

DANVILLE FLYER

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Decatur and Eastern Illinois RR—New Kid on the Block

Decatur & Eastern Illinois Railroad to Acquire CSX Decatur Sub The Decatur & Eastern Illinois Railroad, L.L.C. (DREI), a new Watco subsidiary, serves notice that it is acquiring from CSX approximately 126.7 miles of track, including CSX's Decatur Subdivision starting near Montezuma, Ind., (with cut point at MP BD 192.4) and ending in Decatur at MP BD 277.2; CSX's Danville Secondary Subdivision from MP QSD 72.2 near Terre Haute, Ind., to MP QSD 113.6 near Olivet, Ill.; and the Paris Industrial Track located in Paris. DREI expects to hire 4 conductors, 5 engineers, 1 locomotive laborer, 1 track inspector, 2 track laborers, and 2 track foremen. A CSX spokesman says he's hopeful an approval from the STB could come in early August. Watco Companies, based in Pittsburg, Kansas, currently operates about 40 shortlines, totaling 5,100 miles of track, and works 31 industrial contract switching locations.

The Decatur Subdivision was built in the 1890s as part of the Indianapolis, Indiana, to Decatur, Illinois, Indiana, Decatur and Western Railroad. Through leases and mergers, it became part of the Baltimore and Ohio Railroad and CSX. The line portion between Decatur and Hillsdale, Ind., is in very good condition having entertained unit ethanol trains from ADM up to recent times. However, that traffic has gone to NS exclusively. CSX has enjoyed rights over CN through town to the Runaround Yard in northeast Decatur, but we assume that feature is now lifted. CSX enjoyed a fair amount of traffic here, although we understand CN did not permit CSX to run unit coal nor grain trains across its line. Switchers have been assigned to Ficklin, Decatur and Paris. A through-freight between Decatur and Danville's Brewer Yard, via Hillsdale, has been operating every other day, except Sunday. Chemical and grain traffic out of the Tuscola area, combined with Tate & Lyle and ADM in Decatur and Cargill in Paris, should serve as staples for the new spinoff short line.



There is a rumor that the new units might be orange and blue (C&EI?) and a couple of fans produced this possible scheme—lets get rid of the ears of corn.

Via Midwest Rail Scene 7-29

Editor: A recent trip over most of the NYC part of the line (Dick Brazda and I made the visit on the way back from Indiana Rail Road) found the line Paris to Terre Haute void of cars (previous car storage area). The Paris switcher was busy, and the yard west side of town was about half full of cars. The segment north of Chrisman had about 4 miles of CSX grain hoppers stored with many of them fairly new. Once Watco takes over I would expect the interchange with CSX to be at Terre Haute as it is a short run from the connection on the west edge of downtown to the former NYC yard compared to getting on the mainline at Hillsdale to get to Danville,

(Continued on page 3)

Sep 15-16 Decatur – Decatur Train Show. Decatur Civic Center. Sat 10-4, Sun 11-4. Steve at 864-4397

September 15-16 – Railroad Days at Monticello Railway Museum, 3 trains plus motor cars operating – **SUNDAY – CHAPTER OUTING AT THE MUSEUM AND MONTHLY MEETING.**

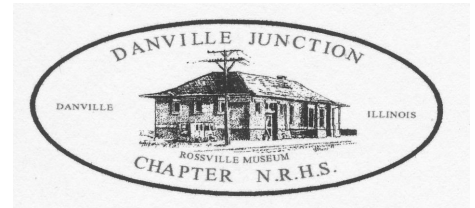
October 6th – Watseka C&EI museum at the depot open noon to 4 PM for Watseka Fall Festival.

October 6 – Rossville Depot Museum – we may have the first fall operating session beginning at 1:00 PM.

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



Five of Six Class 1's Report Traffic Gain

Five of the big six Class I railroads reported traffic gains in the first half of the year amid a strong economy, tight truck supply, and soaring truck rates. BNSF Railway led the industry in growth through June 30, with traffic up 5 percent overall, according to its latest Association of American Railroads weekly carload report. At the other end of the spectrum, CSX Transportation's total traffic was down 0.6 percent for the first six months of the year due to a decline in carload volume and the impact of intermodal service changes.

