 EMD 4,300-hp SD70M-2 locomotives in early 2010, with the option for 50 more by 2011.

At present, CN currently has 75 SD70M-2s in service, and 25 additional units, ordered in 2007, will be added to CN's locomotive roster during the first quarter of 2009.

CN President and CEOE. Hunter Harrison said, "The new EMD locomotives are a sound investment. They will help CN improve the efficiency and reliability of its motive power and enhance customer service, and will also allow us to reduce fuel consumption and exhaust emissions. Rail is the green mode of transportation, and our new locomotives will further enhance our environmental performance."

EMD says the new locomotives will be up to 20% more fuel efficient than the ones they replace and will comply fully with the latest regulatory requirements for reduced locomotive emissions. The new units also include improved crew cabs that will also be isolated from the frame to reduce noise and vibration for train personnel.

The locomotives also will be equipped with distributed power (DP) capability, enabling remote control of a locomotive or locomotives throughout a train from the lead unit, providing faster, smoother starting, improved braking, and lower pulling forces at the head end of a train.

Remember, 2009 Chapter/Museum Dues are due by the end of March.

Boardman backs coast-to-coast <u>Amtrak</u>

Amtrak's new president and CEO, former Federal Railroad Administrator Joseph Boardman, has news for "those who may make incorrect assumptions about my past affiliations."

"Let me be very clear: I am here because I believe in Amtrak," Boardman told Amtrak employees in a letter two weeks after he came on the job. "Splitting off the Northeast Corridor or separating the NEC infrastructure from operations are absolutely not in my plans. I not only want to preserve our coast-to-coast, interconnected system, but also want to see it prosper...I plan to build on the many opportunities we have to show how critical passenger rail is to the economy and mobility of America."

Boardman, whose appointment has come under criticism from some unions, also said: "A couple of things you should know about me: I'm a former member of IBEW and Teamsters. I am a straight shooter, so you'll know where I stand on things. I listen closely and rely on the strengths of well-qualified people to give me their recommendations. I strongly believe that collaboration is a necessity in our business, and I don't have much time for those who stand in its way."

Via Railway Age 12-12-08



Danville Chapter, NRHS-Minutes 11/16/08

The meeting was called to order at 1401.

The Treasurer's report shows the following balances:

Checking	\$1838.44
Savings	\$4636.13
Total	\$6474.57

The October meeting minutes were approved as corrected (1225, not 1223).

Old Business

The Urbana train show will be held on two days in March. Details will be forthcoming.

New Business

A G Gauge layout is set up at the Vermilion County museum as part of a Christmas display.

The December operating session at the museum is being moved to 12/13.

Dave and Bill went to Evansville and toured 4 layouts.

Jess Bennett has P&E valuation reports from State line to Pekin.

Election

Current officers were re-elected for 2009 with the exception of vice-president. Since Mark is still out of state, he asked for a replacement. Dave Sherrill was elected.

The meeting was adjourned at 1413.

Rick presented a tape on UP steam on the former C&EI.

CSX #593 heads west from Chrisman with 2 road units/slugs and one trailing unit and about 140 cars early in the morning of November 21. At less than 40 mph the train will be some time before reaching Decatur. Note all units are in the new solid blue scheme. Photo by R. Schroeder



<u>BNSF - moving for-</u> ward on the railroad <u>- not in the hobby</u>

By Rick Schroeder

In the March 2008 issue of Railway Age there was an article on BNSF entitled "Steering Steady in the Storm". The article covered the rise of BNSF today under CEO Matt Rose after following the Rob Krebs scale back. BNSF has continued to pump some \$2.5 billion annually into the railroad to improve the entire system from track to technology. Capacity improvement projects total around \$350 million a year (2008) and include completion of the double track from California to Chicago (should be complete by 2010 and see article elsewhere in this issue on the Cajon Pass project), three and more tracks in the Powder River Basin, intermodal yard expansion and additional sidings on heavy traveled routes.

