

Soo Line Railroad Company records.

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Soft Dos 45/ Boston Contra V Tools Boston 4:40P 5:59P 8:55a-11:30a Clevela D 12:00 Pt 22:17 Deliversee New York 4:25 P 5:55P

D. M. Cavanaugh R. L. Murlowski R. H. Smith TO:

J. T. Hartnett H. J. Ness

J. C. Miller

J. D. Darling 500 FROM:

Rock Island Study RE:

The next meeting to review progress on this study will be in the Eighth Floor Board Room, at 10:30 a.m., on Thursday, June 3, 1982.



May 27, 1982

Ref. No. 700.010

Mr. Joe D. Darling Operations Consultant Data Systems Department Soo Line Railroad Company Soo Line Building Box 530 Minneapolis, MN 55440

Dear Mr. Darling:

Enclosed is the information you had requested on grain production, barge rates, etc.

Feel free to call me if you have any questions.

Sincerely,

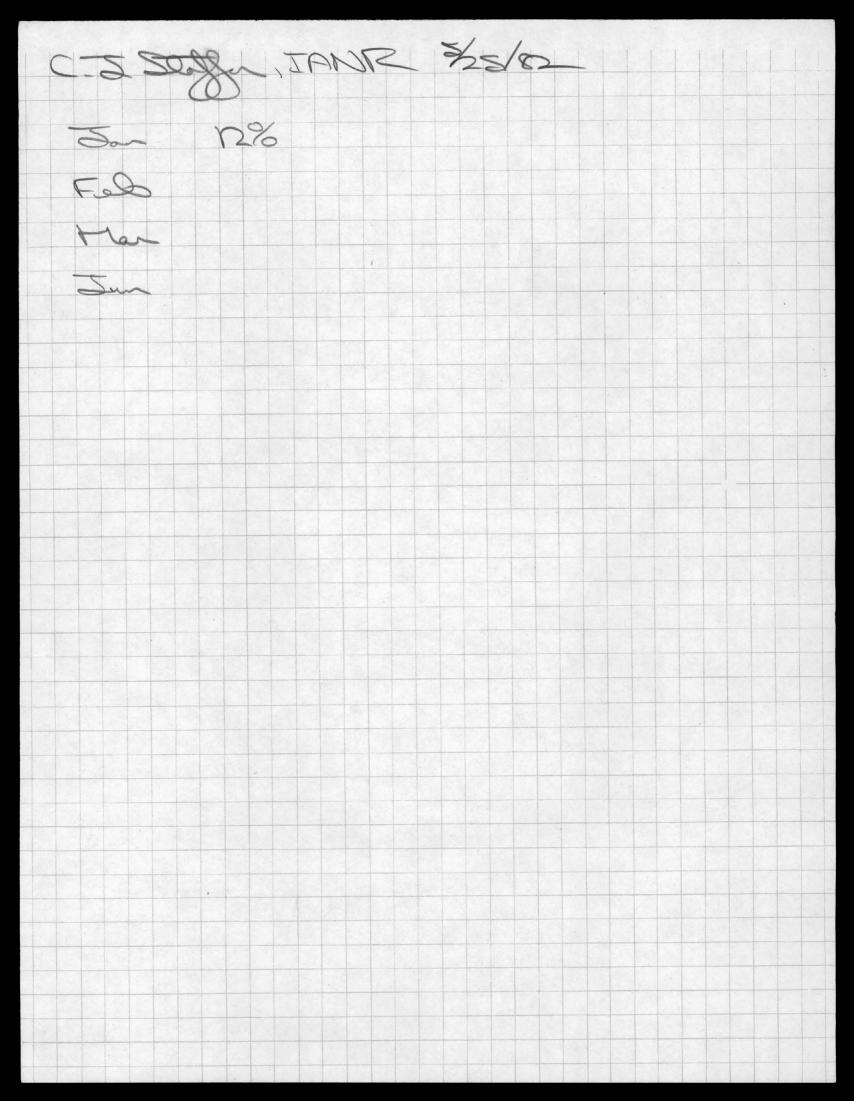
C. I. MacGillivray, Director

C. L. Mac Gillimay

Planning & Research Division

yd

Enc.



