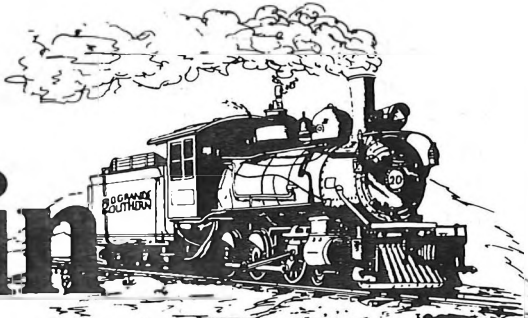


# Rocky Mountain RAIL REPORT



THE ROCKY MOUNTAIN RAILROAD CLUB

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## MEETING SCHEDULE:

January 9, 1990 -- 7:30 p.m.

Southeast wing of Christ Episcopal Church,  
2950 South University at Bates. Off-street  
parking at rear (east) of meeting hall.  
Please use the building's south entrance.

Jim Trowbridge..... Editor  
Les Grenz..... Associate Editor  
Dave Salter..... President  
Joe Priselac..... Vice President  
Bill Gordon..... Secretary  
Bert Bidwell..... Treasurer

Send all items for publication to: Rocky Mountain Rail Report, c/o Jim Trowbridge, Editor, 502 South Cody Street, Lakewood, Colorado 80226.

**COPY DEADLINE** ALL copy for publication in the February, 1990, Rail Report is due no later than January 9, 1990!!

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## MEMBERSHIP INQUIRIES

Please refer address changes, new memberships, lost newsletters, etc. to:

Tom Lawry, Membership Chairman  
c/o Rocky Mountain Railroad Club  
P. O. Box 2391  
Denver, Colorado 80201



January, 1990..... No. 364  
Club Telephone..... (303) 431-4354  
P. O. Box 2391..... Denver, Colorado 80201

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CURRENT NEWS AND HISTORICAL NOTES OF ROCKY MOUNTAIN RAILROADING PUBLISHED MONTHLY FOR ITS MEMBERS BY THE ROCKY MOUNTAIN RAILROAD CLUB.

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## CLUB MEMBERSHIP

Membership in the Rocky Mountain Railroad Club may be obtained by sending \$19.00 (\$15.00 annual dues plus enrollment fee of \$4.00) to: ROCKY MOUNTAIN RAILROAD CLUB, P. O. Box 2391, Denver, Colorado 80201. After April of each year, new members may join for a payment of \$4.00 enrollment fee plus \$1.25 for each month remaining in the calendar year. Dues for the next year are solicited in December of the current year.

## JANUARY 9 PROGRAM

They say that the Third Time's the Charm!! We hope so!! The power failed in September; Jim was called out of town by the Southern Pacific (D&RGW) the night before the November meeting; and, we now cross our fingers as Jim Ozment is scheduled to present the program on the D&RGW's Marysville Branch at the January meeting.

## PUBLISHER'S STATEMENT

The Rocky Mountain Rail Report (ISSN 1041-9223) is published by the Rocky Mountain Railroad Club at 212 Union Station, 17th and Wynkoop Streets, Denver, Colorado 80201 for \$12.00 per year which is deducted from members' dues. Second class postage paid at Denver, Colorado. Postmaster: Send address changes to the Rocky Mountain Rail Report, Box 2391, Denver, Colorado 80201.

## NOVEMBER AND DECEMBER PROGRAMS

It was a great disappointment not to have Jim Ozment present the November program, but, our disappointment disappeared when it was announced that we would be seeing Otto Perry films instead!! Four outstanding reels of 16mm film was selected for our viewing pleasure. A review follows:

Reel #1: Chile Line in 1941; D&RGW over Cumbres Pass; RMRRC trip in August of 1941 behind steam on the Pike's Peak COG; CB&Q Steam in Denver; 7-car San Juan and various freights on the San Juan Extension in September of 1941; Tiny Town (in its heyday)#475 and #20 on mixed train on the Rio Grande Southern; #375 on the Silverton Branch, 11/26/41; D&RGW and Colorado & Southern at Leadville; Rock Island passenger and freights; Missouri Pacific Passenger (steam); Great Western 51 & 52; UP 4000's near Green River, Troop train and action on Sherman Hill.

