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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 \$17.00 for Chapter membership in addition to \$33.00 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 2008 - Our 40th Year

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



Eastbound BNSF 7772 and 4722 pass the bridge signal at the Edlestein, Illinois control point and is about 1/2 mile from starting downgrade to the Illinois River. Due to flooding along the rivers in Iowa and Illinois trains are delayed and very few were spotted on this beautiful Sunday morning, June 22. Rick Schroeder photo.

Coming Events

July 26 & 27, 2008

Altamont, IL - 11th Annual Train Show at Effingham County Fairgrounds, Sat 9-4 and Sunday 10-3.

August 10, 2008

Wheaton, IL - Monthly Train Show at the Fairgounds. - 9-3

September 6 & 7, 2008

Decatur, IL - Fall Decatur Train Fair at the Decatur Civic Center, Sat 10-5 and Sunday 10-4.

Weekends

Rossville, IL - Depot Museum open

Danville Chapter, NRHS

Meeting Minutes - 5/18/8

President Nipper opened the meeting at 1352.

The secretary's report was approved as printed for April. The Treasurer reported there was \$1239.70 in the checking account and \$4530.25 in the CD.

Old Business

On May 24 a cleanup is scheduled at the museum to prepare for opening that same day. The water has been turned on and the drain repaired. The refrigerator has been stocked with food, which will all sell for \$.75.

New Business

Rick moved to increase the local dues to

Next Meeting

As usual, there are no meetings in the summer. Our next meeting will be held the third Sunday in September at Jocko's Depot Restaurant, Williams and Gilbert Street, beginning at 1:00 PM.

This issue is the normal combined June/ July issue. We will put one out in early September before the next meeting. As you know, the museum is open on weekends and your help is appreciated. We do have some members that are there on a regular basis but coming up one day on the weekend would be outstanding. Due to higher gas prices we are seeing a slowdown in attendance this year. In addition, the loss of business downtown Rossville, after the fire a few years back, has also affected the tourist trade.

See you in September.

\$20 and it was approved by the membership.

Allen was working on distributing brochures to the motels.

Driving the Dixie Days are June 14-15. There may be a people mover in Rossville.

The Train show in Urbana next year will not be at the Lincoln Square Mall. Alternate sites are being investigated.

Pictures on Illinois towers are on display at Illinois Terminal in Champaign.

A trip to the Galesburg Train Show and Museum on June 28 or 29 was suggested. Those interested should contact Allen.

The Meeting was adjourned at 1408

A video was shown on Berea (OH) tower from around 1980.



<u>A Fitting farewell</u> <u>for the boy who</u> <u>loved 'choo-choo</u> <u>trains'</u>

Flooding in many parts of the Great Plains and Midwest continues to affect workers at more than a dozen railroads as they toil to repair washed out track and damaged bridges. But a family's tragic loss caused by severe weather in Minnesota last month affected several Canadian Pacific Railway employees a different way. As in pulling at their heartstrings.

Two-year-old Nathaniel Prindle died and three members of his family were injured May 25 by a tornado that struck Hugo, Minn. Nate, as his family called him, drowned after the tornado lifted him and dropped him into a pond near the Prindle's home. His parents, Gerard and Christina, and four-year-old sister Annika were trapped in the rubble of their home, according to a news item in the *Pioneer Press*.

Nate loved "choo-choo trains," as he called them. So much so, his parents chose a country gravesite in Washington County just east of their hometown as Nate's resting place. Freight trains regularly pass the cemetery.

After hearing about the tragedy, a CPR employee in the St. Paul service area thought of a way to honor Nate's passion and offer a modicum of comfort to his grieving family. The employee and several co-workers arranged to have two locomotives and a caboose waiting on the tracks near the cemetery during his funeral on June 2.

When the service concluded, the engines and caboose slowly rumbled past the grave. The engineer sounded a long whistle salute as the train headed away from the cemetery.

The compassionate act by the CPR employee — who is "treating the matter as a private initiative and has asked not to be publicly identified," says CPR spokesman Mike LoVecchio — and his co-workers did not go unnoticed by the Class I's

The President's Corner

Here's a little factoid I came across recently: The Seaboard System Railroad, created from the elements of the Family Lines Rail System, only lasted four years from 1982 to 1986. Since I spent this entire period as an "alternate operator" at North Yard, it must have seemed a longer period of time than that to me. CSX then brought in the elements of the Chessie system and we had a monster that only got bigger when half of Conrail was rolled in.

