May 2018

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DANVILLE FLYER

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May 20th—Monthly Meeting at Vermilion Valley RR—see item to the right

May 26-28 Union - Illinois Railway Museum's Memorial
Day/Founders Weekend. The
Summer begins! Diesel and
Electric trains will operate.

Jun 23-24 Galesburg Railroad Days' 41st Annual Galesburg Railroad Days. Galesburg High School Fieldhouse. Sat 9-4; Sun 10-3. 80+ vendors, layouts, admission \$5. Downtown events both days.

Jul 20-21 Collinsville – St. Louis Railroad Prototype Modelers Meet . Gateway Convention Center. 9-7 \$25

MEMORIAL WEEKEND— ROSSVILLE MUSEUM OPENS NOON TO 4:00 PM, EACH WEEKEND THROUGH AUG. Train Excursion and Picnic for May Meeting on the VV RR-11 AM CDT

Rather than the usual meal and meeting at Jocko's restaurant on May 20th, we will head to Foster, Indiana to ride the V V RR "Cannonball" like we did the last two years. 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 hot dogs provided by Mr. Jim 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. (If he'll take it!)

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 train will be staged nearby or perhaps arrive as we wait. We will try to get permission ahead of time to park cars at the elevator. Maybe 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. The trip will start when everyone arrives, hopefully no later than 11:00

A.M. CDT. (Special—my wife will be riding as May 20th is her birthday and has never been on an engine before—thanks Jim)

Hope to see you there.



No Newsletter June through August—Editor Vacation

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 2018—our 50th Year

Henry Schmitt - 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



INDOT Local Tax to Benefit Grade Crossing Projects

The Indiana Department of Transportation (INDOT) announced the availability of \$125 million for "high-priority" railroad safety projects through the agency's new Local Trax matching grant program. Local Trax provides state matching funds for Indiana cities, towns and counties interested in pursuing grade separations, crossing closures and other safety enhancements at railroad intersections with local roads. INDOT will accept local agencies' project proposals from May through August. Local Trax requires local governments to provide 20 percent of funding for land acquisition and construction; the state will provide the other 80 percent.

"Eliminating at-grade rail crossings on local roads makes our transportation network safer, reduces congestion, and better connects our communities," said Gov. Eric Holcomb in a press release.

INDOT will hold meetings around the state this month to answer questions about the new program. Funding for Local Trax was included in the state's long-term road funding legislation that Holcomb signed in April 2017.

Rail News 4-3-18

2018— April Meeting Minutes

The April 15, 2018, meeting opened at 1308.

There were no corrections to the secretary's report.

The April 12 treasurer's report shows over \$800 in net revenue from the Urbana train show. Two expenses were incurred: bank deposit statements and power bill. The balance in the account stands at \$6460.27.

Internet service at Rossville is not currently working. Due to the limited potential use, it was decided to let the service lapse.

Bob Gallippi replaced water pipe and valve at the entrance to the building. This provides shutoff capability without involving the water provider. He donated the material used, which is appreciated. Some insulation work remains to be done.

The spring trip is being delayed until the summer due to the many activities in April and May.

It was tentatively decided to hold a 50th anniversary picnic at Rossville on Aug. 25. Members agreed to provide chairs and tables for the event. Charcoal is already available at the station.

Doug Nipper is obtaining parts for the motor car. After the parts arrive, a work day may be scheduled to assist with reassembling.

The May meeting will be on the Vermilion Valley RR, beginning at Foster at 11 am CDT. Lunch will be at Olin. Meeting was adjourned at 1330.

NOTE: THIS IS THE LAST ISSUE OF THE NEWSLETTER UNTIL SSEPTEMBER—NO MEETINGS IN THE SUMMER

Metra Changes Schedules

Metra is changing the schedule on the Metra Electric Line, including the cancellation of one outbound South Chicago Branch train during the evening rush, beginning April 23. The changes will provide increased train spacing in preparation for the implementation of positive train control.

