

(SPECIAL NOTE TO WRR READERS WITH LAST NAMES BEGINNING WITH "T" THROUGH "Z": I incurred an apparent hard drive file corruption while transmitting Weekly Rail Recap last Monday. It transmitted okay to WRR Readers with last names beginning with "a" through "s" before shutting down my ability to send email. I have now moved related files to an alternate PC while I effect system recovery on my prime. Dave M.)

WEEKLY RAIL RECAP

For the week ending SAT, May 25, 2002

By Dave Mears

(NOTE: The expression "ffd" at the end of a news item means "for further details" and usually represents what I believe to be the most helpful news resource if a reader wants more information on a particular item.)

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

(MON) The New York State Legislature approved a state budget that omitted earlier proposed property tax reductions for railroads operating in the state. In response, CSX said that it would cancel \$15 million in improvements facilitating high-speed passenger services over its lines in New York and would likely continue the lawsuit it earlier filed in federal court over the state's tax structure. CSX earlier noted that it has only 7 percent of its system trackage in New York, but makes 31 percent of its system property tax payments to the state. (ffd: Albany Times Union)

(MON) A federal appeals court issued a decision upholding the U.S. Surface Transportation Board's approval of Norfolk Southern's intended closing of the former Conrail Hollidaysburg, PA. Car Shop. The court's decision also warned the STB to be more wary of commitments railroads may make when they're asking for mergers to be approved. "The events that precipitated the petitions before us may serve as an object lesson to other states and communities," the court's decision stated. (ffd: wire services)

(MON) The American Short Line and Regional Railroad Association said that it would work to explore an alliance with the Association of American Railroads wherein the 2 organizations would work more closely together to achieve common goals. The ASLRRA said that it had held an initial meeting with the AAR on April 23 to discuss such an alliance and would hold a further meeting on July 10. (ffd: Progressive Railroading)

(MON) Boston, MA. commuter rail operator MBTA began testing an automated announcement system on a special 6 car commuter train operating on the MBTA's Framingham/Worcester Line. The new system will automatically announce stations and special service updates. (MBTA)

(MON) The German state railroad, Deutsche Bahn, announced that it would discontinue dining car service on trains beginning September 1. A Deutsche Bahn spokesman said that it was being discontinued as an economy measure and would be replaced by snack cars and food trolleys, the latter serving passengers snacks at their seats. (ffd: wire services)

(TUE) The newly formed parent company of the Dakota, Minnesota & Eastern Railroad, Cedar American Rail Holdings, announced that it had acquired the former IBM Building in Sioux Falls, SD. to serve as its headquarters. The holding company also includes the recently acquired I&M Rail Link, which is being renamed the Iowa, Chicago & Eastern Railroad. (ffd: Sioux Falls Argus Leader)

(WED) The U.S. House Committee on Transportation and Infrastructure postponed full committee consideration of 2 bills: H.R. 4545, which reauthorizes Amtrak for an additional fiscal year and provides it \$1.2 billion in operating funding plus \$775 million for safety and security improvements, and H.R. 2950, which provides \$12 billion in federal tax-exempt bonds for high-speed rail projects. The business publication "Bond Buyer" reported that the bills were held to resolve differences related to a provision inserted into H.R. 2950 that would require high-speed rail construction to be covered under the Railway Labor and Railroad Retirement Acts. (ffd: wire services)

(WED) Mudslides and localized flooding forced suspension of service on Canadian Pacific's main line between Golden, BC. and Revelstoke, BC. A CPR spokesman said that the railroad was working to repair the line and hoped to have it open again later in the week. (ffd: CP Railway)

(WED) California amended a proposed bill to increase bonded funding for a state high-speed passenger rail system from \$6 billion to \$9 billion. If approved by the state's Senate Appropriation Committee and then the full legislature, it will be included as a referendum issue in California's November election. Later in the week, the U.S. Federal Railroad Administration approved a \$1.25 million grant to help prepare environmental and technical studies for California high-speed rail. (ffd: KGTU, USDOT)

(WED) The U.S. Surface Transportation Board announced revision to its complaint arbitration process. The revisions include providing an updated roster of available arbitrators and imposing a new requirement that complainants bringing cases before the STB must first consider utilizing the arbitration process. (ffd: STB)

(WED) Burlington Northern Santa Fe and the Kansas Department of Transportation announced a joint program to improve sight distances at 261 highway-rail grade crossings in Kansas. BNSF and KDOT said that they would share the cost of cutting and removing trees, brush and weeds and applying vegetation growth controls at these crossings to improve the visibility to motorists of approaching trains. (ffd: BNSF Corp.)