TO: J. C. Miller

FROM: J. D. Darling 500

RE: Rock Island Study--Locomotives and Cabooses

Reference is made to my letter of May 11, 1982.

Reflecting my analysis of the seasonality of Soo Line country grain loading, and assuming a similar pattern on the Rock Island lines under study, the maximum number of locomotive units required may be reduced.

Item Nos. 8 and 9 may be reduced to four GP38-2s and one caboose year-round.

Item Nos. 13, 14, and 15 may be reduced to four GP38-2s and one caboose year-round, and four GP38-2s and one caboose for six months.

Item No. 16 may be reduced to one GP38-2.

NET YEAR AROOND:

7 SD40-2'S

23 6838-2'S

13 Calooses

JDD/jmz

RUS SIX MONTHS 4 GP38-2'D 1 Calonse

TO: J. C. Miller

FROM: J. D. Darling 580

RE: Rock Island Study--Locomotives and Cabooses

Reference is made to my letter of May 11, 1982.

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Item Nos. 8 and 9 may be reduced to four GP38-2s and one caboose year-round.

Item Nos. 13, 14, and 15 may be reduced to four GP38-2s and one caboose year-round, and four GP38-2s and one caboose for six months.

Item No. 16 may be reduced to one GP38-2.

TO: J. C. Miller

FROM: J. D. Darling 300

RE: Rock Island Study--Freight Cars

Per your request, here is my analysis of the annual originated carloads by car type. The source of information for the car type analysis was data drawn from the Rock Island tape. Car type was not specifically available, but inferred from the commodity. In particular, the main line data was for many more carloads than considered retained in the traffic study. The results of the analysis were reduced accordingly after allowing for the anticipated retention of unit grain trains. Totals are a few cars off due to rounding.

Type of Car	Main <u>Line</u>	Iowa Falls Gateway	Total Cars
Equipped Box	43	11	54
Unequipped Box	730	237	967
Hide, Lumber Box	29	7	36
TOFC Flats			-
Machinery Flats, 52'	82		82
Machinery Flats, 60'	50	88	138
Gondolas, 52'	423	111	534
Open Top Hopper	129		129
Cement Covered Hopper	371		371
Jumbo Covered Hopper			0/1
Unit	3,671	10,568	14,239
Single	3,409	5,738	9,147
Airslide Covered Hopper	960	7	967
Insulated Box Car, RBL	404	3	407
Mechanical Refrigerator	8		8
Auto Rack	195	5	200
Tank	381	260	641
Miscellaneous	70	19	89
TOFC Trailer	2,547	<u>* 7</u>	2,554
TOTALS	13,502	17,061	30,563

TO: J. C. Miller

FROM: J. D. Darling

RE: Rock Island Study--Freight Cars

Please refer to my letters of May 18 and May 20, 1982.

In considering the seasonality of grain traffic and hence the need for jumbo covered hopper cars, I reviewed the monthly country grain tonnage loaded on the Soo Line for the four years 1978-1981. The results were that on the average one-third of the country grain moves in the six-month period from December through May, and two-thirds in the six-month period from June through November. Assuming the same general seasonal flow on the Rock Island lines results in a year-round requirement for 415 jumbo covered hopper cars and a six month requirement for 831:

JUMBO COVERED HOPPER CARS

	Main Line	Iowa Falls Gateway	Total Cars
Year-round	134	281	415
Six-month peak	269	562	831
Average	202	422	623

May 24, 1982

TO: D. M. Cavanaugh

FROM: J. D. Darling

RE: Rock Island Study--Progress Report

The potential acquisition has been defined. Portions of the Rock Island east-west main line being operated out of Des Moines by the CNW to Dexter, Newton, and Pella did not appear to warrant consideration by the Soo as the available traffic was largely east-west oriented, and as of June 1, 1982, will be operated by the Iowa Railroad.

The Traffic Department has completed an initial analysis using Soo and Rock Island data.

A basic operating scenario has been outlined.

