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IN THIS ISSUE

Feature Articles

A costly business Office of Rail Director Peggy Baer discusses some of the costs associated with rail improvements.

Access Rail The need for businesses to connect to Iowa's rail system is growing, resulting in a funding plan to increase assistance available through the Rail Revolving Loan and Grant Program.

Economic development and transportation: Moving Iowa Forward A conference held earlier this month examined the role the rail and trucking industries play in economic development.

Steam engines in the heartland Two Chinese steam engines with a unique history were a highlight of RiverWay 2006.

Regional rail history on display Linn County rail history is featured at Cedar Rapids museum.

And more history... Minnesota professor writes Iowa rail history book.

Railroad Ties brings home award This newsletter wins award in government public affairs competition.

Industry News Shorts

- Mainline track west of Boone rebuilt by Union Pacific using high tech equipment and process
- Union Pacific invests in track improvements for ethanol
- Kate Shelley bridge to get a neighboring bridge
- Ethanol reload and trading facility under way in Manly on Iowa Northern Railway
- Iowa Northern Railway approved for \$25.5 million Federal loan for improvements
- CRANDIC replaces much of locomotive fleet

Safety News

Big rig safety reminder U.S. Federal Motor Carrier Safety Administration distributes rail safety visor cards to professional drivers

On the Web

A new look for iowarail.com An invitation to visit our new and improved web site.



[iowarail.com](http://www.iowarail.com)



Did you know...

A typical mile of track contains 3,200 wood ties.

Rail is rated by weight. In Iowa, rail ranges from 50-pound rail in yards and small operations to 141-pound rail on main lines.

The rating corresponds to the weight of steel in a yard of rail.

For example, a 3-foot section of 141--pound rail weighs 141 pounds.

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Passenger Rail Corner

Amtrak to Dubuque? Amtrak study under way

Feasibility of rail transit for Cedar Rapids/Iowa City area Study released in December

Amtrak ticket Information on the Internet at amtrak.com or call 1-800-USA-RAIL

Feature Articles

A costly business by Peggy Baer, Director, Office of Rail Transportation

A recent press release by the Iowa Department of Transportation discussed the increasing cost of asphalt, steel and cement used in road building projects. The average increase in the cost of materials over the last year is 20 percent, which reduces the buying power of road building dollars. Similar increases in the price of railroad materials are also occurring. Railroad projects use steel, wooden ties, rock for ballast, asphalt for crossings, and computer technology in signal systems.

Railroad improvements use a large part of railroad companies' annual revenues. The industry cites statistics that indicate 18 percent of annual rail revenues are spent on capital expenditures such as new track, locomotives, freight cars, and signals to enhance and upgrade the railroad system. This contrasts with manufacturing companies that typically spend 3.5 to 4 percent of their revenues on capital expenditures.



It takes just over \$2 million to build a single mile of new railroad track. The average cost of a signal with gates at a highway-railroad crossing is \$180,000. The average cost to rebuild a two-lane, paved highway-railroad crossing is \$60,000. Connecting a business to the rail system can cost between \$500,000 and \$1 million per mile of track.

Railroad bridge upgrading or replacement can be very expensive. The Union Pacific (UP) plans to build a second major bridge over the Des Moines River just west of Boone, Iowa. The bridge will be next to the existing Kate Shelley double-track bridge. The new bridge will enable UP trains to go at the faster speeds that are necessary today to keep freight moving. There are several rail bridges over the Mississippi River that are very old, some in excess of 100 years of age. The bridge supports can impede river traffic, as do some swing-span bridges that must be opened and closed. The cost of replacement or upgrading these bridges is in the hundreds of millions of dollars.

The rapid growth of the biofuels industry in Iowa has added miles of track since this industry relies heavily on rail to deliver its product. A typical biofuel plant must build between \$3 million and \$5 million worth of track structure, and sometimes much more. The UP is spending over \$61 million on its lines in Iowa and Minnesota to upgrade the system to handle increased ethanol traffic. On the Iowa Northern Railway line, a huge ethanol reload and trading facility is being built to facilitate biofuels shipments from northeastern Iowa. Many other railroads, large and small, are making infrastructure improvements to handle this commodity.

Nationwide, the U.S. railroads have stated they invested over \$8 billion in 2006 alone to maintain and build additional track facilities. Of course, fuel is a large expense item for railroads just as it is for the trucking industry. The cost to keep the products that Iowans use and produce moving is increasing, and will affect us all in the prices we pay for goods and services.