Last fall CSX shed 7 percent of its intermodal volume when it scuttled its hub-and-spoke intermodal network, which served low-volume origins and destinations. Despite the tough comparison, CSX's intermodal volume was up 1.5 percent for the first half of this year. The industry's intermodal champion, for both the second quarter and year to date, is Norfolk Southern. Its intermodal volume was up 8.2 percent for the quarter and 7.9 percent for the first half of the year. For the second quarter, NS led the industry in overall growth, too, with its traffic surging 5.9 percent, squeaking by Canadian National's 5.7-percent volume growth.

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2018— May Meeting Minutes

The May 20, 2018, meeting opened at 1137 at Olin.

A special guest, Barb Schroeder, was introduced. There were no corrections to the secretary's report.

The May 18 treasurer's report records a \$275 payment for liability insurance for the depot. This is a significant reduction from the 2017 amount. The balance in the account stands at \$6070.95.

Henry notified NRHS that a representative from the national organization is not required. An anniversary cookout is scheduled for noon on Saturday 8/25 at Rossville. Break for Lunch: 1142, resume after lunch: 1224.

Cleaning of the museum was scheduled for 900 on Saturday, 5/26. It was agreed that we should schedule the September meeting at the Monticello museum again. Doug N. will post pictures on the Facebook site to garner interest.

Appreciation was expressed to Jim Montgerard and the Vermilion Valley RR for the trip and their hospitality. Jim reported that the VV will have 2 further windmill trains arriving shortly. The Chesapeake and Indiana is very busy, while the Camp Chase RR is steady and the Youngstown and Southern is slow.

Henry reported he visited the Haley tower museum in Terre Haute and was pleased with the museum. Spring Hill tower is also there along with a small depot and train viewing platform.

HAPPY BIRTHDAY was sung to Barb Schroeder.

A rail trip during the summer will be looked at. Henry indicated he has set up an exhibit at the Covington Museum showing the trains of Fountain County.

Meeting was adjourned at 1242.

Rochelle Railroad to Expand

City of Rochelle Railroad broke ground last week on a \$7 million expansion in the Illinois city. The project is being funded by the U.S. Department of Commerce's Economic Development Administration (EDA), which is contributing \$3.42 million; the Illinois Department of Transportation (IDOT), \$2.58 million; and the city of Rochelle, \$1 million.

"We are very fortunate to have partners like the EDA and IDOT to advance the infrastructure we need to continue growing our industrial base," said Rochelle City Manager Jeff Fiegenschuh in a press release.

The project consists of three separate contracts: Martin Excavating of Oregon, Illinois, will construct a four-track bridge over John's Creek; William Charles Ltd. of Rockford, Illinois, will construct a 3.5-mile, three-track extension; and Tom Jorczak, area manager for RailWorks Corp. of Minooka, Illinois, will oversee construction of a double-

track transloading yard. The Greater Rochelle Economic Development Corp. founded the City of Rochelle rail system in 1986. The system connects local industries to Union Pacific Railroad and BNSF Railway Co. The city-owned short line has attracted 14 businesses and generated millions of dollars to the local tax base, city officials said.

Progressive Railroading 8-13

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a run that I am sure CSX will not let happen. Part of the requirement to get over CSX will be having motive power that is PTC equipped and can "talk to" CSX. Most shortlines hope to avoid this added cost that needs to be installed in locomotives. The new railroad will probably enhance the interchange with CN in Decatur and maybe Tuscola (this has been out of service for some time) and the UP at Tuscola. The change is to take affect around the end of August and reports are ex-NS GP38's will be on the property.

Amtrak and BNSF Implement PTC

Amtrak, working with BNSF, will the week of June 11 implement Positive Train Control (PTC) on BNSF-owned subdivisions that host the Southwest Chief and California Zephyr, marking the first activation on host-owned territory used by Amtrak. Full PTC activation on BNSF routes that host these two long-distance trains is expected by the end of August.

"This is a great step for Amtrak," said BNSF Assistant Vice President Network Control Systems Chris Matthews. "We have the infrastructure in place that allows Amtrak to operate on our network. We have partnered with them on the federal mandate and in some cases beyond the federal mandate to install PTC on subdivisions not required of BNSF. We look forward to continuing that partnership as they roll-out PTC along our routes."