Metra Electric riders will notice changes in departure and arrival times to a number of trains in the range of two to five minutes during the morning and evening rush hours. The changes are necessary to meet PTC's requirement that each signal and switch be tied into its communications system. To do this, Metra had to replace a manually operated switches at 11th Place, just north of the Museum Campus/11th Street Station, with an automated system. More time will now be required to navigate this interlocking because the signals must reset between each train. Schedules had to be adjusted to reflect the new operating conditions.

"We realize that some of our customers will be inconvenienced by these changes, but the implementation of PTC necessitates it," Metra CEO and Executive Director

Jim Derwinski says. "We examined this carefully and determined that we would need to eliminate a train run to meet the requirements of PTC and maintain a reliable schedule."

The changes in train spacing necessitated by PTC will result in the permanent cancellation of South Chicago Branch outbound train No. 407, the 5:15 p.m. departure from Millennium Station. To accommodate customers who formerly used train No. 407, outbound train No. 405 will now depart five minutes later at 5:05 p.m.

Several evening rush hour trains to University Park will also depart Millennium Station at later times. Train No. 707 will depart Millennium at 5:21 p.m. instead of 5:17 p.m., train No. 737 will depart Millennium at 5:24 p.m. instead of 5:20 p.m., and train No. 757 will depart Millennium at 5:27 p.m. instead of 5:23 p.m.

Metra is also making similar schedule changes to its BNSF Railway line to accommodate the implementation of PTC there later this year.

TRAINS On-line 4-13

CN Capacity Issues

Capacity-related service issues plaguing Canadian National today are similar to what BNSF Railway went through on its Northern Transcon in 2013 to 2014, when it, too, was swamped by a wave of traffic that was not anticipated.

BNSF was responsible for half of the entire industry's traffic growth in 2013. And much of that new traffic was concentrated in the Dakotas, where the Bakken crude oil boom was under way and grain, coal, and intermodal shipments surged well beyond the growth that was forecast.

The result: BNSF coagulated across its Northern Transcon. It was short of crews, power, and, most of all, track capacity. The "polar vortex" winter of 2013-2014 brought extreme cold and snow to the upper Midwest. A combination of the weather and traffic growth gridlocked Chicago and prompted the Surface Transportation Board to hold hearings on rail service.

Under immense pressure from regulators and shippers, BNSF in 2014 purchased 600 locomotives, added 7,500 freight cars, and hired 7,000 new employees. It spent \$1 billion on the Northern Transcon to add 55 miles of double-track, build 10 new sidings, extend 11 others, and add 72 miles of centralized traffic control.

CN finds itself in a similar fix today on its spine between Chicago, Winnipeg, Manitoba, and Edmonton, Alberta. In the second half of last year, traffic surged by 20 percent or more across its western corridor amid growth in intermodal, frac sand, and grain traffic.

CN was left short of crews, power, and track capacity. Sidings have been plugged with crewless trains, average train speeds are down, and cars are spending more time in yards. Extreme winter cold forced CN to curtail train length, further exacerbating capacity constraints by requiring traffic to move on more trains, which gobbled up locomotives and crews.

Help is on the way. CN has outlined plans to spend \$250 million this spring and summer to build new tracks and yard capacity in western Canada. It will add five stretches of double track in eastern Alberta and Saskatchewan, plus a 12-mile section of double track between Spruce Grove and Carvel, Alberta, west of Edmonton. On the line to Prince Rupert, British Columbia, four new sidings will go in, along with two siding extensions. The Edmonton to Vancouver, B.C., corridor

will receive a siding extension north of Kamloops. Also on tap: New yard capacity in Edmonton and Manitoba.

CN has leased 130 locomotives. And this year it will take delivery of the first 60 units of a 200-locomotive order from General Electric. It's also adding crews as quickly as they can be hired and trained, with 400 new conductors qualified this year.