Access Rail

Iowa businesses and communities are increasingly interested in connections to Iowa's rail system. For businesses, rail transportation can lower costs and open more distant markets, which help businesses be more profitable and grow. For communities, rail connections can spur job growth and development. For railroads, new customers lead to increased revenues and the capability to invest in improvements to their rail infrastructure. And for all Iowans, the availability of a strong rail system adds to the state's future economic potential.

Adding or expanding a rail connection is an investment in permanent infrastructure, but a very costly one. In 2005, the Iowa legislature created the Rail Revolving Loan and Grant Program (RRLGP) to assist in building rail connections and a stronger rail system. The RRLGP is funded through loan repayments and appropriations. Each year, available funds are competitively awarded with 50 percent or more awarded as loans and the remainder as grants.

Demand for assistance from the RRLGP has far outstripped available funds. In June 2006, 26 applications requesting a total of \$16 million in assistance competed for \$3.5 million in available funds. In December 2006, 16 applicants requesting a total of \$11.9 million in assistance competed for \$1.5 million in available funds.

Clearly, the needs for Iowa businesses and communities are not being met at the current funding levels. As a result, during the 2007 legislative session, the Iowa Department of Transportation is seeking an appropriation of \$2 million per year for the first of five years for the RRLGP. Our Web site at www.iowarail.com has more information on this initiative, which is called Access Rail.

Economic development and transportation – Moving Iowa Forward Conference

On Jan. 18, 2007, the Iowa Department of Transportation and Iowa Department of Economic Development co-sponsored a conference in Des Moines on transportation and economic development. The conference goal was to identify how the rail and trucking transportation systems interact, and how users can maximize the system to grow their businesses and strengthen Iowa's economy. The keynote address by John Ficker, president of the National Industrial Transportation League, discussed how expected future freight transportation increases will challenge our ability to move goods and materials in the volume and time frames required.

Sessions throughout the remainder of the conference highlighted specific issues and provided some tools for understanding and managing the movement of goods in Iowa. Presenters and panel members included representatives of railroads, trucking companies, shippers, logistics brokers and economic development groups.

Steam engines in the heartland

If you thought you were in some strange time warp when you saw a steam engine rolling by the Davenport, Iowa, area in mid-September, you can rest easy. Railroad Development Corporation (RDC) of Pittsburgh, owner of the Iowa Interstate Railroad, brought a pair of QJ type 2-10-2 steam engines to Iowa from China.

Overhauled in China to meet Federal Railroad Administration specifications, the engines were shipped to Houston, and were transported on flatcars by the BNSF Railway to Iowa where they were



Steam locomotives crossing the Iowa River in Iowa City, IA

reassembled and tested.

Train and nostalgia buffs enjoyed excursions featuring the steam engines and refurbished passenger rail cars (furnished by the rail group Friends of the 261) held in conjunction with the RiverWay 2006 event. This event marked the 150th anniversary of the original rail link of the eastern and western United States with the opening of the first railroad bridge over the Mississippi River. Each day approximately 450 passengers rode the 13-car passenger train on excursions either to Homestead, Iowa, or Muscatine, Iowa, or to Bureau, Ill., from Rock Island, Ill. Thousands more lined the route for an opportunity to see a steam engine in action.

On Sept. 18, the engines double headed a 35-car freight train from Rock Island, Ill., to Iowa City, Iowa. RDC Chairman Henry Posner III called it, "the first double-headed steam revenue freight train in the Americas in the 21st century."

The two engines hold a unique place in rail history. In China, No. 7081 hauled the world's last regularly scheduled steam passenger train, and No. 6988 hauled the world's last regularly scheduled steam freight train. Posner hopes to sell the engines to a tourist railroad to preserve these examples of the last production steam engines. Posner stated, "We didn't see anyone else putting up their hands, so this is why we are involved with these locomotives."

More locomotive information and photos from RDC at http://www.rrdc.com/news_QJ.html

Regional rail history on display

Rail fans and historians will learn more about the history and impact of railroads in Linn County at The Carl and Mary Koehler History Center in Cedar Rapids, Iowa. An exciting new exhibit, All Aboard! Linn County and Its Railroads, opened in November and runs through summer 2007. It features interactive displays and artifacts, photographs, videos, maps, and model trains. Cedar Rapids & Iowa City Railway (CRANDIC), Alliant Energy Foundation, CN Railway, Iowa Interstate Railroad, and Iowa Northern Railway are exhibit sponsors. The History Center is open Tuesdays from 10 a.m. to 2 p.m., and Thursdays and Saturdays from 10 a.m. to 4 p.m. Call 319-362-1501 for details.