Amtrak said it is "on track to achieve installation and operation of PTC across the network it controls by the year-end deadline, and is working with partners throughout the industry to advance this system on host infrastructure. Where PTC is not implemented and operational, it is expected that nearly all carriers will qualify for an alternative PTC implementation schedule under law. For those carriers and routes operating under an extension or under an FRA-approved exemption, Amtrak is performing risk analyses and developing strategies for enhancing safety on a route-by-route basis to ensure that there is a single level of safety across the Amtrak network by Jan. 1, 2019."

Amtrak reiterated a position it has taken previously: "For those very limited routes where a host [railroad] may not achieve an alternative schedule by year's end, Amtrak will suspend service and may seek alternative modes of service until such routes come into compliance."

Amtrak added it "is also working with tenant railroads that operate over Amtrak's infrastructure as they work to ensure that they have sufficient PTC-commissioned rolling stock by the deadline to operate normal services." Among these are regional/commuter rail operators NJ Transit, SEPTA, MBTA and LIRR.

Amtrak PTC implementation as of June 12, 2018 on routes and equipment it controls:

380 of 444 Amtrak-owned locomotives are fully equipped and PTC operable (86%)

8 of 11 installation/track segments completed (73%).

104 of 120 radio towers fully installed and equipped (87%).

95% of employees who require training to support PTC operations have completed training.

607 of 900 route-miles in PTC operation (67%).

By law, to qualify for an alternative schedule (an extension to Dec. 31, 2020), Class I freight railroads and Amtrak (on the lines it owns, not where it is a tenant operator) must have all PTC hardware installed; all radio spectrum acquired; more than 50% of PTC territory or route-miles implemented (out of about 60,000 miles that need to be equipped; and all required employee training completed.



"Amtrak's highest priority is ensuring the safety of our passengers, our crews and the communities we serve, and full implementation of PTC will make the entire network safer," said Amtrak Executive Vice President of Safety Ken Hylander. "While we are excited to achieve this milestone, we must continue to work together to activate PTC and make the national railroad network safer.

Railway Age June 2018

IDOT Awards Freight Grants

Illinois Department of Transportation (IDOT) awarded \$241 million to 23 state freight projects on June 5. The state explains that the projects benefitting from the funds will improve the mobility of freight throughout the state and provide long-term benefits in congestion relief and economic opportunity. Additionally, IDOT says the projects will increase safety, leverage private investment where possible and improve intermodal connections and commerce at the local level.

"Illinois is at the heart of freight activity for the entire country," Illinois Gov. Bruce Rauner said. "These are smart investments that help improve economic competitiveness. At the same time, communities will be less congested, and the movement of goods and services will be safer and more efficient."

The governor joined other officials at an event announcing the grants held at the Terminal Railroad Association of St. Louis intermodal facility in East St. Louis, which is receiving \$1.93 million. IDOT says the award is leveraging \$500,000 in

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Both railroads continue to experience congestion issues, with NS bogged down on the southern reaches of its network and CN clogged on its key corridor linking Edmonton, Alberta; Winnipeg, Manitoba; and Chicago.

The impact of a pair of strike-related shutdowns at Canadian Pacific in April and May showed in its preliminary traffic counts. The Teamsters Canada Rail Conference, which represents train crews on CP's lines in Canada, threatened to strike in April, then briefly struck the railroad in May. CP's intermodal volume was flat in the second quarter, while overall traffic was up just 2.3 percent. For the first half of the year, CP's intermodal volume is up 3.9 percent, while overall traffic is up 3 percent.

Union Pacific reported strong intermodal growth for the second quarter, with volume up 7 percent in part due to landing the contract to handle Ocean Network Express, or ONE, international intermodal business at West Coast ports. UP has long lagged BNSF in volume growth, but topped BNSF's intermodal growth of 4.9 percent in the second quarter.

Tight trucking capacity has helped railroads gain volume, says Larry Gross, an analyst with Gross Transportation Consulting. But the gain has primarily come in intermodal.

"I don't think there is a lot of overlap between rail carload and truck these days," Gross says.

Carload growth was strong in the second quarter, at 4.2 percent. Truck capacity was tight in the first quarter, as well, but carload growth was only 0.3 percent.

"So I think whatever strength we are seeing right now in carload is more a function of a spurt in the economy rather than share shift," Gross says.