BNSF has moved forward in the ECP (electronically controlled pneumatic) braking systems with some coal trains totally equipped. NS was the first railroad with ECP braking systems and BNSF followed very soon on a 1,500-mile route from the PRB to a Southern Company power plant. ETMS (Electronic Train Management System) has been in the testing stage on the BNSF Beardstown (IL) Subdivision and is now being tested on some other subdivisions, some ABS and some CTC area. UP and NS are working with BNSF and Wabtec technology to advance the system toward Positive Train Control, the system that is now mandated by the FRA.

As you can see, BNSF is a forward moving company and that is one of the reasons that Warren Buffet's company has purchased more shares of stock, now owning some 20% of the company. We to own some shares of BNSF and it has done very well, even in these times of market downturn.

Then we come to news in the other direction. In the January 2009 issue of Model Railroad News there is an editorial by John Sipple concerning a letter from BNSF. This letter has apparently been sent to all model manufactures of BNSF models, now matter what scale, and like the UP of past years is asking for license agreements along with a fee. The letter says that any use of BNSF "intellectual" property is licensed with them and that includes Santa Fe, BN, Frisco, Northern Pacific, Great Northern, CB&Q, SP&S and others. The agreement would cost each company, or small business, \$1,000 at the start. In addition they want 5% of the total sales of items bearing their logos and related images.

Do you remember the UP asking the same back in 2002? Yes, and they did send the C&EI HS a letter stating similar requests but for us they would "waive the fee" as we were a historical society. The C&EIHS never pursued the request as an attorney said we did not need to answer. The UP found in 2005 that the program was costing more than they got out of the fees and with the lawsuit filed and won by Mike Wolf the issue settled to only license agreements, no fees that I know of. Will BNSF find out the same problem? Probably so and look for another lawsuit to be filed on behalf of model railroaders everywhere.

In a other recent article on national security BNSF was sighted for its program of rail fans registering with the railroad as "eyes on the line" members and how that program provided more security to their system. Seems strange, in department they are bringing the rail fan/model railroader community into their system to help provide security and another department is driving them away. Would be nice if they would get together.

Watco seeks to lease NS lines in Michigan

A Kansas-based railroad operator, which last year tried to buy a Michigan rail line used by Amtrak, has asked the federal government to OK the lease of a freight line running through Kalamazoo, *The Kalamazoo Gazette* reported.

Watco Cos., based in Pittsburg, Kan., last month asked the Surface Transportation Board to allow it to operate 123 miles of railroad owned by Norfolk Southern, according to a written statement issued by Watco. In December 2007, the Surface Transportation Board denied a request by Watco to form a joint venture with Norfolk Southern to operate 300 miles of Michigan railroad, including the line between Ypsilanti and Kalamazoo used by Amtrak passenger trains.

Community leaders and politicians across southern Michigan rallied against the proposed deal at the time, fearing it might harm high-speed passenger rail service between Detroit and Chicago.

In this new, proposed deal, Watco would form a subsidiary company, The Grand Elk Railroad, to ship freight between Grand Rapids and Elkhart, Ind.

"The Grand Elk will help the area's economy by providing freight service to customers at various locations," Watco said in its statement. "As part of this transaction, the Grand Elk will be investing significant resources in improving the railroad. Currently, speeds on portions of the railroad have dropped to 10 mph and the Grand Elk Railroad will be inserting ties and working on the line to bring the speed up to 25 mph from Elkhart to Grand Rapids."

The Grand Elk would serve 55 customers and move an estimated 22,000 annual carloads of automotive parts, plastics, metals, lumber and aggregates, it said. The company would be based in Kalamazoo at the Botsford Yard on Mill Street and employ 54 workers, Watco said. Watco said it expects the regulatory process to last 60 days, and, if approved, The Grand Elk could begin operations in March 2009

Via Railway Age 12-5

Chicago and Eastern Illinois Historical Society Annual Meeting - DACC, Danville, IL April 18, 2009.

Rail News

<u>CN, Dyer, Ind.,</u> <u>reach agreement on</u> <u>mitigation plan</u>

CN reached an agreement with the Town of Dyer, Ind., located 30 miles southeast of downtown Chicago, that resolves the municipality's issues with CN's proposed acquisition of the principal lines of the Elgin, Joliet Eastern Railway Company. Under the agreement, CN will assist in the creation of quiet zones, and take various steps to improve train operations, safety, communications, and emergency preparedness in Dyer.