And more history...

Don Hofsommer, Professor in the Department of History at St. Cloud State University in St. Cloud, Minn., a native Iowan, has published a book examining the railroads in Iowa from their introduction to the present.

Steel Trails of Hawkeyeland: Iowa's Railroad Experience

Author: Don Hofsommer

Published by Indiana University Press, Copyright 2005

Railroad Ties brings home award

Earlier this summer, this newsletter, *Iowa Railroad Ties*, was judged tops in its category in a competition at the National Transportation Public Affairs Workshop. Entered in the electronic newsletter category, the award was one of three winners submitted by the Iowa DOT. Thanks to the readers of this newsletter, one of the deciding factors in the competition was the growing subscriber base. Help us keep growing and spreading the word about Iowa's rail industry by recommending this publication to friends and colleagues who may be interested.

Industry News Shorts

Union Pacific mainline rebuild



Last summer, the Union Pacific Railroad completed a rebuild of the north mainline track between Carroll and Boone, Iowa. The construction used an impressive Track Renewal Train (TRT 909) that facilitates track replacement in record time by installing rail and ties in a single pass. As the massive train with specialized cars and equipment moves down the track, old spikes and clips are pulled and the existing rail is pushed aside to be later salvaged. The old ties are removed and sent via conveyor to be picked up by a crane. At the same time, new concrete ties and rail are laid and the track fastened to the ties. Gantry cranes, resembling giant spiders, constantly move atop the supply cars filled with new concrete ties, picking up groups of ties and moving them to the machine that drops the concrete ties into place. Separate crews follow the TRT 909 to salvage the old rail, pick up debris, weld joints, remove and replace ballast, and align the track. Replacing nearly 4,000 ties in a single day, the result is a completely new, impeccably groomed track.

View the rebuild in photos on our web site at <http://www.iowarail.com/resources/newsletter/UP%20construction%20near%20boone.htm>

Rail investment for ethanol industry

With many new or planned ethanol plants on Union Pacific's (UP) Midwestern routes, the UP is investing \$61.1 million in track improvements in Iowa and Minnesota, and another estimated \$15 million in Nebraska, to support the growing ethanol business. Improvements in Iowa include a new main line and yards in Iowa Falls, an expanded yard and a double-track connection between the two lines heading north out of Mason City, yard work and switch improvements in Eagle Grove, and a new yard and siding in Moorland. The UP's North Central division has added an additional construction gang specifically to help with ethanol-related construction projects.

Kate Shelley bridge to get a neighboring bridge

Iowa's Boone County is due to get a new attraction when the Union Pacific builds a new double-track bridge just north of the present High Bridge. The High Bridge (often called the Kate Shelley Memorial Bridge), at 2,685 feet long and 187 feet high, is termed the highest and longest double-track railroad bridge in the world. The high bridge will remain, with the new bridge built a short 90 feet away. The new bridge will be a bit shorter at 2,550 feet, but just as high as the original. Some of the spans will be reused from a bridge removed a few miles south near Madrid with new spans built to complete the distance.

The current bridge has become a bottleneck on a very busy line due to the reduced speeds required on the bridge, originally completed in 1900 and reinforced as late as 2002. The new bridge will allow trains to move over the river at higher speeds, improving the productivity of the line and alleviating the delays. Completion is currently scheduled for 2008.



Ethanol reload and trading facility under way in Manly on Iowa Northern Railway

Manly Terminal LLC announced plans for construction of an independent ethanol and multi-product

truck and train reload and trading facility on the Iowa Northern Railroad in Manly, Iowa. The facility will feature over 20 million gallons of liquid storage capability. The new terminal will allow ethanol producers, buyers and traders to truck products to the facility to stage and transfer the ethanol into outbound railcars. This will allow ethanol from multiple producers to be consolidated into unit trains of ethanol for shipment to a destination. Iowa Northern's unit trains will provide lower transportation costs and faster shipment delivery. Lee Kiewiet, president of Manly Terminal said, "...Manly, Iowa, was determined to be the most desirable strategic location for this facility, with great road access, an independent short-line railroad with multiple connections and the geographical center of the entire biofuels world."