The Accounting Department has completed a profitability analysis on an on-going operation. They are now in the process of analyzing the acquisition prices that would yield a desirable rate of return including capital investment in rolling stock. This latter analysis will be completed by Thursday, May 27, 1982.

Rehabilitation has not been addressed. In my opinion, the track will support an operation of the density anticipated. An accelerated maintenance program will be required over the next few years to bring the line up to our standards. As of this time, State of Iowa funding for rehabilitation of the main line will not be available in the short run. Funding for branch line rehabilitation is available. Rehabilitation of branch line trackage between West Bend and Estherville will probably be required. The siding at Iowa Falls will need rehabilitation and two sidings at Avon (Des Moines) will need switch connections to the main line at one end to facilitate road train operations.

A list of interchanges and joint facilities has been prepared. From my point of view, the next steps are detailed review of stations maps, and joint facility agreements, to refine the desired acquisition and prepare for negotiations with other carriers.

May 20, 1982

TO: J. C. Miller

FROM: J. D. Darling

RE: Rock Island Study - Freight Cars

Please refer to my letter of May 18, 1982.

I would like to revise my estimate of the freight cars that would be required to protect the projected loading at main line stations to reflect the likelihood that the unit grain trains would be among the traffic retained. Revised estimate is as follows:

		Iowa	
	Main	Falls	Total
Type of Car	<u>Line</u>	Gateway	<u>Cars</u>
Equipped Box	,		
	5		3
Unequipped Box	55	1	56
Hide, Lumber Box	2	18	20
TOFC Flats	33		33
Machinery Flats, 52'	6		6
Machinery Flats, 60'	4	7	11
Gondolas, 52'	33	8	41
Hopper Top Hopper	10	- 1	10
Cement Covered Hopper	29	- ,	29
Jumbo Covered Hopper	-202 134/269	42128156	2 _623415/831
Airslide Covered Hopper	74	1	75
Insulated Box Car, RBL	31		31
Mechanical Refigerator	1	- 3 - 3 - 3 - 3 - 3 - 3 - 3 - 3 - 3 - 3	1
Auto Rack	_15	<u> </u>	_15
	498	456	954
mana m			
TOFC Trailers	98		98

May 20, 1982

TO: J. C. Miller

FROM: J. D. Darling

RE: Rock Island Study - Freight Cars

Please refer to my letter of May 18, 1982.

I would like to revise my estimate of the freight cars that would be required to protect the projected loading at main line stations to reflect the likelihood that the unit grain trains would be among the traffic retained. Revised estimate is as follows:

		lowa	
	Main	Falls	Total
Type of Car	<u>Line</u>	Gateway	Cars
Equipped Box	3		3
Unequipped Box	55	1	56
Hide, Lumber Box	2	18	20
TOFC Flats	33	10	33
Machinery Flats, 52'	6		6
Machinery Flats, 60'	4	7	11
Gondolas, 52'	33	8	41
Hopper Top Hopper	10		10
Cement Covered Hopper	29		29
Jumbo Covered Hopper	202	421	623
Airslide Covered Hopper	74	ī	75
Insulated Box Car, RBL	31		31
Mechanical Refigerator	1		1
Auto Rack	_15		_15
	498	456	954
TOFC Trailers	98		98

May 20, 1982

TO: D. M. Cavanaugh

FROM: J. D. Darling

RE: Rock Island Study

The attached article is confirmation of the pending removal of the Rock Island trackage between Allerton and Seymour, Iowa.

JDD/jmz

Att. (1)

May 18, 1982

T0:

D. M. Cavanaugh R. L. Murlowski

R. H. Smith

H. J. Ness

J. T. Hartnett

J. C. Miller

FROM:

J. D. Darling

RE:

Rock Island Study

The next meeting to review the progress of this study will be in the Eighth Floor Board Room, at 9:00 a.m., on Thursday, May 27, 1982.

May 18, 1982

TO: J. C. Miller

FROM: J. D. Darling The

RE: Rock Island Study - Freight Cars

This estimate of the freight car requirement was taken from two reports drawn from the Rock Island tape. These reports listed the originations by commodity on the Main Line (including the Indianola Branch) and on the Iowa Falls Gateway Branches. In the case of the Main Line, the Traffic Department study indicated only 42 percent of the business would be retained and the requirement for each type of car was reduced accordingly. In the case of the Iowa Falls Gateway traffic, slightly more than the traffic indicated on the report was calculated.

