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Railroad Quick Hits

- News updates and special reports are available online at Railfanning.org.
- *The Cross-Tie* is launching a new e-mail based subscription. To receive future issues of *The Cross-Tie*, drop a line to subscriptions@thecrosstie.com or log onto <http://www.thecrosstie.com/subscribe>. There is no cost to subscribe.
- **Coming next month:** We will take a look at the Southeastern Railway museum, its history and its rolling stock. The museum, located in Duluth, Ga., is home to dozens of pieces of rolling stock and locomotives. As the official transportation museum of Georgia, the museum also has non-railway pieces in its collection. But in addition to *The Cross-Tie* feature, Railfanning.org will offer an online look at the museum and a look inside some of the more intriguing pieces of rolling stock.

AMTRAK SAYS FAREWELL TO EXPRESS MAIL



Todd DeFeo/*The Cross-Tie*

An express mail car tails Amtrak's Crescent as it departs Gainesville, Ga., on Sept. 11, 2004. Amtrak says it is dropping out of the express mail business in favor of improving its passenger service.

Special to The Cross-Tie

WASHINGTON – Amtrak will discontinue shipping mail for the U.S. Postal Service, saying the decision will improve passenger service.

“Mail and express no longer makes business sense for Amtrak and has negatively impacted the quality of our passenger service, so the decision has been made to exit the business,” Amtrak President & CEO David L. Gunn said in a message to employees. “It is my intention to have all mail and express activity concluded

by early October.”

In addition to a notification given last week to the Postmaster General, Amtrak is advising officials in Florida, Ohio and Indiana that a limited number of stations will no longer be served by passenger trains as a result of the railroad's withdrawal from mail and express hauling.

Amtrak has also been in communication with labor unions that represent Amtrak employees affected by the decision.

(Continued on page 2)

AMTRAK OVERHAULS TRAINS

(Continued from page 1)

Amtrak's mail and express business was marginal and did not justify the toll it took on passenger operations. The slower schedules necessitated by longer trains and the switching of express and mail cars at terminals and en route caused passenger dissatisfaction and increased costs. The cost to lease or maintain aging equipment was another factor in the decision to exit the business.

In Chicago, Toledo, Philadelphia, Washington, St. Paul-Minneapolis, Los Angeles, Jacksonville and other cities, train delays due to mail handling will be eliminated.

Amtrak is making arrangements to dispose of the specialized mail and express handling equipment and the passenger railroad will also reduce the number of locomotives it needs by shortening trains to and from Chicago. Also, maintenance forces can concentrate on returning other elements of the railroad to a state of good repair without the additional equipment required by the mail and express business.

Related to this action, Amtrak's New York-Miami *Palmetto* will serve New York-Savannah, starting Nov. 1, 2004. Also starting Nov. 1, Amtrak will eliminate the Chicago-New York *Three Rivers*, substituting in its time slot the New York-Pittsburgh *Pennsylvanian*, extending that service to Chicago until the spring.

Approximately 300 employees are affected by this action, primarily at terminals and stations. "I realize that this will be painful for some employees, but we will make every effort to provide oppor-

tunities for affected employees to remain with the company," Gunn said.

Some workers are expected to exercise their seniority rights for jobs elsewhere in the corporation, including the package shipping business that will continue on trains with checked baggage.

The current *Palmetto* runs overnight New York-Tampa-Miami as a coach-only train, on a schedule driven by the needs of the mail business. After Nov. 1, it will become a New York-Savannah daytime service, as it was until 1994, and operate on a faster schedule.

The Florida cities of Lakeland and Tampa, now served by the *Palmetto*, will be served instead by the New York-Orlando-Miami *Silver Star*. Sleeping car and dining car service to Tampa will be restored, with First class passengers from St. Petersburg, Sarasota, and Fort Myers having a much shorter bus ride to Tampa instead of Orlando.

Rail service will be withdrawn from four Florida stations: Waldo, Ocala, Wildwood and Dade City – all served at night. A daytime motorcoach service will connect those cities plus Gainesville with the *Silver Star* both at Jacksonville and Lakeland.

The New York-Pittsburgh-Chicago *Three Rivers* was extended from Pittsburgh to Chicago in 1996 and scheduled to meet the needs of the bulk-mail business that Amtrak is now exiting. Changes will come in three phases.

Effective Nov. 1, 2004, the *Three Rivers* (New York-Pittsburgh-Chicago) and *Pennsylvanian* (New York-Pittsburgh) will be replaced

by one New York-Pittsburgh-Chicago train offering Coach and Business Class service. It will operate on a schedule nearly one-hour faster than the current *Three Rivers*.