What's really interesting, however, is that anything SBD is now a pretty big deal. It's been gone over twenty years, and a couple of months ago a CSX locomotive still in SBD paint caused quite a stir on the Illiana RR List when it showed up on 593/594, the train that runs from Terre Haute to Decatur and back.

I guess I'll be glad I saved all those train orders and clearance cards with the SBD logo someday! Maybe they'll fund my retirement... It just proves the point that over enough time, things that seemed routine one day are now items of historical significance.

On a related topic, in my days spent close to railroad operations it always amazed me that the South had so much sway over Midwestern railroading. When the L&N got the Monon and half the C&EI, things started to change. Guys from the deep south with heavy accents began to move into supervisory positions "up north" and at times it was a genuine problem to communicate with them. Even today, CSX track crews like the rail, tie and surfacing gangs that were recently in the area have employees that are barely understandable on the radio. Most of them are great guys, though. You just need and interpreter to talk to them!

The crew with the "NCT Machine" that laid the new track behind my house last year was almost all Mexican. Whatever your stance on immigration, there's no doubt a profound change in the labor force in this country is occurring, and the railroads are no exception. But it makes the communication issue with the southerners seem pretty trivial in comparison. If one of the job requirements for the foreman on a gang is to be bi-lingual, we may have gone too far...

Doug

top executive.

"Please express my admiration for their thoughtful farewell gesture," said President and Chief Executive Officer Fred Green in an email to the St. Paul service area staff. "It makes me proud to work with them."

And, to the rest of us in the rail industry, proud to count them among our own.

From a blog byy Jeff Stagll

<u>CN spokesman</u> <u>points out</u> <u>government's role in</u> <u>causing rail</u> <u>congestion</u>

Canadian National Railway is getting a bum rap over its plan to acquire the Elgin, Joliet and Eastern Railway, CN spokesmen told the Elgin, Ill., *Herald News*. Opponents of the sale should look to government officials—not CN—to find blame, CN representatives said during a Chicago Southland Chamber of Commerce luncheon.

"The real problem here is not the action of Canadian National but rather the continuing inaction of our public agencies and elected officials in solving these serious regional congestion problems," said Jim Giblin, senior associate for Railroad Industries Inc., who spoke on CN's behalf.

CN is trying to relieve train traffic congestion in and around Chicago, something the government has failed to do, he said. The federal government has allotted \$1 billion for rail improvements nationwide, but very little has come to Illinois, and the state's elected officials are to blame, Giblin added.

In 1999, the Illinois Commerce Commission called for a new program to fund such projects. CN spokesman Jim Kvedaras and Giblin attended the chamber meeting to offset some misconceptions about the company and its acquisition proposal.

They said: • By bypassing Chicago, CN would reduce train traffic in 88 heavily populated Chicago-area communities. The EJ&E lines go through 33 less-populated municipalities.

• Only 130 jobs would be lost, mostly through attrition. • The acquisition would not negatively affect Amtrak's access to Union Station or Metra's STAR Line, a proposed passenger line that would parallel the EJ&E tracks. CN has said Metra can build its own adjacent STAR line tracks. But it's possible the passenger line could share a track, too, Kvedaras said.

Stiff opposition has surfaced in towns along the route because of the projected increase in train traffic. Due to the outcry, the STB decided to do a full-blown environmental study of the sale, which will take much longer.

Monday's Southland crowd was mostly friendly to the CN group.

"Obviously we're a business organization, so we're going to come right out of the gate in support of this," said chamber board Chairman Larry Lymon. "We at this point see the benefits of it."

Via Railway Age May 13

Rail News

UP, NS launch motor vehicle co-loading service Union Pacific and Norfolk Southern have introduced an Automotive Interline Co-Loading Service permitting the motor vehicles of more than one manufacturer to be loaded in a single railcar. In the first shipment, Chrysler minivans and Ford F150s were co-loaded at a Norfolk Southern facility in Melvindale, Mich., and unloaded 2,241 miles away at Union Pacific's facility in MiraLoma, Calif. "Co-Loading will create the ability to ship vehicles sooner by generating railcar quantities of vehicles by combining smaller destination facility shipments," said David Julian, president-Automotive & Supply Chain Services for Norfolk Southern.

