

## WEEKLY RAIL REVIEW

For The Week Ending SAT, October 16, 2004

By Dave Mears

(NOTE: The expression "ffd" at the end of a news item represents "for further details" and suggests a reference for further related information.)

THE WEEK'S TOP NEWS (in chronological order):

(MON) The Southern California Rail Authority confirmed that it had eliminated Amtrak as a contender to operate SCRRRA's Metrolink commuter trains under a new contract. Railway Age also reported that Amtrak, which has provided crew and related services to Metrolink for 12 years, could not accept "loosely written liability language" that would have put its core business and its insurance at risk. Transit America LLC and Connex LLC remain as qualified bidders for the new contract. (ffd: Railway Age, SCRRRA)

(MON) New Jersey Transit announced a new program to provide mortgage assistance to home buyers locating near an NJT train station or bus stop. Under the program, known as "Smart Commute," home buyers will be allowed to count as income the money they would save using mass transit. Qualified lenders will add as much as \$200 a month for singles and as much as \$250 a month for couples, increasing home-buying power by about \$10,000 annually. The program is offered by NJT in conjunction with the federal home financing agency Fannie Mae. (ffd: Philadelphia Inquirer)

(MON) The American Public Transportation Association released a package of 90 voluntary guidelines designed to help guide the operation and maintenance of rail transit systems. The guidelines recommend ways that transit agencies may improve safety, reduce costs and enhance service reliability. An APTA spokesman said that the guidelines were developed by a team of more than 200 transit professionals during the past 4 years. (ffd: Progressive Railroading)

(TUE) The U.S. Supreme Court declined to consider a \$30 million damage award to a man partially paralyzed in a 1998 highway-rail grade crossing crash. The award, believed to be one of the highest ever to an individual injured in a crossing accident, was against Union Pacific. The award had earlier been upheld by the Arkansas Supreme Court, which said that UP had not adequately cleared away brush near the crossing despite being told several times that the overgrowth obstructed motorists' view of the tracks. (ffd: wire services)

(TUE) Amtrak opened a new maintenance facility in Oakland, CA. The facility, designed and constructed at a cost of \$71 million, replace a century-old outdoor facility nearby. The new facility includes a 50,000 square foot maintenance building and a 70,000 square foot service and inspection structure. (ffd: NARP)

(TUE) The Association of American Railroads marked its 70th anniversary. An AAR spokesman noted that it had been formed October 12, 1934 through the merger of several other rail industry associations, including the Association of

Railway Executives, the American Railway Association and the Bureau of Railway Economics. (ffd: AAR)

(WED) The U.S. House of Representatives passed a bill gradually eliminating the 4.3 cents per gallon tax on diesel fuel. The measure was part of an omnibus corporate tax package earlier passed 69 to 17 by the U.S. Senate and then passed 280 to 141 by the House, following conference committee reconciliation of the Senate and House versions. The bill, which now goes to President Bush for signature, will reduce the tax by one cent in January, 2005, by two cents in July, 2005 and eliminate it altogether in January, 2007. The tax had been estimated to cost the rail industry approximately \$170 million annually. (ffd: Railway Age)

(WED) Amtrak announced that it had its highest ridership ever in the fiscal year ending September 30, 2004. An Amtrak spokesman said that FY2004 ridership totaled 25,053,564 passengers nationwide, representing a 4.3 percent increase over its FY2003 ridership. (ffd: Amtrak, Springfield State Journal Register)

(WED) New Mexico state officials placed an order for 10 bilevel commuter rail coaches, 6 with cab controls and 4 without. The new cars, altogether costing \$22 million, will be used in commuter rail service between Belen, NM. and Bernalillo, NM., which will serve the greater Albuquerque area. The service is expected to start by mid to late 2005. (ffd: Bombardier, Railpace)