On or about March 1, 2005, service on the *Three Rivers* route will be eliminated west of Pittsburgh, following the legally required advanced notice to the affected communities of Youngstown, Akron and Fostoria, Ohio, and Napanee, Ind., Amtrak said.

Current plans call for changes in the New York-Pittsburgh train schedules with the effective date of the Spring-Summer 2005 Amtrak timetable in April. The westbound train to Pittsburgh will operate slightly later in the day than the current *Three Rivers* and the eastbound train to New York will approximate the current schedule of the *Pennsylvanian*.

The 1998 extension of the *Pennsylvanian* between Pittsburgh and Chicago for mail and express purposes was eliminated in 2003 and a different *Pennsylvanian* schedule to New York was adopted last year.

Daily service between Pittsburgh and Chicago will be maintained by the *Capitol Limited*, which operates via Cleveland, Toledo and South Bend, more populous cities north of the current *Three Rivers* stops in Ohio and Indiana.

Amtrak's announcement, however, wasn't well-received, particularly in Ohio. The Ohio Association of Railroad Passengers (OARP) released an analysis showing that taxpayers statewide will not only get less, but will be

(Continued on page 3)

"DurI realize that this will be painful for some employees, but we will make every effort to provide opportunities for affected employees to remain with the company."

— David Gunn,
Amtrak President &
CEO

Amtrak Exits Express Mail Biz

(Continued from page 2)

footing more of the bill for Amtrak's service elsewhere.

"The end result is that, from 2003 to 2005, Ohio will have lost nearly 50 percent of its passenger train services," said Ken Prendergast, director of the Ohio Corridors Campaign, an OARP program. "This is a disturbing trend in the nation's seventh-most populous state, where its citizens are aging and becoming less mobile. More rail service and federal investment is needed, not less."

But, OARP's analysis shows the exact opposite is happening in Ohio, based on Amtrak's reduced number of train-miles here. Amtrak's share of federal operating and capital grant spending in Ohio will decline from \$29 million in 2004, to \$21 million in 2005 — if Amtrak cuts the *Three Rivers* service. Yet, Ohio's taxpayers paid about \$45 million into the \$1.2 billion federal operating and capital grants Amtrak received in 2004.

"If Ohio wasn't such a donor state when it comes to Amtrak, the Ohio Rail Development Commission's Ohio Hub Plan for fast, frequent passenger trains between the region's biggest cities would already be on the fast track to reality. Ohio's Congressional Delegation needs to secure more funding for the kind of passenger rail service Ohioans deserve. Until then, Ohioans will continue to be left behind at the station," Prendergast concluded.

Cross-Tie editor Todd DeFeo contributed to this report. More schedule details are available at thecrosstie.com.

SEPTA: BUDGET WOES NECESSITATE 'DRASTIC MEASURES,' REDUCTIONS

PRNewswire

PHILADELPHIA — With "great reluctance," SEPTA says drastic measures must be taken unless sufficient funding is provided to maintain public transportation services in the five-county region.

These measures would include an average 25-percent hike in all transit fares, an "across the board" 20-percent system-wide reduction in transportation service — including elimination of all weekend service, region-wide — and a workforce reduction of approximately 1,400 SEPTA jobs.

The service reduction would eliminate approximately 225-thousand daily passenger trips. The ripple effect would produce an incalculable effect on the regional economy. If necessary, these measures must go into effect no later than January 1, 2005.

The combined savings resulting from the fare hikes, service reductions and workforce reduction must equal \$62 million, the current estimated deficit of the Fiscal Year 2005 SEPTA Operating Budget.

"This is the worst crisis to face SEPTA in its 36-year history," SEPTA Chairman Pasquale T. Deon Sr. said.

"The SEPTA Board has forestalled this catastrophic action as long as possible," Deon added. "Public hearings were conducted throughout the region last May for the specific purpose of alerting the public to our funding crisis, and we have been

gratified with the support we have received. Senator Stewart Greenleaf and State Representative John Taylor have introduced legislation to provide funding, not only for SEPTA, but also for the 70 other transit agencies in similar straits throughout Pennsylvania. This is our last chance to get it passed."

Details of the proposed contingency plan will be explained during a new series of public hearings in October in each of the five county seats.

"The impact of these measures on the lives of our customers, businesses in the region, as well as my fellow SEPTA employees, would be devastating. This is our last chance to avoid disaster," SEPTA General Manager Faye Moore said. "These contingency measures are contrary to every aspect of the mission of this transit authority."