Iowa Northern Railway approved for \$25.5 million Federal loan for improvements

Iowa Northern Railway, located in northeastern Iowa is receiving a \$25.5 million dollar Railroad Rehabilitation and Improvement Financing (RRIF) loan from the Federal Railroad Administration. The loan is part of the \$55 million the railroad expects to spend over the next six years to rehabilitate much of its 163-mile line. The funds will be used to upgrade track, construct new sidings and rehabilitate rail yards. The improvements will allow the railroad to accommodate heavier rail cars and move freight more quickly, safely and efficiently.

CRANDIC replaces much of locomotive fleet

A fleet makeover is underway at the Cedar Rapids and Iowa City Railway Co. (CRANDIC). The majority of the old locomotive fleet has been replaced with five EMD SW1500s and one MP15. Coupled with the new engines will be six slugs – cabless locomotives with traction motors. Each slug is powered by the adjacent locomotive. CRANDIC Master Mechanic Fred McCoy said, "While the new locomotives have similar capabilities to the old, when coupled with a slug, the pulling power is twice as much with no compromise in speed."

Safety News

Big rig safety reminder

Professional drivers have a new reminder about rail safety geared specifically to their unique needs. Developed in conjunction with the Federal Railroad Administration, the U.S. Federal Motor Carrier Safety Administration has distributed nearly 250,000 laminated, double-sided, visor cards to truck and bus drivers. The safety-tip cards are designed to help reduce the more than 700 truck and bus highway-rail grade crossing collisions that occur each year in the United States. Information on one side of the tip card reminds drivers of actions required to safely cross railroad tracks, such as making sure there is enough space on the other side of the tracks before proceeding. The other side includes information on what to do if stalled or the vehicle hangs up on the tracks. Also included are the emergency phone numbers for the largest U.S. railroads.

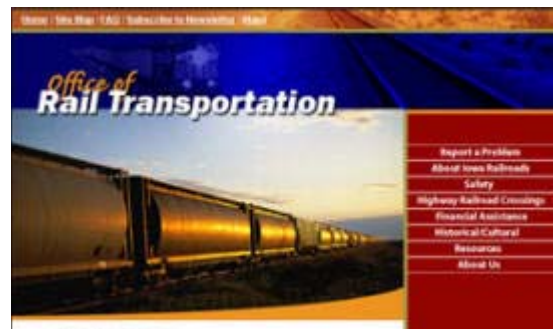
The visor card can be downloaded from the U.S. Federal Motor Carrier Safety Administration.

On the Web

A new look for iowarail.com

With a new look and improved navigation, be sure to visit the recently updated Web site for the Office of Rail Transportation at iowarail.com. Find up-to-date information on:

- programs to assist communities and railroads with safety improvements;
- information and photos on how to identify a highway-rail crossing;
- maps, including rail service, abandonment and rail maps showing the locations of grain loading facilities and renewable fuel plants;
- information on each of the 20 railroads operating in Iowa;



- programs to assist businesses and railroads to grow and strengthen Iowa's rail system; and
- links to many other-rail related agencies, organizations and resources.

Locate the information you need or want more quickly and easily with the reordered and redesigned site. However, if you previously had bookmarks or links to our old site, you may need to reestablish them on the new site.

If you have suggestions for information that you would like to see, or have difficulty finding something on the site, use the link at the bottom of the page to contact the webmaster.

Passenger Rail Corner

Amtrak to Dubuque?

Amtrak is studying the potential of resuming passenger service from Chicago to Rockford, Ill., to Dubuque, Iowa. Amtrak officials met with Dubuque and Iowa DOT representatives and discussed prospective service parameters. The study will provide forecasts of ridership, operating costs, operating revenues, and subsidy levels, as well as the capital costs to institute the service. The study is expected to be complete in early 2007.

Feasibility of rail transit for Cedar Rapids/Iowa City area

Passenger rail transit for the Cedar Rapids, Iowa City and Amana Colonies area of Iowa was the topic of a feasibility study released in early December. Special event excursions are potentially feasible now at a reasonable cost, according to the study. However, regular commuter service in the areas would require a large capital investment, estimated at \$70 million. A presentation on the study and the full text of the report are available on the Johnson County Council of Government's Web site.

Prior issues of *Iowa Railroad Ties* are available at www.iowarail.com/resources/newsletter/archive.htm