AAR urges Congress to aid rail capacity

expansion. Testifying Tuesday before the Senate Committee on Commerce, Science and Transportation, addressing the issues of climate change and transportation, Association of American Railroads President and CEO Edward R. Hamberger urged Congress to pass legislation allowing the rail industry to bolster capacity, noting railroads already are an environmentally friendly, energy-efficient option.

"First, pass the Freight Rail Infrastructure Capacity Expansion Act(S.1125/H.R.2116) which provides a 25% tax credit for investments in new track, intermodal facilities and other projects that increase capacity," Hamberger said. "That credit would be available not just to railroads but to any entity that invests in rail capacity expansion."

Hamberger also called for passage of the Short Line Railroad Investment Act, which, he said, "extends a targeted tax credit for smaller railroads that expired at the end of last year."

Congress should also help foster public/ private partnerships in which the public pays for the benefits it receives and railroads pay for the benefits they receive, Hamberger said. "The Chicago CREATE project, the Heartland Corridor, and the Alameda Corridor are all examples of such projects in which public and private dollars are leveraged together to produce public benefits that otherwise would not be realized," he pointed out.

BNSF opens historymaking quadruple track in the PRB

Last week, BNSF Railway Co. marked a historic event in Wyoming. The railroad placed into service 21 miles of fourth mainline in the Powder River Basin (PRB)—the world's longest stretch of quadruple mainline devoted exclusively to freight service, BNSF believes.

On May 14, the Class I placed the track into service under the "super highway" concept, which calls for completing mainline track first and adding universal crossovers later to make the new trackage available sooner.

This section of the PRB line — a portion of which BNSF shares with Union Pacific — averages from 132 trains to 150 trains daily during peak periods. The addition of the fourth track will boost capacity to about 200 trains per day, BNSF said.

From Progressive Railroading

Editor: The other advantage of the 4 tracks it allows BNSF to take a track

out of service for maintenance. Prior to placing the third and now fourth tracks in service it was almost impossible to work on a track and maintain traffic flow. Since coal trains are sequenced to power plants any interruption of service affects the schedule of trains arriving at the plants.

<u>NS, Pan Am</u> <u>Railways team up to</u> <u>create 'Patriot</u> <u>Corridor'</u>

Norfolk Southern Railway and Pan Am Railways are partnering to establish an improved East Coast route and form a joint venture railroad.

Yesterday, the two railroads announced they agreed to create the "Patriot Corridor," a route between Albany, N.Y., and the greater Boston area that will offer improved track quality and customer service, higher train speed and reliability, and increased capacity. NS and PAR each will retain a half interest in newly formed railroad company "Pan Am Southern."

PAR agreed to transfer its 155-mile mainline between Mechanicville, N.Y., and Ayer, Mass., to the joint venture, along with 281 miles of secondary and branch lines (including trackage rights) in Connecticut, Massachusetts, New

> Hampshire, New York, and Vermont. PAR's Springfield Terminal Railway subsidiary will provide all rail services for the joint venture.

> NS will provide cash and transfer to the joint venture other

property valued at \$140 million, \$87.5 million of which is expected to be spent the next three years to improve the Patriot Corridor, such as terminal expansions, and track and signal upgrades. NS and PAR — which will seek Surface Transpor-

U.S. railroads moved a ton of freight an average of 436 miles per gallon of fuel consumed in 2007, a 3.1% improvement over 2006 and 85.5% better than in 1980, according to the Association of American Railroads. Noting that railroads are "three or four times more fuel efficient than trucks," AAR President and CEO Edward R. Hamberger points out that "if just 10% of the freight currently moving by truck went instead by rail, the nation could save one billion gallons of fuel per year."



tation Board approval for their transaction — also plan to build intermodal and automotive terminals in the Albany, N.Y., area.

"The Patriot Corridor creates a new level of rail competition in upstate New York and New England by improving train speed, reliability, and capacity, as well as strengthening connections between the region's short line and regional railroads and Norfolk Southern's 22-state network," said NS Chairman, President and Chief Executive Officer Wick Moorman in a prepared statement.

The Northeast's largest regional, PAR (formerly Guilford Rail System) operates 2,000 track miles in Maine, New Hampshire, Massachusetts, Vermont, Connecticut, New York and Atlantic Canada.