Reel #2: D&RGW standard gauge near Salida, steam and passenger trains; Santa Fe, UP, MP steam passenger & freight; C&NW freight [previous from 1942]; #317 and #454 on Gunnison freight at Cimarron, Cerro Summit (in two sections with #317 as road engine and #454 as pusher) and complete train into Gunnison; Missabe engine on the D&RGW in 1943; #491 and #496 on the "Valley Line" from Alamosa to Salida; D&RGW at Poncha Jct.; Monarch in snow.

Reel #3: [Color-1956] UP diesel; UP freight, mail and passenger trains, 4000's, 3900's and 800's; Misc. Burlington and UP switchers in Denver; 3/11/56 RMRRC UP excursion behind #9000 in very, very cold weather; NP freight and passenger; D&RGW/CZ in Glenwood Canyon; GN passenger; Soo Line passenger; NP motor cars and switchers, steam and diesel.

Reel #4: [1950 B&W] D&RGW standard gauge steam passenger; UP steam passenger; C&S steam; Rock Island steam; Santa Fe steam; #1702 (D&RGW): Riding "Royal Gorge" in the dome and photographing station scene of train at Colorado Springs; Manitou & Pike's Peak early diesel; Rio Grande Southern freight with D&RGW #464 as road engine and RGS #455 as helper, trestle at Dallas Divide; D&RGW #463 on RGS out of Durango; D&RGW #499 east of Cumbres Pass and other NG freight near Chama; Burlington #120 near Palmer Lake along with D&RGW #5594 on freight; #476 on San Juan at Osier, west-bound; 3-engine freight climbing Windy Point, helpers returning (#'s 491 & 493); #476 on San Juan near Coxo; #480 on Salida/Alamosa run with shots in Villa Grove (round trip); D&RGW 1700 on Colorado/New Mexico Express; 1800 on Royal Gorge and 1800 on Train #1; Santa Fe steam freights; Craig Train with 800 class in Denver and Coal Creek Canyon and at Tunnel #1.

Just some ordinary Otto Perry footage!!

Another outstanding program was presented at the December meeting by Club member, Jack Morison. Entitled "Adventures of a Rail Fan," Jack kept it light and fun with reminiscing about his early experience at trying to take railroad photographs, joining the RMRRC and meeting such notables as Mac Poor and Jack Thode and special RMRRC trips of the past. Jack provided some good laughs and we appreciate the effort that went into this program. Thanks, Jack!!

[Our thanks to Erwin Chaim as projectionist of the Otto Perry films also!]

## THANKS, NEAL

Another tradition continued at the December meeting. Neal Miller handed out his annual photograph. This year's photograph depicted C&S #900 northbound from Boulder on October 31, 1958.

Our thanks to Neal. As always, those attending the December meeting really appreciated receiving a copy.

## NEW MEMBERS

The Rocky Mountain Railroad Club wishes to enthusiastically welcome the following new members:

John William Buchanan	Yorba Linda, CA
Edgar Dickens	Arvada, CO
Robert A. Hiester	Littleton, CO
Don Prouty	Scottsbluff, NE
Michael S. Reaves	Cransfill Gap, TX
Tom Sims	Ft. Lauderdale, FL

The Rocky Mountain Railroad Club regretfully announces the passing away of the following member:

Frank Osterwald Lakewood, CO

## ANNUAL DUES

Don't forget that your 1990 annual dues need to be sent in as soon as possible!! Renewing your membership early helps both our membership chairman and our treasurer. In addition, the earlier we receive the majority of our renewals, the sooner we can send out 1990 membership cards. If you haven't already sent in your payment, please do so today. 1990 dues are still \$15.00.

## 1990 SCHEDULE OF EVENTS

January 9	Regular Monthly Meeting
February 13	Regular Monthly Meeting
March 13	Regular Monthly Meeting
March 17	Rio Grande Ski Train
April 10	Regular Monthly Meeting
May 8	Regular Monthly Meeting
May 12	Denver Tramway Historical Tour
May 24-28	Grand Canyon Steam Excursion
June 2	Palmer Lake Field Trip
June 12	Regular Monthly Meeting
June 16	Club's Equipment Work Day at Colorado RR Museum
July 10	Regular Monthly Meeting
July 21	Leadville, Colorado & Southern Excursion
August 11	Boreas Pass Field Trip
August 14	Regular Monthly Meeting
September 11	Regular Monthly Meeting
October 6	Pike's Peak Moonlight Excursion on the COG
October 13	Annual Banquet
November 13	Regular Monthly Meeting
December 11	Elections & Reg. Monthly Meet.