(THU) The Washington Metropolitan Area Transportation Authority, the parent agency of Washington, DC.'s Metro bus and subway systems, approved a \$3.3 billion capital funding agreement, representing a 6-year commitment from state and local governments in and surrounding DC. The agreement includes \$1.8 billion in previously pledged funding and \$1.5 billion in new commitments. A WMATA spokesman said that its capital spending plans include \$524.9 million for infrastructure renewal and \$600.6 million to purchase new rail cars and expand 3 shops, which it said should allow the subway system to begin operating 8-car trains. (ffd: Progressive Railroading)

(THU) The government of the South American nation of Venezuela said that it would invest approximately \$5 billion to upgrade that nation's rail system. A government spokesman said that approximately \$2.5 billion would be spent on a rail line connecting the capital of Caracas with suburbs south of the city and another \$2.4 billion would be spent on lines linking the central cities of Maracay and Barquisimeto with the port city of Puerto Cabello. The spokesman added that the government hopes to expand the existing 270-mile system to a 2,500-mile system over the next 20 years. (ffd: Trains)

(SAT) A Union Pacific freight train derailed approximately 50 cars near Pico Rivera, CA. A UP spokesman said that the derailment resulted in the temporary evacuation of approximately 200 area residents and that at least 4 homes were damaged by derailling cars, with at least 1 homeowner reported injured. The cause of the derailment was still under investigation at press time. (ffd: wire services)

STATS:

(THU) For the week ending October 9, U.S. carload rail traffic was up 1.7 percent from the comparable week last year, down 0.5 percent in the East, but up 3.5 percent in the West. This week this year versus this week last year, notable

traffic increases included metallic ores up 16.7 percent, petroleum products up 10.5 percent and metals up 10.4 percent; notable traffic decreases included grain down 6.7 percent and primary forest products down 6.4 percent. Also for the week ending October 9, Canadian carload rail traffic was up 7.7 percent, Canadian intermodal rail traffic was down 0.9 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was up 12.1 percent and TFM's intermodal rail traffic was up 30.6 percent.

For the period January 1 through October 9, U.S. carload rail traffic was up 3.0 percent, U.S. intermodal rail traffic was up 9.6 percent, Canadian carload rail traffic was up 8.1 percent, Canadian intermodal rail traffic was up 0.1 percent, TFM's carload rail traffic was up 2.5 percent and TFM's intermodal rail traffic was up 5.2 percent, all when ranked with the comparable week last year. (ffd: AAR)

#### ACQUISITIONS, ABANDONMENTS AND ALIKE:

(THU) Fulton County Railway filed to lease, from CSX, and operate approximately 55 miles of line in and around Atlanta, GA. (ffd: STB)

(FRI) Idaho & Sedalia Railroad filed to lease, from Idaho, Northern & Pacific Railroad, and operate 5 miles of line in and around Cascade, ID. (ffd: STB)

#### PERSONNEL CHANGES AND ALIKE:

(TUE) Burlington Northern Santa Fe appointed Jeanne Michalski VP-Human Resources & Medical. Mr. Michalski was most recently BNSF's AVP-Human Resources. (ffd: BNSF Corp.)

(TUE) Jim Wetzel passed away at Age 84 in Lafayette Hills, PA. Mr. Wetzel was a noted designer of rail classification yards and related facilities for the New York Central, Penn Central and Conrail, retiring from the latter railroad in 1985. (ffd: Philadelphia Inquirer)

#### CORRECTION:

Re the item in last week's WRR related to Norfolk Southern's on-duty employee fatality: A WRR reader knowledgeable of the accident has advised that it occurred not at Harrisburg Yard near Lucknow, PA., but at Enola Yard across the Susquehanna River from Harrisburg.

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Weekly Rail Review is edited from public news sources and published weekly to the rail and transit industries and those interested in them. Send an e-mail to <mailto:weeklyrailreview@aol.com>weeklyrailreview@aol.com to receive it, with my compliments.

HAVE A SAFE AND PROSPEROUS WEEK,  
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