"We should be expanding the system — not dismantling it," Moore added. "There is nothing fair in this agonizing process. It is unfair to everyone who relies on public transportation, especially the working poor, the elderly, the disabled, students and others for whom public transportation is their sole means of mobility around this large metropolitan region."

In June, legislation was introduced in the Pennsylvania legislature that would help provide dedicated and predictable funding for public transit agencies throughout the state.

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— SEPTA Chairman
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CSX STARTS 'QUIET ZONE' RAIL OPERATION IN CHICAGO AREA

PRNewswire-First Call

CHICAGO – CSX Transportation (CSXT), the rail unit of CSX Corporation, has begun horn-free operations in a "quiet zone" on a four-mile stretch of its tracks extending through Blue Island, Evergreen Park and Chicago.

Trains passing through the quiet zone will not sound their horns unless hazardous or emergency conditions occur. The quiet zone is a demonstration project funded by the State of Illinois and sponsored by State Representative Kevin Joyce, CSX officials said.

Construction began on the quiet zone in November 2003

and was substantially completed in early September 2004. New conduit, cable, signal houses, four-quadrant gates, loop detection devices, median barriers, a monitoring system and flashing signals were part of new construction on the project. This quiet zone meets standards of the Federal Railroad Administration, which plans to implement rules governing establishment of quiet zones nationwide.

To meet quiet zone regulations and requirements, CSXT worked in partnership with the Illinois Commerce Commission to install

four quadrant gate systems and other engineered safety measures at several crossings in the Chicago area.

In addition and beyond the scope of the quiet zone project, CSXT rebuilt crossings at 99th Street, 111th Street and 115th Street. The cost of construction at these crossings is approximately \$2.7 million.

"This is a good example of public-private partnerships allowing for the safe transport of goods and a better quality of life for area residents," said Tony Tucheck, vice president for CSXT's northern region.

NEW RAIL SOFTWARE AVAILABLE

Business Wire

CARY, N.C. — Railinc has announced the commercial availability of RailSync's Control module and with the release of Control — which joins RailSync Command and Concur — Railinc now offers a full suite of Internet-based services that enable Short Line and Regional Railroads to access and process mission-critical information.

Control, centrally processed at Railinc, provides complete car accounting services which are flexible and compatible with any Transportation Management System (TMS). Control offers a full range of functionality and management reports for historical comparisons and trend analysis.

Web-hosted, secure and with no IT infrastructure requirements, RailSync's three

modules now include Command, a TMS which offers users tools for managing terminal, yard, train and industrial rail operations; Concur, a revenue management system that allows users to manage freight revenue efficiently and accurately, while enabling industry certified Interline Settlement System (ISS) participation; and Control, which can retrieve, organize and process car hire information from all transportation systems.

By combining the capabilities of RailSync with Railinc's network for gathering rail event data and its unrivaled reach into the Class 1, Shortline, and Regional railroads, Railinc now allows every link in the rail supply chain--including the shippers, equipment owners, suppli-

ers and 3PLs — to oversee and share information with unprecedented ease. Railinc stands as the unrivaled industry leader for providing single-source, complete, highly granular, timely interline rail data to the largest number of transportation professionals. All of Railinc products and services are supported 24x7x365 by Railinc's customer service team, which is well known for its domain knowledge and technical expertise.

"Shortline and Regional railroads play a very important role in the North American rail network," said Jim Gardner, President of Railinc.

"It is critical that they operate on the most productive systems and that they are electronically linked with all the other participants in this network.

"Shortline and Regional railroads play a very important role in the North American rail network."

*— Jim Gardner,
President of Railinc*



NEWS FROM THE

RAILS

QUICK HITS FROM AROUND
THE RAILROAD INDUSTRY**NTSB: Rail Fatalities Down**

Rail fatalities decreased in 2003, newly released information released by the National Transportation Safety Board shows (NTSB). Total rail fatalities decreased from 861 to 767 with every category showing improvement.

Two rail passengers were killed in 2003 compared to 7 passengers in 2002. Fatalities at grade crossings also decreased from 357 to 329. In 2002 light rail, heavy rail, and commuter rail reported 220 fatalities. In 2003 the number dropped to 173.

However, because of peculiarities in reporting requirements, there may be some duplication in the numbers for intercity rail and commuter rail, the NTSB notes.

Transportation fatalities in the United States decreased in 2003. Preliminary figures released today by the National Transportation Safety Board indicate that 44,888 overall transportation fatalities were reported in 2003, down from 45,311 fatalities reported in 2002 statistics.

"I am very pleased to see the decrease in transportation fatalities," said NTSB Chairman Ellen Engleman Connors, "but until that number is zero there is still work to be done."