## SKITRAIN EXCURSION

Join the Club for our annual Ski Train Excursion!! This perennial favorite has been extremely successful in the past. Where else can you enjoy a great train ride with spectacular scenery and good friends?

The trip will be patterned after previous Winter Park excursions: Those that are interested in skiing can partake of the nearby slopes while the non-skiers in our group can board chartered buses upon our arrival in Winter Park and ride to Tabernash to photograph the Ski Train being turned on the wye. If Amtrak's California Zephyr is on time, we'll try to catch a glimpse and a photograph or two somewhere between Winter Park and Tabernash. In the afternoon, there will be several movies shown in our reserved meeting room.

The trip is planned for Saturday, March 17, 1990. The Ski Train will depart from Denver's Union Station at 7:30 a.m. Tickets are \$28.00 per person. Tickets may be purchased at the monthly meeting or can be purchased by mail.

To order by mail, please mail a check or money order, payable to the ROCKY MOUNTAIN RAILROAD CLUB, along with the enclosed form, fully completed. Please mail your ticket orders to: Rocky Mountain Railroad Club, c/o Joe Priselac, 5100 Stuart Street, Denver, Colorado 80212.

### SKI TRAIN EXCURSION TICKET ORDER FORM

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

Phone Number: (     ) \_\_\_\_\_

\_\_\_\_\_ # of Ski Train Tickets at  
\$28.00 ea. = \$ \_\_\_\_\_

Alan Greene

## RMRRRC ROSTER AND 1990 CALENDAR OF EVENTS

With this month's newsletter, you will receive a 1990 Calendar of Events Card and the 1989/90 Club Roster. We hope that you enjoy both and find them useful. You will note that we have members in 47 states and 6 foreign countries!! Not bad for an organization that started out in 1938 with a dozen or so men who just wanted to share "rail-fanning" in the local Denver area!

We do, again, want to mention the hard, outstanding work by Tom Lawry to rework the Club's computer program to make it easier to change over to the roster format. Due to Tom's work, Les Grenz of Accu-type, Inc. charging the same price as in 1985 for typesetting and paste-up, and Trowbridge Press charging the same as in 1985, we managed to keep the cost of the roster below the 1985 expenditure!! Particular thanks to Tom and Les.

## ELECTION RESULTS

In grand tradition, the following men were "railroaded" into office at the December meeting:

President.....	Dave Salter
Vice President.....	Joe Priselac
Secretary.....	Bill Gordon
Treasurer.....	Bert Bidwell
Board of Directors.....	Bob Packer Pete West Hugh Wilson, Jr.

Our congratulations to our new officers and directors.

## NEWSLETTER CONTRIBUTIONS

We are always happy to receive information about railroading in the Rocky Mountain region and, very often, as space permits, use other regional data. We encourage our members to participate in the newsletter. Should you have something you wish to share with fellow memmners, please send it to the attention of the editor, ROCKY MOUNTAIN RAIL REPORT, 502 South Cody St., Lakewood, Colorado 80226.

## AMTRAK CALENDAR

Amtrak's annual year-at-a-glance calendar for 1990 features an early morning scene of the passenger railroad's recently restored Montrealer pictured crossing an arm of the scenic Lake Champlain at East Alburg, Vt. The Montrealer, on its route between Washington, D.C., and Montreal, is shown powered by two F69PH-AC diesel locomotives with AC traction systems, the first to be built in the United States. AC traction systems, which are relatively common in Europe, utilize alternating current (instead of direct current), thereby increasing reliability, economy of operation and ease of maintenance. The locomotives will be tested extensively throughout the Amtrak system in 1990. The calendar may be ordered from Amtrak Calendar, P. O. Box 7717, Itasca, IL 60143. Prices are \$5.00 for one, \$9.00 for two, and \$12.00 for three. Large quantity discounts are available. (Amtrak)