The agreement is contingent upon regulatory approval of CN's proposed acquisition of the EJ&E. The transaction is being reviewed by the Surface Transportation Board, which is encouraging CN and communities to reach voluntary mitigation agreements.

Gordon Trafton, CN senior vice-president, Southern Region, said: "CN appreciates the Town of Dyer's efforts in negotiating this mitigation agreement, which we believe will manage the community impact of the EJ&E transaction in the best interests of the municipality and CN. This is CN's third mitigation agreement with a community along the EJ&E, following pacts signed with the cities of Joliet and Crest Hill, Illinois. We will continue talks with other municipalities on the EJ&E line in hopes of reaching similar voluntary mitigation agreements with them."

CN is committed to meet all of the STB's established mitigation standards under a comprehensive mitigation program that would cost about \$60 million, in addition to \$100 million CN has earmarked for infrastructure improvements on the EJ&E.

With the STB preparing to issue the final environmental impact statement on the proposed acquisition of the EJ&E, CN remains optimistic that the Board will issue a positive decision within a time frame that will allow the transaction to close and its benefits to be realized. CN's EJ&E transaction will provide clear transportation, economic and environmental benefits to the Chicago region and the nation. **GREENSBURG, Ind**. - Honda made its first rail shipment from the new Greensburg, Ind., auto assembly plant via RailAmerica's Central Railroad of Indiana, Indianapolis' WRTV News has reported. CRI moves the vehicles to Cincinnati, where they're interchanged to CSX and Norfolk Southern.

"One of the primary reasons Honda looked at Greensburg was the transportation system available, both rail and also interstate," Honda's Andrew Stoner said. "This is an exciting day to have our first shipment of cars moving. Eighty percent of the cars we make will ship every day by train." Honda manufactures its popular Civic, a small car that gets near 40 miles per gallon, at the Greensburg plant. It plans to load 8,000 freight cars annually with Civics once the plant reaches full production. The plant began operations in October. - *Via TRAINS ON OKE 12-5*

The public can vote on its choice for a new "brand name" for Amtrak's St. Louis-Kansas City service. Finalists are *Missouri Rail Blazer*, *Missouri River Runner*, *River Cities Corridor*, *ShowMeMo* and *Truman Service*. Vote by Jan. 23rd at <u>www.morail.org</u>.

The current Galesburg, Ill., Amtrak depot was built in 1984 in the traditional style. The large two-story ex-CB&Q depot and division office was torn down in May 1983. The Web site www.greatamericanstations.com has photos and histories of all depots used by Amtrak on the California Zephyr, Empire Builder and Southwest Chief routes. Santa Fe built a modern depot in Galesburg in the mid-1960s.

Burlington, Iowa, City Manager Doug Worden told the City Council in late December 2008 he is tracking grant sources to help with renovation of the former Burlington depot, used as an unmanned Amtrak stop. Amtrak officials have indicated their willingness to help facilitate the process. Amtrak's Marc Magliari said they have made it a priority to see the 22,000-square-foot depot is restored to its former glory and are pretty confident they can get something moving. In the past the council has put renovation high on its priority list but little progress has been made. It's estimated \$1 million will be needed. Construction of a flood wall or similar structure would add to the marketability of the building, which saw water from the Mississippi River seep in during floods in 1993 and again in June 2008. Developers had considered the building for office space or a restaurant but none of those ideas became a reality. The Southeast Iowa Regional Planning Commission also considered moving into the depot but later changed its mind. The city bought the depot from BN for about \$75,000 in 1994 and has spent nearly \$400,000 in state grant money for exterior work, including roof repair, new windows, awning replacement and installation of a heating system.

With the power being stored across the system and employees cut off, this also means that cars are being stored. BNSF has been filling up the York Canyon Mine Spur southwest of Raton, NM with empty double stacks. They had pulled many of the cars from there earlier this year, but as of DEC. 5th, there are 1192 car lengths of double stacks stored there equaling 103,135 feet. This is over 19.5 miles of empty double stacks in one location. Many of the sidings along the BNSF are also full of empty doublestack and intermodal equipment. As BNSF stored the cars, many of the trains were switched to have BNSF equipment sorted out from Trailer Train equipment. The York Canyon equipment is all DTTX cars.