(WED) Via Rail Canada opened its renovated station complex in Moncton, NB. The \$1.5 million station rehabilitation project included consolidation of Via's Moncton telephone sales operations, which is responsible for handling Via's U.S., travel agency and Internet sales. (ffd: Via Rail Canada)

(THU) The U.S. Customs Service announced that it would place a new rail car inspection system in service on the U.S. side of the international rail bridge between Brownsville, TX. and Matamoros, MX. by the end of the month. The \$1.3 million system will use gamma rays to scan rail cars and is similar to a system already in place at the Laredo rail gateway with Mexico. (ffd: AAR)

(FRI) The U.S. Department of Transportation issued a warning to U.S. subway systems to be on the lookout for possible terrorist activity. A spokesman for USDOT, which also sent the alert to Amtrak, commuter railroads and freight railroads, cited "unconfirmed, nonspecific reports" of plans for possible attacks. The advisory asked railroads and transit operators to

"remain on a heightened state of alert." (ffd: wire services)

(FRI) A survey of 850 shippers conducted earlier this month by Morgan Stanley rail analyst Jim Valentine in conjunction with Transportation and Distribution Magazine rated Canadian National highest among North American Class I railroads. The survey, which asked shippers to rate the railroads on matters including on-time delivery, speed of delivery, ease of doing business and value for the dollar, rated Norfolk Southern second behind CN; NS had been rated last in an earlier survey of the shippers conducted last January. The survey also found that the shippers continue to find it difficult to do business with railroads and that service concerns leave them reluctant to shift traditional truckload business to rail. (ffd: BofLE, Trains)

(FRI) CSX apologized to the Brotherhood of Locomotive Engineers for ordering the removal of a BofLE billboard advertisement opposing remote control operation of yard locomotives, which CSX is currently testing. The billboard overlooked CSX's Acca Yard in Richmond, VA. A CSX spokesman said that the railroad "did not agree with the content of the billboard, but as a matter of policy respected the rights of others to have differing views on issues." (ffd: BofLE)

(SAT) A passenger train collided with a freight train in the southern African nation of Mozambique. The resulting crash killed 196 persons and injured hundreds of others. Investigators were still determining the cause of the crash at press time, but were focusing on possible human error. (ffd: wire services)

STATS:

(THU) For the week ending May 18, U.S. carload rail traffic was down 2.8 percent from the comparable week last year, down 4.4 percent in the East and down 1.4 percent in the West. This week this year versus this week last year, notable traffic increases included non-grain farm products up 15.6 percent, nonmetallic minerals up 9.2 percent and waste and scrap materials up 7.5 percent; notable traffic decreases included coke down 22.1 percent, primary forest products down 13.6 percent and coal down 7.1 percent. Also for the week ending May 18, U.S. intermodal rail traffic was up 9.2 percent, Canadian carload rail traffic was up 1.1 percent, Canadian intermodal rail traffic was up 14.5 percent, Mexico's Transportacion Ferroviaria Mexicana's carload rail traffic was down 2.9 percent and TFM's intermodal rail traffic was down 14.9 percent, all when ranked with the comparable week last year.

For the period January 1 through May 18, U.S. carload rail traffic was down 3.4 percent, U.S. intermodal rail traffic was up 2.8 percent, Canadian carload rail traffic was down 3.3 percent, Canadian intermodal rail traffic was up 5.3 percent, TFM's carload rail traffic was down 4.1 percent and TFM's intermodal rail traffic was up 4.4 percent, all when ranked with the comparable period last year. (ffd: AAR)

ACQUISITIONS, ABANDONMENTS AND ALIKE:

(MON) Union County and Wallowa County in Washington State agreed to purchase the defunct Northern and Pacific Railroad. The line, abandoned in 1996, extends 62 miles between Elgin, WA. and Joseph, WA. (ffd: The Oregonian)

(THU) Burlington Northern Santa Fe filed to abandon its line between Columbus, KS. and Carthage, MO., totaling approximately 29 miles. (ffd: STB)

(THU) Shortline and regional conglomerate RailAmerica established the 3 shortlines acquired from ParkSierra Rail Group as separate operating companies within the RailAmerica system: the 346 mile Arizona & California

Railroad, the 255 mile California Northern Railroad and the 150 mile Puget Sound & Pacific Railroad. (ffd: Progressive Railroading)

(THU) The Pine Belt Southern Railroad filed to abandon its line between Nuckols, AL. and Hurtsboro, AL, , totaling approximately 25 miles. (ffd: STB)

(FRI) BHP Nevada Railroad filed to abandon its line between Cobre, NV. And Keystone, NV., totaling approximately 146 miles. (ffd: STB)

(FRI) The Duluth, Missabe & Iron Range Railway filed to abandon approximately 2 miles of its Sliver Branch in Virginia City, MN. (ffd: STB)

(FRI) Union Pacific filed to abandon approximately 8 miles of its Skokie Industrial Lead in Cook County, IL. (ffd: STB)

CHANGING PEOPLE AND PLACES:

(MON) Washington, DC. area transit operator Metro appointed Polly Hanson Chief of Police. Ms. Hanson, who becomes the second woman to head the police department of a major U.S. transit agency, is a 21 year veteran of Metro's police force. Metro also appointed Patrick Porzillo Chief Operating Engineer. Mr. Porzillo was most recently Assistant Division Engineer of Amtrak's Mid-Atlantic Division. (ffd: Progressive Railroading)

(THU) Kansas City Southern appointed Ronald Russ SVP and Chief Executive Officer, effective with the July 1 retirement of KCS's current SVP and CEO, Robert Berry. Mr. Russ was most recently EVP and CFO of Wisconsin Central. (ffd: KCS Industries)

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Weekly Rail Recap is edited from public news sources and published weekly, usually on Sunday or Monday, to the rail and transit industries and those interested in them. Send an e-mail to djmservices@aol.com to receive it, with my compliments.

HAVE A SAFE AND PROSPEROUS WEEK,
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