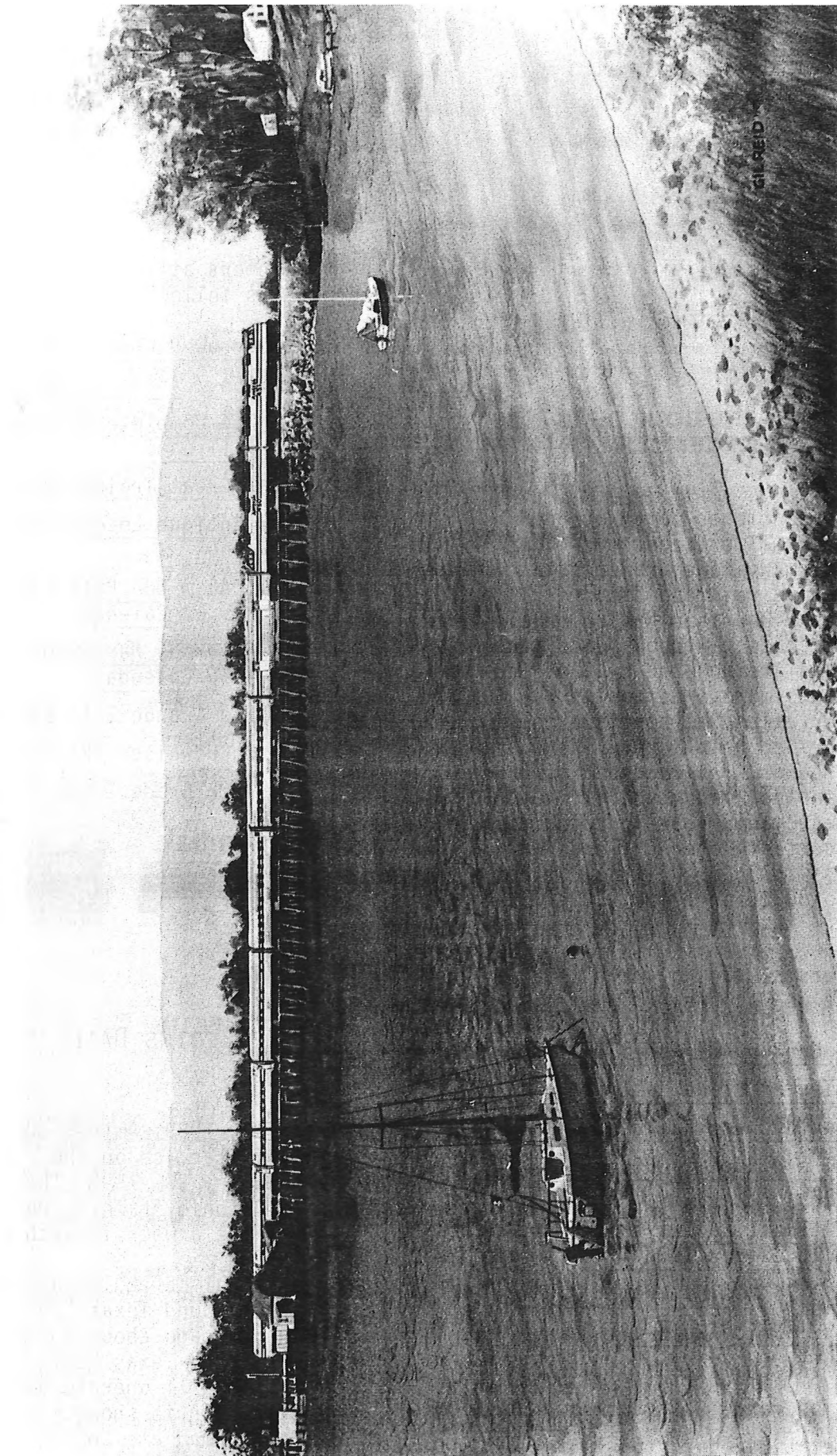
## MISCELLANEOUS

### FORECLOSURE HITS HOTEL COLORADO

Many Club trips to Glenwood Springs via Amtrak and the famous Rio Grande Zephyr were enhanced by staying in the Hotel Colorado. The December 12th Denver Post reported that the Hotel Colorado, a historic landmark where Teddy Roosevelt liked to stay, fell victim to foreclosure the week of December 3rd. The hotel, with 128 rooms, opened in 1893 and is listed on the National Register of Historic Places.