It's a different story for domestic intermodal, which Gross calls the battleground between rail and truck. And to a certain extent, the service problems at some of the Class I systems meant that railroads could not fully capitalize on the opportunity to gain share.

"Intermodal volume was definitely constrained in the first quarter by lower equipment velocity and consequent shortages in domestic container capacity. In particular we saw disruptions in the rail-owned container fleet productivity due to some friction between the railroad partners," Gross says. "So volume was left on the table — or should I say, the high-way."

The situation has improved in the second quarter, but complete intermodal data from the Intermodal Association of

North America is not yet available.

"My sense is that intermodal gained share in the second quarter and perhaps held its own in the first quarter," Gross says.

John Gray, the AAR's senior vice president of policy and economics, says rail volumes show the economy is humming along.

"In June, 14 of the 20 commodity categories the AAR tracks each month saw carload gains — the third straight month in which at least 14 categories were up. That's the longest such streak since late 2014," Gray says. "Meanwhile, record intermodal volume for June speaks to the high value proposition that rail customers associate with intermodal service. For now, things are looking good for the railroads and the economy despite the many threats, such as a potential trade war, that could bring change quickly."

North American rail volume for the first 26 weeks of 2018 was 18.7 million carloads and intermodal units, up 3.3 percent compared with 2017. Of note in the intermodal traffic figures: The continued spike in trailer volume, which for the second quarter was up 27 percent on BNSF and 22 percent on NS and UP. Trailers have been in decline for years as containers became the favored way to move domestic shipments due to the cost advantages of double-stack trains.

Gross attributes the rise in containers to two things. The first is shippers looking for intermodal capacity but can't find a domestic container. The second is truckers who have loads but not enough drivers or containers and instead put their trailers on flatcars.

TRAINS On Line 7-6

Editor: For those of you that have internet access go to YouTube and check out Virtual Railfan. This group has some 35+ video cameras around the US mounted on stations or buildings adjacent to busy track. One that I check up on is La Plata, MO. This is an Amtrak stop for the Southwest Chief around 7:30-8:00 in the evening. Located on the BNSF Transcon there are some 80 trains a day and a big percentage are stack and TOFC. In recent weeks it is amazing the number of trailers that are being hauled with much of this going on east. Check out the groups camera on Horseshoe Curve and you will see similar trailers heading toward eastern PA and New York. There are some trains where the trailers outnumber the domestic containers with Fedex really adding to the trailer fleet. Check it out, you can watch trains from the comfort of your own room and save gas.

(Continued from page 4)

private investment to re-establish a previously existing track alignment that will eliminate conflicts with four nearby high-way crossings.

The largest award of \$49.9 million went to the Chicago Department of Transportation to help fund the Columbus Avenue & Belt Railway Company of Chicago Grade Separation. The project is also known as GS11 and is part of the Chicago Region Environment and Transportation Efficiency (CREATE) Program. According to CREATE's website, the project will reduce congestion and improve safety for more than 11,000 vehicles per day by grade separating a "911 Critical Crossing."

In addition to GS11, two other grade separation projects were also awarded funds including \$25 million to the city of Decatur for the Brush College Road/Faries Parkway Grade Separation Project and \$1.1 million to the village of Sauget for the IL Rte. 3 Diversion Loop & Grade Separation project.

Administered by IDOT using federal funds, the grants were awarded on a competitive basis, with local, state and federal agencies, as well as private entities, eligible to apply. Projects receiving awards meet the goals of IDOT's Illinois State Freight Plan, which encourages intermodal accessibility to regional freight corridors and the strategic use of technology.

"Illinois is proud to be the transportation hub of North America," Illinois Transportation Secretary Randy Blakenhorn said. "These projects not only help in an innovative way for the efficient movement of goods and services needed to retain that status, but also are an important investment in our communities."

RT&S – June 8

CHAPTER SEPTEMBER MEETING

MONTICELLO RAILWAY MUSEUM

SUNDAY, SEPTEMBER 16TH

STAIR TOWER BETWEEN 1:30 AND 2:30

DEPENDING ON TRAIN AND MOTOR

CAR SCHEDULES.

Amtrak On-Time Performance

A federal appeals court ruled last week that Amtrak and the Federal Railroad Administration (FRA) should be allowed to set their own standards for measuring on-time performance of passenger-rail service.