Above four items via the Email Brass Switchkey Railnews, V.15, #52, Dec 31, 2008

Chapter Donations

The following have donated to the Chapter this year. This year we installed, thanks to the hard work of Doug Nipper, a DCC system on the Rossville layout. This required purchase of boosters and throttles along with various electronic items to complete the installation. Those members that operate have donated to offset the cost of the material and we appreciate the donation very much. Other donations have been made to the Chapter for use in running the museum. To date over \$1.000 has been donated for the DCC installation and over \$500 to benefit the Chapter. Again, we thank all of you for your contribution during some difficult times. The following is a list of those that have contributed to one or both funds:

Allen Cooke Doug Nipper AlHintz Doug Butzow **Bob** Gallippi Jess Bennett J. D. Cooke Larry Nilles Dick Brazda Wade Frasch Ned Cooke **Brian Higgins** John High **Rick Schroeder** Terry Runner Randy Rippy (along with a company match). If you have not sent in your renewal for 2009 be sure to do so this month. If you wish to donate to cover expenses of the Chapter we will really appreciate the additional money added to the treasury. We have cut some expenses by sending the newsletter to many of you via Email and if you would like to be added to the list contact Rick Schroeder at the address listed in the masthead.

2009 INAUGURATION TRAIN

to arrive in Washington DC

President-elect Obama & family will depart Philadelphia and proceed to Wilmington to pick up Vice President-elect Biden & family and continue on to Washington Union Station. This historic occasion will make for some great coffee table inauguration train books filled with full page photos. The designated railway route closely follows that traveled by President-elect Lincoln in 1861! After 50 years of massive and almost total dismemberment of the worlds largest national passenger railway network the new leadership in Washington realizes the value of passenger, freight railroads and railway infrastructure as strategic social, economic and military assets. Compare the use of railway travel on this historic occasion to the ''ROYAL TRAIN'' that Queen Elizabeth Prince Phillip Prince Charles & family use frequently for travel in the UK for family, business and matters of state.

STB blesses CN's EJ&E acquisition

Class I questions board-imposed conditions

The Canadian National got an early Christmas gift from the Surface Transportation Board (STB) last week. But it wasn't exactly the gift CN expected.

On Dec. 24, the board announced it unanimously approved the Class I's application to acquire control of a major portion of the Elgin, Joliet & Eastern Railway Co. (EJ&E), subject to certain conditions, including environmental mitigations and a five-year oversight period requiring quarterly reports. The mitigations include the construction of two grade separations (to be funded 67 percent and 78.5 percent by CN), the installation of cameras to monitor grade crossings to assist emergency responders, school and pedestrian safety measures, and noise reduction measures. CN also must comply with labor protections.

Although the Class I is pleased the STB met its wishes by issuing a final decision on the transaction by year's end so the railroad could meet an acquisition deal deadline with EJ&E owner U.S. Steel Corp., the railroad questions the inclusion of some conditions and plans to carefully review the decision, CN officials said in a prepared statement.

"We are pleased that the board has recognized the public-interest benefits of the transaction — the critical need for rail-congestion relief in the Chicago region — while mitigating the rail acquisition's impact on certain communities situated on the EJ&E," said CN President and Chief Executive Officer E. Hunter Harrison. "[But] we are nonetheless disappointed that the STB has mandated significant additional mitigation beyond the recommendations provided in the Final Environmental Impact Statement issued by the STB's Section of Environmental Analysis with respect to the grade crossings in Lynwood and Aurora."

STB members believe the conditions are warranted based on a long and detailed environmental review and more than 9,500 public comments received on the draft environmental report. After considering the transaction's transportation-related aspects and environmental impacts, they determined the acquisition would not result in a "substantial lessening of competition, the creation of a monopoly or a restraint of trade in freight surface transportation in any region of the United States."