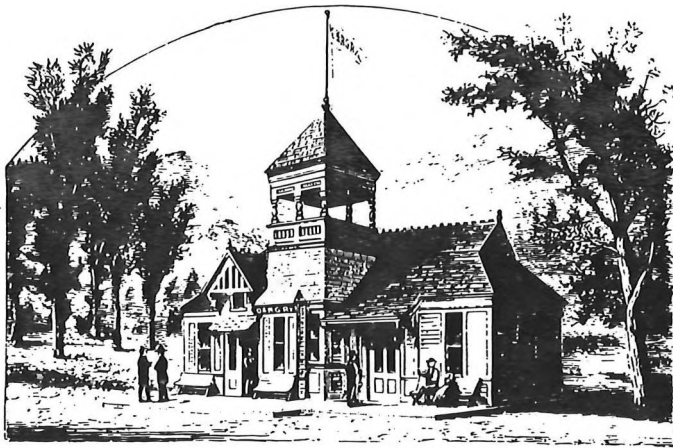
Garfield County Public Trustee, Georgia Chamberlain said the hotel's owner didn't make loan payments on a \$700,000 debt, so the lien holder, Fidelity Savings Association of Kansas, foreclosed. The hotel's owner, Wichita attorney Stan Wisdom, couldn't be reached for comment, but Jack West, a Steamboat Springs real estate developer who represents Wisdom, said Wisdom has 75 days to make good on the loan before Fidelity can take over the hotel.

"The long-range plan is to find a buyer," West said. He said the hotel will remain open. (Denver Post)



Amtrak's "Montrealer", on its route between Washington, D.C., and Montreal, glistens in the early morning sun as it glides across an arm of Lake Champlain at East Alburg, Vt. The train is shown powered by two F69PH-AC diesel locomotives with AC traction systems, the first to be built in the United States. The locomotives will be tested





DEPOT AT PALMER LAKE.

## PRESERVATION FUND AND BOOK DRAWING FOR NOVEMBER AND DECEMBER

The book drawing continues to enjoy good participation with all proceeds over cost of goods going to many fine projects to preserve and restore railroad historic pieces in the Rocky Mountain Region. While the Club does purchase new books each year, many of the prizes are donated by Club members which provides more free monies to use toward preservation. We continue to ask fellow members to help in providing these prizes, such as, railroad books, pamphlets, timetables, maps, etc. If you have some of these items that you wish to donate, please contact Roger Callender at his home address: 2573 So. Williams Street, Denver, Colorado 80210 or phone (303) 722-4733.

Prizes and winners at the November 14, 1989 meeting are as follows:

- Jim Bratton / A Century of Model Trains
- Truman Young / The Highland Railway
- Alan Wise / Cripple Creek Railroads
- Geoff Hamway / The Official Guide of Railways, 9/73
- Ray Wetmore / National Railway Bulletins & Index for 1936-1985
- Gary Ellison (NY) / Isle of Wright Album
- Sid White / Lionel Price Guides
- Chuck DeSelle / Miscellaneous Timetables
- Lloyd Crews / Rio Grande Belt Buckle
- Bill Cox / Sunset Limited Poster

Guido Nietzsche (Helbra, East Germany) /  
City of San Francisco Poster

We would like to thank the above mentioned folks for participating in the monthly drawings as well as those who may not have won during the past two months. Your continued support is greatly appreciated.

Prizes and winners at the December 12, 1990 meeting are as follows:

- Jim Jones / Narrow Gauge in the Rockies
- R. C. Williamson / America's Colorful RR's
- Noel Hover / The Complete Book of Model Railroads
- Truman Young / Great Trains of No. America
- Charlie Max / Antique Locomotives Coloring Book
- Gary McMills (LA) / Don Ball 1990 Railroad Calendar
- Greg Bates / Colorado Narrow Gauge Museum 1990 Calendar
- Tom Keeton / Rio Grande Belt Buckle
- Frank Wilson / Budweiser Ski Train Poster
- Joe Priselac / Colorado Eagle Poster