The 2-1 ruling by the U.S. Court of Appeals for the District of Columbia Circuit is the latest in a legal dispute over whether Amtrak has a right to be involved in the rulemaking process for determining on-time performance.

The Association of American Railroads brought the suit several years ago by arguing that Amtrak should not be allowed to determine regulations that affect freight railroads.

Last week's ruling overturned a previous appellate court decision from 2015 that found a section of a 2008 law unconstitutional and allowed Amtrak to set standards that benefited its own interests, according to a press release issued by the Rail Passengers Association (RPA), which has filed an amicus curiae brief in the long-running case. In a prepared statement, Amtrak officials expressed satisfaction with the ruling.

"Since this law was first overturned, we have seen continued deterioration of on-time performance over freight railroads driven primarily by freight-train interference," Amtrak officials said in an email. "This decision will allow the FRA to set on-time and other performance standards that would help ensure that our customers and the American taxpayer get the high-quality passenger service they deserve."

Arguing that it violated due process, the court also removed a portion of the law allowing Amtrak to create regulations for others in the "market" for rail right of way capacity, effectively viewing Amtrak as a competitor, RPA officials noted.

"With on-time performance today at record lows, American passengers have been waiting for years for the courts to step in and protect the rights of the traveling public," said RPA President and Chief Executive Officer Jim Mathews.



Developer Wants to Move Metra

Developers have unveiled ambitious plans to transform a former Chicago rail yard into a sprawling residential and business campus, and possibly the site of Amazon's second headquarters.

The 62-acre site along the east bank of the Chicago River is the largest piece of undeveloped land in downtown Chicago, south of what's known as the Loop. The property has long been vacant, except for two rail lines. One north-south double-track is owned by Metra for its Rock Island Line, which terminates at La Salle Street Station; the other set, running east-west at the site's southern edge, is the St. Charles Air Line.

The developer, Related Midwest, is proposing to move the Metra tracks and build a pedestrian walkway above them. A spokesperson for Related Midwest told Trains News Wire that the Metra tracks would be relocated into "an enclosure that would protect air quality, minimize noise, and enable the development of ... a vibrant, walkable space."

A Metra spokeswoman said Related Midwest has "reached out" to Metra regarding the project but the agency had no further comment at this time. No plans or changes have been proposed for the St. Charles Air Line.

Related Midwest's proposal for the property it calls "the 78" (for Chicago's 78th named neighborhood), envisions a mixed-use community that will include residences, boutique retail options, restaurants, cultural institutions and office space. The property is one of five Chicago sites that was toured by Amazon officials earlier this year. The project needs city approval. The developer said it could take 20 years and more than \$5 billion to complete.

To the north of the site is the location of the former Grand Central Station, which was built in 1890 and demolished in 1971. The Baltimore and Ohio Railroad purchased the station in 1910 and used it as the Chicago terminus for its passenger rail service, including its Capitol Limited service to Washington, D.C. Major tenant railroads included the Soo Line Railroad, successor to the Wisconsin Central, the Chicago Great Western Railway, and the Pere Marquette Railway.

Most of the site of the proposed development was once the Chicago River itself. The river originally curved through the site but a major public works project in the 1920s straightened the river and relocated it further west.

TRAINS On Line 5-23



50 years ago members of the Family Model Railroad Club formed the Danville Junction Chapter, NRHS. Remaining original members holding the 50-year certificate from the NRHS are Jesse Bennett, left, and Richard Schroeder, right.

Original member Dave Sherill was unable to attend. In 1976 the Chapter moved into the Rossville depot of the former Chicago and Eastern Illinois Railroad, at that time owned by the Louisville and Nashville. Today the mainline is operated by CSX Transportation.



The Rossville Depot Museum is open weekends from Memorial Day to Labor Day and houses a collection of local rail-

road historical items as well as an operating model railroad in the baggage room. The group celebrated with a picnic at the depot and thanks to President Henry Schmitt for setting up the picnic.



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

Photo of the Month



July 4th at Watseka is gooseberry day at the Watseka Depot for fund raising and we have the museum open for visitors. The UP was a busy line that day and upon leaving my usual route via Woodland Junction and then follow UP back to Royal. This is the only train photographed that day, NS 9333 and 2815 lead a UP train toward Villa Grove. Rick Schroeder photo.