At CN's investor day last June — held just before CN's traffic began to surge — executives outlined the railway's history of making the capacity upgrades necessary to keep the railroad fluid amid robust traffic growth across Western

Canada. From 2000 to 2016, CN spent \$850 million on 188 new long sidings, long siding extensions, and stretches of double track all across its system. More than 150 of those projects were on the high-density corridor linking Chicago, Winnipeg, and

Edmonton with the ports of Vancouver and Prince Rupert.

Some \$467 million was spent on track capacity projects between 2010 and 2017, when CN's traffic grew at twice the rate of the industry average. And the bulk of that — \$350 million — was spent in the three-year 2013 to 2015 period.

But only \$6 million was spent on new track capacity in 2016, and CN spent \$10 million in the first half of 2017 amid the two-year freight recession that prompted traffic downturns across the industry. For years, CN has consistently spent a higher percentage of its revenue on capital projects than the rest of the Class I railroads. Industry analysts say it is incredibly difficult for railroads to accurately predict traffic growth. And when they get it wrong it's impossible to get capacity expansions in the ground or new crews trained and qualified in time to avoid service problems.

"Forecasting traffic in the railroad industry is an inexact science," says Todd Tranausky, a senior analyst at FTR Transportation Intelligence.

Railroads depend on customer forecasts as well as views of the projected underlying economic demand that drives rail shipments, he notes. "It's probably one of the most difficult things to do in business," Tranausky says.

The task is made more difficult when decisions have to be made regarding whether to spend millions on track capacity that will last for decades. CN's volume increases in the second (Continued from page 4)

half of last year were twice as much as forecast and five times higher than the growth in the rest of the industry, says independent analyst Anthony B. Hatch of ABH Consulting. Capacity shortages like what CN is experiencing now will happen from time to time, Hatch says, because demand planning is imperfect. CN, shippers, and ports bear some of the blame for getting the forecast wrong last year, he says.

"Demand planning is awful – everywhere," Hatch says. "But only railroads have to match that with 30- to 50-year assets that take a long time and a lot of money."

Hatch says CN should be able to dig out of its current congestion problems. "CN has a well-deserved, hard-built reputation for service, and this too shall pass," he says.

TRAINS On-Line 4-12

Metra 2018 Program

CHICAGO — Thirty stations will be improved, 92,000 rail-road ties will be replaced and 15 bridges will be rehabbed as part of Metra's 2018 construction program, the commuter rail agency has announced.

All total, nearly \$85 million has been allocated for the program covering Metra's 11 lines serving northeast Illinois, with work beginning this month and continuing through the fall, the agency announced.

"We plan to take full advantage of the construction season by making improvements where we can with our limited funding," Metra CEO and Executive Director Jim Derwinski says in a statement. "Our goal is to be as efficient as possible with the resources available to maintain our rail system and to move forward with the upgrades necessary for the implementation of the positive train control safety system."

Of the \$84.8 million, the work includes \$5.5 million for station improvements; \$20.9 million for track maintenance and improvements; \$12 million for bridge projects; \$4.5 million for rail crossing replacements and \$39.7 million for signal system upgrades, including \$30 million for PTC, according to a Metra news release.

Some of the work will be performed by Metra in-house crews, its railroad partners, and the rest by contractors for the agency and local municipalities.

The program includes:

Work on the \$7.3 million renovation of the Healy Station

on the Milwaukee District North Line.

The \$2.95 million renovation of the concourse at Chicago's LaSalle Street Station.

A \$2.4 million project at the Cary Station on the UP Northwest Line for a new station house, ticket office and platforms.

BNSF Railway will replace about 12,000 ties on one of its main tracks between Hinsdale and Aurora, Ill. In addition, BNSF will be resurfacing mainline track from Downers Grove to Aurora.

Metra will replace 17,000 ties from Fox Lake to Libertyville, Ill., on the Milwaukee District North Line. The work will also include the replacement of five switches and the continued upgrade of the signal system on this section of track in preparation for PTC.