"Approval of this important railroad merger, with the conditions we have imposed, marks a significant step forward in our nation's efforts to alleviate rail and highway congestion," said STB Chairman Charles Nottingham. "I am pleased that the board ...

after an unprecedented public involvement process, [agreed] to grant the relief that this merger will provide to the many Chicago neighborhoods that have been disproportionately burdened for many decades with severe rail traffic-related roadway congestion."

The STB's decision takes effect on Jan. 23. CN expects to close the transaction under which it will acquire most of the EJ&E from U.S. Steel for \$300 million — shortly afterwards.

Via Progressive Railroading 12-29-08

<u>Frankfort, Illinois</u> will move to cut deal with CN

At the urging of village residents, Frankfort officials have decided to switch tracks and make a deal with the Canadian National Railway to ease the impact of more freight trains rumbling through town.

In a public meeting Monday night, Mayor Jim Holland told residents that once a final environmental impact study is published on CN's planned purchase of the EJ&E Railroad, Frankfort would lose any leverage it has to force CN to make improvements. Holland said the study could be issued soon. CN wants to acquire the EJ&E line to move its freight trains through the Chicago area more quickly and easily. The line circles the Chicago region from Gary to Waukegan.

Holland told a group of about two dozen residents Monday night that that he believes the final study will be "less than ideal" for Frankfort and would weaken its bargaining position with CN. With it appearing likely that the U.S. Surface Transportation Board will approve the rail merger, Frankfort residents urged village leaders to "cut the bait" and get what noise and safety concessions they can out of CN "but don't give away the store."

Among the improvements being sought are sound walls and landscaping to re-

duce noise and creating a "quiet zone" in which trains would be prohibited from sounding their horns through the village.

Frankfort has been a leader in a coalition of communities that has opposed the merger. CN has estimated that it will increase freight trains on the EJ&E tracks from only a few to as many as 28 per day.

<u>CSX explores</u> <u>options for</u> <u>Greenbrier resort</u>

CSX is taking a harder look at its non-rail holding. On Friday, the company announced it's examining all strategic options for The Greenbrier resort in White Sulphur Springs, W.Va., and has retained Goldman, Sachs & Co. as financial advisor to assist in the review.

The Greenbrier recently initiated a study of potential gaming operations at the resort. Results of the study, which is being conducted by The Innovation Group, will be incorporated into the overall review.

The Greenbrier lost \$35 million last year and faces "more difficult challenges" in 2009, CSX officials said in a prepared statement. CSX plans to make the resort one of the nation's top destinations and a viable business entity.

"The Greenbrier is at a crossroads," said CSX Chairman, President and Chief Executive Officer Michael Ward. "While we have continued to make investments to keep the resort competitive, the market for luxury hospitality services is shrinking rapidly in this economy."

Meanwhile, CSX named Michael Gordon president and managing director of The Greenbrier. He most recently was the resort's general manager.

Via Progressive Railroading

Editor: Lets see, the \$35 million they lost could buy around 15 new locomotives, or build 15-20 miles of new sidings.

Railroad Research at the University of <u>Illinois.</u>

If you want to check out some history on the C&EI check this site at the U of I..<u>http://www.archive.org/details/</u> preliminaryhisto00samp

From Chris Barkan, PhD, Director - U of I Railroad Engineering Program, this is just a small piece of large and growing amount of material we are digitizing at the U of I as part of a multi-library effort. For a complete list and links to what we have already done, go to <u>http://illinoisharvest.grainger.uiuc.edu/digitized_books.asp?set=RH</u>

Chris has brought back the Railroad Engineering Program in the university over the past several years. There is a Graduate Student Program and some Undergraduate work involved. Every other Friday he holds noontime railroad seminars at the Engineering Library, sponsored by Norfolk Southern Corporation. These are open to the public. I have attended several and presented the Blue Island Third Main project about 3 years ago. Last year URS presented the Schlocta Buildout project on NS in Pennsylvania.

Rick Schroeder

REMINDERS:

2009 Dues are due.

<u>Urbana Train Show</u> <u>March 28 & 29,</u> <u>2009</u> <u>Lincoln Square</u> Village