The number of cars of each type was determined using a four week turnaround, except cars in 50 or 75 car unit grain trains were assumed to turn in two weeks, as were TOFC trailers, and TOFC flat cars in one week handling one and a half trailers in each direction. Private ownership of 50 percent of the required jumbo hopper cars was assumed. One hundred percent empty return with no opportunity for reloading was also assumed. The results are as follows:

Type of Car	Main <u>Line</u>	Iowa Falls <u>Gateway</u>	Total Cars
Equipped Box	4	<u>-</u>	4
Unequipped Box	68	1	69
Hide, Lumber Box	3	18	21
TOFC Flats	38	<u>-</u>	38
Machinery Flats, 52'	8	-	. 8
Machinery Flats, 60'	5	7	12

(Continuation)

Type of Car	Main <u>Line</u>	Iowa Falls <u>Gateway</u>	Total Cars
Gondolas, 52'	40	8	48
Hoppen Top Hopper	12	<u>-</u>	12
Cement Covered Hopper	35	-	35
Jumbo Covered Hopper	189	, 421	610
Airslide Coverd Hopper	90	1	91
Insulated Box Car, RBL	38		38
Mechanical Refrigerator	1	<u>-</u>	1
Auto Rack	_18		18
	549	456	1,005
TOFC Trailers	113		113

May 3, 1982

TO: D. M. Cavanaugh

R. H. Smith

R. L. Murlowski

J. T. Hartnett

H. J. Ness J. C. Miller

FROM: J. D. Darling

RE: Rock Island Study

The Traffic Department has completed its initial carload and revenue estimate. The Accounting Department plans to have an initial financial analysis completed for review on Monday, May 10, 1982.

A meeting has been scheduled on Monday, May 10, 1982, at 10:30 a.m., in the Eighth Floor Board Room, for this purpose.

JDD/jmz

RECEIVED
MANAGEMENT INFORMATION
SYSTEMS

MAY 4 1982
7,18,19,10,11,12,1,2,5,4,5,6

May 11, 1982

TO: J. C. Miller

FROM: J. D. Darling

RE: Rock Island Study - Locomotives and Cabooses

For the main line, allow the following locomotives and cabooses:

11 SD40-2

12 GP38-2

11 Cabooses

For the Iowa Falls Gateway branches and additional extra trains between Iowa Falls and Kansas City, allow:

18 GP38-2

5 Cabooses

The total requirement would thus be:

11 SD40-2

30 GP38-2

16 Cabooses

The details of these requirements are:

1. Daily through freight, Minneapolis to Kansas City and return, three sets of power, consisting of two SD40-2s and one GP38-2 and three cabooses.

6 SD40-2

3 GP38-2

3 Cabooses

This power combination is estimated to be adequate for the tonnage and allows cycling of GP38-2s to yard, way freight, and branch line points.

2. Manly-Owatonna Turn

1 GP38-2

1 Caboose

J. C. Miller Page Two May 11, 1982

3. Manly-Mason City Turn

1 GP38-2 1 Caboose

4. Iowa Falls Yard

1 GP38-2 1 Caboose

The caboose may be required on runs from the yard to the south side of town to serve a soybean plant and interchange with the CNW.

5. Avon-Des Moines Turn

1 GP38-2 1 Caboose

6. Avon-Indianola Turn

1 GP38-2 1 Caboose

7. Trenton Yard

1 GP38-2

8. Fifty (50) extra trains, Minneapolis to Kansas City and return

2 SD40-2 1 GP38-2 1 Caboose

9. Fifty (50) extra trains, Iowa Falls to Kansas City and return

2 SD40-2 1 GP38-2 1 Caboose

The extra trains are assumed concentrated in half of the year.