On the UP West Line, work will continue on two multi-year projects to add eight miles of third track to remove bottlenecks that are a significant source of freight and passenger train delays. The two projects combined will cost more than \$100 million. The first project includes construction of 1.8 miles of new track from the Vale interlocking in River Forest (just east of the Des Plaines River) to 25th Avenue in Melrose Park. The second project includes construction of 6.1 miles of new track from Kress Road in West Chicago to Peck Road in Geneva. Construction began in 2017 and is expected to continue through 2019. Funding is being provided by Union Pacific and Metra.

UP also plans to replace 43,000 ties on the UP West Line as part of its general maintenance program.

Construction began in the fall of 2017 along the Milwaukee District West Line on a \$34 million multiyear project to replace a 130-year-old single-track bridge over the Fox River in Elgin with a double-track bridge.

Along the Metra Electric Line, Metra will rehabilitate its bridges at 63rd and 64th streets. The \$1.2-million-project includes the removal and replacement of deteriorated concrete from the bridge abutments and the underside of the bridge decks.

On the UP North Line, Metra will continue a multiyear project to replace 11 bridges for the inbound tracks over Grace, Irving Park, Berteau, Montrose, Sunnyside, Wilson, Leland, Lawrence, Winnemac, Foster and Balmoral. As part of this \$45 million project, the new inbound half of the Ravenswood Station will be built. A \$15.5 million project will replace rail bridges that cross over Webster Avenue and the North Branch of the Chicago River.

(Continued from page 5)

Metra and its railroad partners plan to make improvements to 21 road crossings systemwide in 2018.

The 2018 capital program includes \$30 million for PTC-related signal and communications projects and another \$2 million for signal system upgrades.

On the Metra Electric Line, Metra will complete a \$9.3 million project to upgrade the signal system at the 11th Place interlocking, which dates to the 1920s.

TRAINS On-Line 4-20

BNSF Moving Ore to Granite City Again

KEEWATIN, Minn. – BNSF Railway has resumed ore train service this week between US Steel's Keetac taconite pellet plant in Keewatin, about 65 miles northwest of Duluth, and the company's Granite City (Ill.) Works. The ore takes a unique all-rail route instead of relying on a Great Lakes boat for part of the journey.

US Steel announced last month it would reopen the Granite City Works blast furnace and steelmaking facilities. The plant had been idled in December 2015 because of what US Steel termed "challenging market conditions."

The steelmaker began calling back about 500 employees in March with the restart process taking up to



four months. US Steel says that the change comes due to anticipated demand for more steel in the U.S. in response to President Donald Trump's tariff on steel imports.

BNSF put together two 160-car sets to start the service and will eventually have four train sets in rotation for the trains. The first loaded train was symboled UKEEMAD0-01T and loaded at Keetac on April 19. A second train is planned for next week, and then Keetac will go on an already planned maintenance shutdown around April 25 that will last through May 10. BNSF will add in the other two train sets after Keetac comes back on line.

TRAINS On-Line 4-20

Ford's Model Change Affects Railroads

Ford's decision to dramatically reduce the number of cars it produces in North America, as it drops four models from its lineup, will have little impact on Class I railroads. Assembly plants in the U.S. and Mexico that currently produce car models facing the ax will transition to building different vehicles, Ford says.

The models Ford will discontinue — the Fusion, Fiesta, Taurus, and C-Max — accounted for just 315,400 of the 2.03 million vehicles the company sold in North America last year. The move comes as Ford shifts its focus to better-selling and more profitable sport-utility vehicles and pickups. The Taurus is produced at the Chicago Assembly Plant served by Norfolk Southern. Ford will begin building the 2020 Lincoln Aviator SUV at the plant.

The C-Max is built at the Michigan Assembly Plant in Wayne, jointly served by NS and CSX Transportation. Ford also produces the Focus at the Michigan plant. Production of both vehicles will end next week, spokeswoman Kelli Felker says.