Since the Conrail integration in 1999, PAR has been working with NS to "bring additional high-quality rail transportation options to our New England customer base [and] this joint venture is the culmination of those efforts," said PAR President David Fink. "With energy prices continuing torise, the Patriot Corridor will give our customers additional capacity and speed to get their products to market."

Via Railway Age

Four Class I's earn double-digit ROIs

Four Class I railroads posted double-digit returns on investment in the 12 months ended March 31. The seven Class I railroads as a group had an ROI of 9.76% in the latest 12-month period, based on total operating revenue of \$56.5 billion and net railway operating income of \$7.05 billion. For the 12 months ended March 31, 2006, the Class I's earned 10.15%, with revenues of \$50.3 billion and operating income of \$7.45 billion.

Soo Line led the latest list with a return of 15.8%. Norfolk Southern earned 13.16%; BNSF, 10.07%; CN/Grand Trunk, 10.04%; Union Pacific, 8.83%; Kansas City Southern, 7.81%; and CSX Transportation, 7.61%.

Rate of return is important to railroads not only as an indicator of earning power but also as a measure of revenue adequacy, which is based on the prevailing cost of capital. The Surface Transportation Board considers revenue adequacy in the handling of such issues as rate challenges by shippers and line abandonment requests.

In a decision announced Jan. 16, the STB implemented a methodological change, using the Capital Asset Pricing Model, for calculating the cost of equity, a key component of the cost of capital. Under the new formula, STB determined that the railroads' cost of capitalin 2006 was 9.94%.

Illinois congressman proposes bill to block CN's EJ&E deal

Canadian National Railway Co.'s plan to acquire the Elgin, Joliet & Eastern Railway Co.'s (EJ&E) principal lines in the Chicago region has garnered a lot of opposition from communities and politicians in Illinois the past few months. Now, one state politician has taken his concerns one step further by proposing legislation that would block CN's attempt to gain access to a key part of the lines by designating a portion for commuter rail.

Rep. Peter Roskam (R-III.) recently announced plans to introduce the Reaching for the STAR Act, which would direct the U.S. Department of Transportation (USDOT) to designate a 36-mile stretch of EJ&Eright-of-way as a "Corridor for Inter-Suburban Commuter Rail" for Metra's Suburban Transit Access Route, or STAR commuter-rail line. The USDOT would provide technical assistance to expedite the completion of an inter-suburban commuter-rail project and prohibit increased usage of the corridor except for commuter rail.

The 55-mile STAR Line would link nearly 100 communities from Joliet to O'Hare International Airport and connect to a rail system along Interstate 90. "With rising gas prices ... many suburbanites in the surrounding communities desperately need access to more efficient and cost-effective transportation options," said Roskam in a prepared statement. "What they don't need is increased freight rolling through their backyards."

CN is seeking Surface Transportation Board approval to acquire a major portion of the 198-mile EJ&E, which operates a mainline that encircles Chicago and runs through Waukegan, Joliet and South Chicago, Ill., and Gary, Ind. The Class I plans to name the operations the EJ&EW West Co.

Progressive Railroading 7-2-08

Editor Comments: We do not need the government deciding where private enterprise can and cannot attempt to purchase a railroad or any other business. Even one of the candidates for President has come out against the acquisition and that is, in my opinion, strictly for votes. It should not be an issue in the campaign, but then that individual is a politician like all the others. There are the proper directions in place for the acquisition to take its course through the STB and for that group to decide if it is in the best interest of the public or not. No one objected when the UP started running trains over the J. The CN should have probably worked out the partnership with the EJ&E like NS did with the KCS. have that railroad upgrade the corridor and CN put in the dollars to help.

Indiana Rail Road to lease coal cars, locomotives from <u>CIT Rail</u>

The Indiana Rail Road Co. (INRD) recently signed long-term leases with CIT Rail for 157 new coal cars and six locomotives.

The railroad will lease Auto-Flood III rapiddischarge cars, which were built in 2006 by FreightCar America Inc., primarily to serve an Indianapolis Power & Light (IPL) generating station. The new aluminum cars will augment a fleet of older steel hoppers owned by IPL and enable INRD to increase train length to 100 cars.

The Auto-Flood IIIs feature pneumatically operated discharge gates that open simultaneously to ease unloading and rotary dump capabilities.