J. C. Miller Page Three May 11, 1982 10. Shop 1 SD40-2 1 GP38-2 1 Caboose Subtotal - Main Line 11 SD40-2 12 GP38-2 11 Cabooses 11. Iowa Falls - Forest City Turn 2 GP38-2 Caboose Iowa Falls - Estherville - Ocheyedan or Rake regular assign-12. ment 2 GP38-2 1 Caboose Twenty-five (25) extra trains to Ocheyedan and 25 extra 13. trains to Rake GP38-2 Caboose Fifty (50) extra trains to Estherville 14. GP38-2 1 Caboose One hundred (100) extra trains, Iowa Falls to Kansas City and return GP38-2 4

Extra trains assumed concentrated in one-half of the year. All extra trains associated with Iowa Falls Gateway grain traffic would use an anticipated 18 consist days per week during the half year the grain traffic was moving, leaving a slack of three consist days. In addition, the main line extra trains would require ten consist days per week, with a slack of four consist days on the same basis. Thus, the five power consists included for extra trains could handle the

Caboose

J. C. Miller Page Four May 11, 1982

estimated grain tonnage in somewhat less than six months. For a complete flexibility, consideration could be given to replacing four (4) SD40-2s with six (6) GP38-2s on the main line extra train consists. SD40-2s were not considered in branch line consists as it is expected they would be too heavy. The last Rock Island timetable does not indicate six axle locomotives are prohibited from the Iowa Falls Gateway branches, whereas it does indicated six axle locomotives are prohibited from the Indianola branch.

16. Shop

2 GP38-2
Subtotal - Iowa Falls Gateway

18 GP38-2
5 Cabooses

Grand Total 11 SD40-2
30 GP38-2
16 Cabooses

May 7, 1982

File: GC-136 - Rock Island Study

PERSONAL

TO:

H. J. Ness

FROM:

J. T. Hartnett

RE:

Projected increase - cars and revenue - RI main line, Iowa Falls branch and Des Moines branch acquisitions.

Attached are revised summary sheets showing projections of increased cars and revenue, by stratum, from the Soo and RI 1978 traffic analyses.

Summary of this material showing revised increased cars and revenue is as follows:

From Soo 1978 Traffic Flow:

		1978 Rev.		
	Cars	(millions)		
Southbound	22,278	10.7		
Northbound	7,905	3.2		
From RI 1978 Traffic Flow:				
From Main Line	12,652	5.9		
To Main Line	5,680	2.3		
Total Main Line	48,515	22.1		
Iowa Falls Branch:	20,807	12.7		
Des Moines Branch Lines:	22,134	3.6		

There is also a projected annual gain from CN-DWP traffic as follows:

1,780 1.5 (1982 Rev.)

We estimate that freight rate increases have increased the value of 1978 revenue by 51.73%.

Enc.

Copy to: J. C. Miller T. S. Ness

J. D. Darling R. H. Smith P. M. McNamee W. M. Edrington

STRATUM	TIPA	CARS IN	NUMBER OF	REVENUE GAIN	REVENUE	TO OF CARS	TOTAL CARS	
(56)	12	SAMPLE	SAMPLE	OF SAMPLE	GAIN PER CAR	IN SAMPLE	IN STRATUM	1N
	STRATUM	122	WITH GAIN			WITH GAIN	WITH GAIN	STRATUM
IAI IAZ	173	173	173	112 000	647	100%	173	112 000
IA3	409	31	0	53 699	389	72%	138	33 617
2110								
IB1	557	29	29	26 828	925	10070	557	515 225
I82	3017	62	57	21 795	382	92%	2 776	1,060 432
I 83	3 300	30	6	3 604	601	20%	660	396 660
IC1	109	109	109	88 053	808	100%	109	88 053
IC2	1455	63	52	17 538	337	83 %	1208	107 096
IC3	3 462	32	0	0	0		0	0
ID1	26	26	26	29 579	1126	100.07	2/	24 576
ID2	126	126	106	31 550	1 138	100%	26	29 579
ID3	100	100	4	1066	267	4%	106	31550
			1	, 000	. 201			101
IIA	1072	63	61	37049	607	97%	1040	631 280
IB	1293	76	15	62 755	837	99 %	1280	1071 360
IC	60	60	23	9 554	415	38 %	23	9554
II D	/33	133	12	10 398	867	97	12	10 398
-TH A	.6 221		1.0			10.60		
ДA	19 771	380	108	44 080	408	28 %		2,258688
ガ B	23 624	238	72 23	34481	419	30 %		3,394 673
TI D	4 196	109	30	7 286 15 649	522	21 %	871	276/07
## D	21,2	133		10 011	12-4	23%	672	350784
					496		22 218	10,697405