The largest portion of the decrease comes in highway transportation where fatalities declined from 43,005 in 2002 to 42,643 in 2003. Deaths in passenger cars decreased by 1,109; however the reduction

was offset by increased fatalities in light trucks and vans, motorcycles, and medium and heavy trucks.

MAX Shows Off Gains on Lines' Anniversaries

PORTLAND, Ore. — It's been 18 years since MAX's Eastside Line opened. And in that time, 172 million riders have taken the train.

The line opened Sept. 6, 1986, and was Portland's first light rail line. About 48,800 passengers use the 15-mile line each day. MAX's Westside line has carried 51.1 million riders since it opened on Sept. 12, 1998.

Since opening, trains have traveled about 8.4 million miles on the Westside extension, equivalent to 1,060 trips around the earth at the equator. Westside MAX stretches 18 miles, connecting Hillsboro, Beaverton and Portland to the overall light rail system.

Genesee & Wyoming Leases Assets of the Peoria and Pekin Union Railway

GREENWICH, Conn. — Genesee & Wyoming has formed a new subsidiary, the Tazewell & Peoria Railroad, Inc. (T&P), and signed a 20-year agreement to lease the assets of the Peoria and Pekin Union Railway Company (PPU).

The owners of PPU include Norfolk Southern Railway Company, operating subsidiary of Norfolk

Southern Corporation, Union Pacific Railroad Company and the Illinois Central Railroad Company, owned by Canadian National Railway Company. The PPU system is contiguous with GWI's Illinois & Midland Railroad, which is based in Springfield, Illinois.

Operating over approximately 20 miles of track in the counties of Tazewell and Peoria, Illinois, PPU's customer base includes shippers of grain, steel and machinery products. In addition, PPU provides switching service for eight interconnecting railroads, including four Class I carriers and four short line carriers.

GWI expects that the T&P will contribute approximately \$10 million in annual revenue and that the transaction will be immediately accretive to its earnings per share.

"We are pleased to be taking over the operations of a high quality terminal railroad and to be expanding our presence in the State of Illinois," GWI Chairman and CEO Mortimer B. Fuller said.

"We believe that our operating efficiencies and service commitment will ensure that this terminal railroad remains a competitive transportation hub in the Greater Peoria railroad system."

— PRNewswire-FirstCall

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— NTSB Chairman
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*Questions, comments,
concerns, fears, trepidations?*

We want your feedback. For more information, general feedback or to submit a press release, please e-mail us at:
news@thecrosstie.com

The deadline for submitting news is the 12th of each month. Items submitted after the 12th may have to wait before being published. All press releases are subject to editor's approval and may be edited for content and length.

For news updates:
<http://railfanning.org/news/>
<http://thecrosstie.com/>

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AND AGAIN, HURRICANES DISRUPT RAIL SERVICE IN FLA., THROUGHOUT SOUTHEAST

By Todd DeFeo

Hurricanes Frances and Ivan dumped buckets of rain throughout the southeast and caused disruptions to railroads regionally.

"Although the Railway recorded very strong volumes in July and August, the Railway's preliminary assessment of Hurricane Frances' impact to operations indicates that in September the Railway will experience reduced traffic levels, as well as clean-up expenses," said Robert W. Anestis, Chairman, President and Chief Executive Officer of Florida East Coast Industries.

Following Frances, a pair of special relief trains operated by CSX Transportation and Union Pacific Railroad made their way to Florida, providing fuel for emergency

operations in the aftermath of the storm. The dedicated trains – one consisting of 20 cars and the other 24 cars – departed the Houston, Texas area recently and were expected to arrive in Florida at distribution points in Sanford and Tampa within days of Frances' landfall.

A total of 40 cars of diesel fuel or about 1.1 million gallons make up most of the shipments, although four cars of gasoline, or about 114,000 gallons, are also included. The fuel shipments were requested by the Federal Emergency Management Agency and the State of Florida to alleviate shortages created by Hurricane Frances and earlier, Hurricane Charley. The diesel fuel will be used for emergency generators at

hospitals and in fire and rescue vehicles. The gasoline will be used in police cars.

"Throughout our history, Union Pacific has stepped up and assisted communities in times of need," said Dick Davidson, Union Pacific chairman and CEO. "We are pleased to be able to provide assistance to FEMA as they help so many in Florida."

In mid-September, Amtrak suspended all service to New Orleans and used *The City of New Orleans* to help evacuate residents.

Before Frances, CSX said it had placed ballast trains at strategic locations throughout Florida to help repair tracks damaged by the hurricane.

PRNewswire-First Call contributed to this report.