"We will be building the all-new Ford Ranger there, followed by the Ford Bronco," she says.

Ford builds the Fusion, by far the best-selling car of the models being phased out, at its assembly and stamping plant in Hermosillo, Mexico, which is served by Kansas City Southern. Ford will produce another vehicle at Hermosillo when Fusion production ends, Felker says.

KCS also serves the Cuautitlan Stamping and Assembly Plant in Mexico, which churns out the Fiesta.

"Cuautitlan will get a battery electric vehicle in 2020 after Fiesta production ends," Felker says.

The model lineup changes mean Ford will to produce just two cars: the Mustang and the Focus, which will debut as a new crossover dubbed the Focus Active.



Illinois Town to Fight Amtrak Expansion

GLENVIEW, Ill. — The village of Glenview is preparing to spend up to \$400,000 to fight plans to expand Amtrak service between Chicago and Milwaukee.

According to the Glenview Patch website, village trustees will vote today on a recommendation to allocate those funds to fight the effort to add a siding and crossover in Glenview, part of the effort to allow three additional Hiawatha round trips daily.

The funds would go for lobbying, research, and potential litigation against the plan, with the first \$50,000 to go to a public relations firm for work including "development/refinement of core messages and themes" and media relations.

A group of local residents has organized to oppose the expansion, saying it will result in additional freight traffic through the community. The route is also used by Canadian Pacific freight traffic.

Metra has indicated its support for the proposal, saying it will help reliability on the Milwaukee North line serving the community. In a 2017 letter, now-retired Metra CEO Don Orseno disputed the concern that the additional sidings would drive an increase in freight traffic: "It is well documented that the fluctuations in freight traffic are driven by fluctuations in economic activity, not by the given capacity of a given rail line."

TRAINS On-Line 5-1



On the way to Attica, IN via Catlin I caught NS 255 with #9890 in the lead and some 150 trailers. Rick Schroeder

September NKPHS Joliet Rocket

FORT WAYNE, Ind. — It's clear signals for the Fort Wayne Railroad Historical Society's Joliet Rocket. Ticket sales for the excursion from Joliet, Ill., to downtown Chicago will begin at 6 p.m., May 9 and 6 p.m., May 8 for society members.

The trips are headed by Nickel Plate Road No. 765, the society's flagship Berkshire steam locomotive, and provide a rare opportunity for a steam-powered excursion to travel at speeds of up to 70 mph.

In March, Fort Wayne organization said it would delay ticket sales after Amtrak's announcement that it would no longer host private cars and special charters. None of the organization's 2018 trips involved operations in conjunction with Amtrak, but the organization needed to clarify whether the new regulations would affect or prevent transporting private cars to be used in the Joliet Rocket's consist.

"The passenger consist changed a little bit, but not dramatically," says Fort Wayne's Kelly Lynch. "We are lucky that our trips are being held in a city with an Amtrak terminal. There are cars in the region that we are sourcing. We are fortunate Metra is our partner and is helping us work with Amtrak."

2017's Joliet Rocket trips were sold out. The event featured cocktails, catered meals, live music, historical reenactors, and portrait photography. 2018's event improves the experience with extended layovers at LaSalle Street Station, open vestibules, and an open-air car placed directly behind the tool car.

Excursion trains will depart twice daily on Sept. 15 and 16. Ticket prices begin at \$139 dollars for the Deluxe Class tickets. Tickets and details: https://fortwaynerailroad.org/the-joliet-rocket-2018/





Photo of the Month



After lunch with Bob Gallippi and Larry Swanson in Attica I stopped by the former depot site to check on train status. The control point was approach and soon heard the detector at Williamsport sound off. NS 256 rounds the curve at Attica with #7661 trailed by over 100 trailers. NS 255 was caught earlier in the day at Catlin. Rick Schroeder photo.