STRATUM	TOTAL CARS	CARS IN	CARS IN	REVER	TAL DE GAIN		TO OF CARS	TOTAL CARS IN STRATUM	11	
(NB)	STRATUM	SAMPLE	SAMPLE WITH GAIN	OF S	AMPLE	CAR	WITH GAIN	WITH GAIN	STRATUM	-
I-A-1	619	619	619	293	729	475	100%	619	293 729	
I-A-2	1720	101	72	243	378	339	71 %	1221	413 919	
1-A3	1 206	1206	4		625	156	0.3 %	4	625	
I-B1	66	66	66	39	015	591	100%	66	.39 015	
I-82	833	833	353	133	734	379	42 %	353	133 787	
I-B3	821	821	7	7	737	1105	1%	7	7 737	
I-C1	14	14	14	9	590	685	100 %	14	9 590	
I-C2	72	72	2		548	274	37	2	548	
I-C3	244	244	0		0	0		0	0	
I-D1	37	37	37	29	639	801	100 %	37	29 639	
I-D2	175	175	49	17	233	352	28 %	49	17 233	
I-D3	297	297	0		0	0		0	0	
ΠA	497	197	81	33	589	386	18%	87	33 589	
IB	74	74	20	20	301	1015	27%	20	20301	-
IIC	12	12	3	1	794	598	25 %	3.	1794	
IID	267	267	4	6	251	1563	170	4	6251	
III A	15 67.9	101	26	9	909	381	26 %	4077	1,553 337	
IIB	3490	97	23	12	780	556	2470	838	465 928	
III C	644	644	130	18	068	477	20 %	130	62010	
ШD	4 159	75	7	2	838	405	9%	374	151 470	
								7905	3,240 502	

STRATUM	TOTAL CARS STRATUM	CARS IN SAMPLE		REVINUE GAM OF SAMPLE	REVENUE GAIN TER CAK	TO OF CARS IN SAMPLE WITH GAIN	TOTAL CARS IN STRATUM WITH GAIN	
1-I-A 1-I-B 1-I-C 1-I-D	9 908 1 303 3 5 3 9 19 3 3 6	232 181 76 193	131 96 76 29	73 186 30 059 31 929 8 485	559 3/3 499 293	56 % 51 % 100 % 15 %	665	3,101 332 208 145 1,765 961 849 700
2-I-A 2-I B 2-I-D	8 876 1686 7926	124 84 233	46 68 31	20 005 26 862 10 143	435 395 327	37 %. 81 %. 13 %.	3 284 1 366 1 030 5 680	5,925 138 1,428 540 539 570 336 810 2,304 920 8,230 058

		1					11	
STRATUM	TOTAL CARS	CARS IN	NUMBER OF CARS IN	REVENUE GAIN	GAIN PER	POOF CARS	TOTAL CAR	TOTAL GAIN
	IN STRATUM	SAMPLE	SAMPLE WITH GAIN	SAMPLE	CAR	WITH GAIN	WITH GAIN	STRATUM
I-A-1	1 373	16	62	30 323	489	82 %	1126	550 614
I-A-2	222	32	31	11 163	360	97%	215	77 400
I-A-3	3 278	33	33	2 828	86	100 %	3 278	281 908
- I-A-4	8 453	235	223	36 093	162	95 %	8 030	1,300 860
I - B - 1	575	58	56	19 520	349	97 %	558	194 742
I - B - 2	402	33	33	14 424	437	100 %	402	175 674
- I-B-4		462	1962	58 299	126	100 %	1	1,074150
DES MOINES BRANCHLINE TOTALS							22 134	3,655 348
- II-A-1	16 819	168	132	86 084	652	79%	13 281	8,663 124
- II-A-2	36	36	36	18 230	506	100%	36	18 230
II-A-3	1	7	2	458	229	29 %	2	458
- I-A-4	4549	45	37	20 146	544	82 %	3 730	2,029 120
II-B-1	686	114	110	42 798	389	96 %	659	256 351
- II-B-2	528	36	28	12076	431	78 %	412	111572
- II-B-4		59	55	31976	581	93 %	2681	1,557 661
IOWA FALL BRANCHLINE TOTALS							20 807	12,902516
GRAND TOTAL ALL BRANCHLINES							42 941	11.351 864
GRAND TOTAL ALL DRANGALINES							12 111	7,27
			II .					