INRD also will lease six SD90MAC locomotives for heavy-haul service. Built by General Motors Corp.'s former Electro-Motive Division, the locomotives previously were in service in Canada. The units feature V-16, 4,300-horsepower diesel engines and — unlike INRD's other locomotives — utilize AC current for traction.

The locomotives will enable INRD to replace older power at a two-to-three ratio and reduce its overall fleet.

In addition, the regional announced plans to preserve two of its earliest motivepower units in heritage paint. An ex-Santa Fe CF7 and former CSX Transportation GP16 are in shops operated by National Railway Equipment Co. and VMV for mechanical overhauls and to receive a new paint design that "evokes the first scheme worn by Indiana Rail Road locomotives," INRD said. The railroad will slightly modify a 1987-paint design.

INRD operates a 500-mile route in Indiana and Illinois, and maintains terminals in Chicago; Indianapolis and Terre Haute, Ind.; and Louisville, Ky.

Via Progressive Railroading

Colorado throughfreight plan on track

The Colorado Department of Transportation is laying the groundwork to move through-freight rail traffic from the Front Range to the Eastern Plains, a proposal that could change the way trains move through the heart of Castle Rock, Colo., local newspapers report.

The Rail Relocation for Colorado's Communities, dubbed R2C2, is a joint study between CDOT, BNSF, Union Pacific and the Regional Transportation District to examine a public-private partnership to move through-freight rail traffic from its existing location along the Front Range to the eastern plains. If approved, the relocation will move freight traffic from Colorado's Front Range rail lines to new lines proposed to be built east of Interstate 70, where the sparse population will be less impacted by the slow-moving trains, said Randy Grauberger, project manager with consultant group Parsons Brinckerhoff.

The purpose of the relocation is to open up the Front Range rail lines to commuter rail, with the potential to bring high-speed rail from Pueblo to Denver, said Doug Lehnen, town council, District 6. Lehnen is the elected vice chair for the Rocky Mountain Rail Authority, which in April launched its own \$1.2-million feasibility study to determine cost and implementation of the future proposed commuter rail.

The partnership is justified by the benefits to the public, which include an economic boost for the eastern plains - including the town of Limon, and areas in Morgan County. Other benefits are a decrease in traffic congestion at existing rail crossings, a decrease in air quality issues created by idling vehicles and a possible commuter service from Fort Collins to Pueblo, Grauberger said.

The relocation will affect through-freight traffic only, not those trains with a destination along the Front Range, he said.

Via Railway Age 6-08

<u>NS launches Uni-</u> <u>Level network with</u> <u>TTX-supplied cars</u>

Last week (May 12th), Norfolk Southern placed in service the first batch of 55 Uni-Level rail cars supplied by TTX Co. The Class I loaded the first 13 cars received from TTX, launching its Uni-Level vehicle-carrying service network. The enclosed Uni-Level cars can accommodate large motorized vehicles, including Class 5-8 trucks and recreational vehicles, and are designed to prevent vehicle damage during transport. Prototypes of the car have been tested successfully during the past three years, TTX said. NS' automotive group and Modalgistics Supply Chain Services will provide dock-to-dock shipment management services to Uni-Level network users. The network initially will focus on NS' local lanes, but later will be expanded to the West Coast, and into Mexico and Canada

Via Progressive Railroading

Patriot Corridor ruling due Oct. 20

The Surface Transportation board said Thursday that it expects to deliver a ruling by Oct. 20, to become effective Nov. 4, on the application by Norfolk Southern and Pan Am Railways to create and jointly own a new rail carrier, Pan Am Southern LLC, to serve a route called the Patriot Corridor, including Albany, N. Y., and the greater Boston, Mass., area. The Springfield Terminal would operate and establish rates for the PAS lines.

STB said it had decided to accept the application as a "minor transaction" requiring no formal environmental review. Key dates in the procedural schedule for consideration of the application are: July 7 (for comments on whether an environmental reviews is warranted); July 11 (notices of intent to participate); Aug. 11 (comments on the primary application); and Sept. 5 (responses to comments).

As described earlier by Norfolk Southern, Pan Am Railway would transfer to the joint venture its 155-mile main track between Albany and Ayer, Mass, along with 281 miles of secondary and branch lines, including trackage rights, in Connecticut, Massachusetts, New Hampshire, New York, and Vermont. For its part, NS will provide cash and other property valued at \$140 million, of which \$87.5 million will be invested over a three-year period in capital improvements to the Patriot Corridor.