May 14, 1982

TO: The File

FROM: J. D. Darling

RE: Rock Island Study

On Thursday, May 13, 1982, I attended a public hearing by the Iowa Department of Transportation in Ames, Iowa.

I arrived early and had the opportunity to meet with Les Halland, Director, Railroad Division, Iowa DOT, for about an hour and for part of that time with Harvey E. Sins, Rail Operations Manager, Iowa DOT.

With regard to their questions (and later those of several others, including former Rock Island employees), I stated that we are interested in the outcome of the Rock Island liquidation, and in particular, the Twin Cities line in any event, that we are conducting an internal study to determine if this interest should include direct participation, but that as yet, we had not reached any conclusions in this regard.

Two key points of interest were learned from this discussion.

First, Les Halland stressed that a group consisting of rail shippers and other parties, said to be rail related companies, may be able to arrange funding to purchase and rehabilitate those portions of the Rock Island that we are studying within a week or two. I believe North American Car is a member of this group. This would not include state funds as the Iowa Rail Finance Authority is still tied up in Court. The acquisition would apparently include the line from the Twin Cities to Kansas City, the contiguous Iowa Falls Gateway branch lines, and the large yard adjacent to the Rock Island east-west line in Des Moines. Les Halland stated that he assumed any road operating the north-south line would need this yard. He also stated the C&NW would like to retain this yard. Later, I had a chance to talk with Mr. Brian R. Whipple, President, Iowa Railroad Company. Currently, they plan to commence operations on the east-west line between Council Bluffs and Bureau, Illinois, on June 1, 1982, but do not plan to use this yard. did not ask, but I presume the Indianola branch would also be acquired.

The group planning acquisition of the Rock Island trackage will be looking for an operator on a lease-purchase basis. The group would apparently prefer more than one operator serving local shippers.

The second key point of interest is that the Rock Island trackage that would permit a connection between the Milwaukee at Seymour, Iowa and the Rock Island at Allerton, Iowa is being torn up. This track is part of the Rock Island Chicago to Kansas City route which joined the Twin Cities to Kansas City route at Allerton. The Rock Island route from Chicago to Kansas City closely paralleled that of the Milwaukee, particularly in Iowa and Missouri. The Milwaukee has acquired the Rock Island route from Davenport to Washington and will abandon their own line in this area. From Polo, Missouri to Kansas City, the Milwaukee and Rock Island operate as a single joint line. The track between Seymour and Allerton would have permitted the Milwaukee to operate on the Rock Island south from Allerton, allowing abandonment of 106.1 miles of their line from Seymour to Polo and providing a tenant on the Rock Island line over 95.7 miles from Allerton to Polo. The line from Seymour to Allerton is 133 miles.

The loss of this track segment will have the effect of denying a tenant, with no change in competitive position, over 20 percent of the Twin Cities-Kansas City route at equal or greater use than the operator of the Rock Island line. This loss would also remove a bargaining chip, should Milwaukee intransigence be encountered with respect to the trackage rights between Northfield and Comas, Minnesota and entry into the joint KCS-MILW terminal in Kansas City, Missouri.

Other points of interest were that the Milwaukee interest in the Des Moines Union Railway, shared with the NW, is still available. Acquisition of this interest may be a way to strengthen penetration into the Des Moines industrial base. This acquisition would also bring with it an ownership interest in the Iowa Transfer Railway, although the Rock Island interest in this facility is also presumably available. The Iowa Transfer is a yard, with no engines of its own, at which interchange with other roads may be set out and picked up.

Briefs are to be submitted on May 20, 1982, in Federal District Court in Chicago regarding the operation of the Iowa Railroad on former Rock Island trackage rights on the C&NW over 11.4 miles from Council Bluffs to McClelland, Iowa. The Iowa DOT sees this case as related to the transferability of Rock Island trackage rights on the C&NW between Northwood, Iowa and Mason City on the Twin Cities-Kansas City line.

The C&NW has spent \$2.3 million of Federal funds under directed service order authority rehabilitating the Rock Island line between Iowa Falls and Des Moines.

With regard to the public hearing itself, the purpose was to provide a forum for public comments on a brochure prepared by the Iowa DOT as part of an effort to provide a revised State Rail Plan and a basis for administering their Branch Line Assistance and Rail Finance Authority programs.

Railroads that I detected as present included the BN, C&NW (D. R. Freyer), Milwaukee (Larry Lange), the Iowa Northern (Mr. Porter, Les Ross), the Iowa Railroad (Brian Whipple), and the Atlantic and Pacific Railroad. The latter may be a shipper group.

Swen Gafford, Ames Chapter of the Sierra Club made a statement in favor of the railroads and opposed to the expansion of the upper Mississippi waterway.

A statement was made supporting the re-establishment of rail passenger service between Davenport and Council Bluffs, Minneapolis and Kansas City, Mason City and Burlington, Des Moines and Ames.

Many comments were in support of re-establishing freight service on the Rock Island east-west line between Council Bluffs and Davenport. Such comments were made by Scott Borester, representing the Chamber of Commerce and the Train Group, a shippers association representing shippers between Iowa City and Des Moines, Don Sontag, representing the Atlantic Shippers, Jim Hall, Division Manager, Wheeler Division, Keith Keefer, Iowa City Chamber of Commerce, and These comments to the exclusion of any significant comments on the north-south line may have been in support of the Iowa Railroad. Mr. Brian Whipple, President, Iowa Railroad, made a statement. The Iowa Railroad has been operating the Rock Island east-west line from Council Bluffs to Stuart, Iowa since November 1981. On May 3, 1982, they commenced operation of 75 miles in Illinois from the Quad Cities to Bureau, connecting with the BO, which is operating the remainder of the Rock Island line into Chicago on a long-term lease.

On June 1, 1982, the Iowa Railroad expects to commence operating between Stuart and Quad Cities, thus resuming operations on the former Rock Island east-west line from Council Bluffs to Bureau, Illinois. Essential agreements have been reached with the C&NW and Milwaukee which have been operating segments of this line. I believe the C&NW will vacate the line between Dexter through Des Moines to Newton, except for the large yard at Des Moines. The Iowa Railroad will also operate the branch to Pella. The Iowa Railroad expects to serve industry in West Des Moines, Des Moines, and the Hollingsworth area with the same access and ability formerly held by the Rock Island. This includes access to one facility of Meredith Publishing. The Iowa Railroad will be leasing the Rock Island trackage from the trustee. They operate with two or three man crews as conditions warrant; generally,

three man crews in urban industrial area and do not cabooses.

Les Ross of the Iowa Northern stated that on this date,
May 13, 1182, they were making their first trip through over
the whole distance from Manly to Cedar Rapids. The Iowa
Northern also leases the Rock Island track from the trustee.

Ed Roach of Plainfield, Iowa, a town on the ICG Waterloo to
Albert Lea line state that the grain traffic from Plainfield is
shipped by rail. He stated that he believes Plainfield is west
of the line where trucking to the Mississippi River is more
economical, and that failure to use rail shipping in past years

Otherwise, the consensus was that the Iowa DOT had done a good job in preparing the Iowa Rail Service Needs Map.

was primarily due to a lack of cars, a problem which has since gone away. In the only substantive exception to the Iowa DOT Rail Service Needs Map, he suggested this ICG line be shown as necessary. This line is east of the Rock Island north-south

JDD/jmz

line.