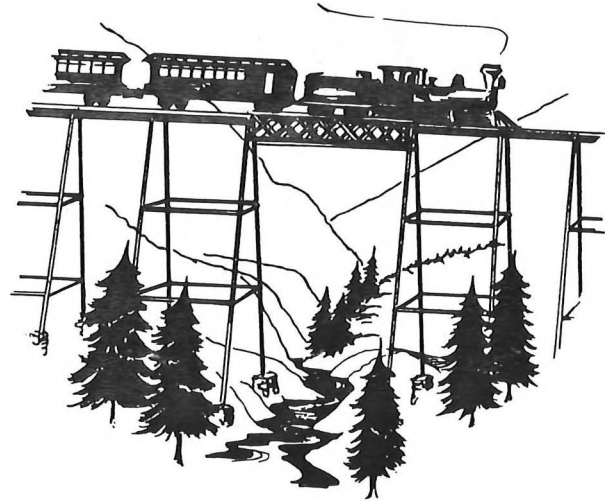
## AMTRAK NEWS

### TEXAS EAGLE BEGINS DAILY SERVICE

On November 29, 1989, Amtrak announced the start of daily service on the "Texas Eagle" beginning January 20, 1990. The Chicago-Houston/San Antonio train currently operates three times a week in each direction.

Though the actual schedules are not finalized, the southbound Texas Eagle is expected to depart Chicago about one hour later and the northbound Texas Eagle from Houston and San Antonio will operate about fifteen minutes later than is shown in the current timetable. Intermediate schedule times have not yet been released.

In addition, the Saturday only operation of the "State House", train 307, between Chicago and St. Louis, will be suspended. However, the Texas Eagle will include stops at Summit and Dwight, IL on its Saturday schedule. The Wednesday "Sunset Limited" from Los Angeles will depart on Tuesdays in order to provide the best utilization of equipment in conjunction with the startup of daily service.



Amtrak President, W. Graham Claytor, Jr. stated, "It is our goal to convert all tri-weekly trains to daily service. The more than twenty-one percent increase in ridership on the Texas Eagle during the past year makes it an ideal candidate for daily service at this time."

Amtrak is now taking delivery of 104 new "Horizon Fleet" cars which are being used on corridor trains in the Midwest and California. The addition of this equipment had made available sufficient long distance Superliner cars to allow Amtrak to begin daily service on the Texas Eagle.

Complete schedule information and reservations will be available immediately upon receipt of this newsletter by calling Amtrak's toll-free information number, 1-800-USA-RAIL. (Amtrak)

### GEORGETOWN AND THE LOOP—50TH ANNIVERSARY BOOK

The holiday season may be over, but don't forget that the Club's GEORGETOWN AND THE LOOP book makes an outstanding present for any railroader, and, just about any other person as well!! The Club can send the book directly to who ever you choose. Just add the shipping cost and a gift card and we'll do the rest. And, heaven forbid, you have not purchased your own copy, do so today!

### COLORADO AND NEW MEXICO ASKED TO HELP RESTORE LOCOMOTIVE

Colorado and New Mexico are being asked to spend \$60,000 each to help restore a steam locomotive donated by Gene Autry to the town of Antonito, which, in turn, donated the engine to the Cumbres & Toltec Scenic Railroad Commission this year. Autry had planned to use K-27 number 463 in Western movies, but a fire caused his plans not to pan out and the engine was sent back to Antonito where it was once used to move aggregate from mines south of Antonito.

Leo Schmitz, director of the Cumbres & Toltec Scenic Railroad Commission, and, Wayne Quinlan, a commission member, appealed to the legislative Capital Development Committee to request state help. The project will cost \$265,000, including money from the states and \$145,000 in grants. (Denver Post)

### ORDER FORM

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

Enclosed is \$29.95 plus \$2.75 shipping and [ ] \$2.15 sales tax for a Colorado Resident for each book.

Total enclosed: \$ \_\_\_\_\_

Order from:

Rocky Mountain Railroad Club  
P. O. Box 2391  
Denver, Colorado 80201



## AMTRAK MAY DOUBLE ZEPHYR SERVICE

Amtrak is thinking of doubling its passenger service through Denver and again running trains across southern Wyoming. But, an Amtrak official warned, "The company would be loath" to route a second set of daily trains through Denver if the city pushes Amtrak out of historic Union Station to a proposed alternative site, which Amtrak official Arthus Lloyd says "is in the middle of a junkyard."

Amtrak dropped its traditional route across Wyoming's southern Plains on July 16, 1983, in favor of the scenic mountain route through Colorado's Moffat Tunnel and Glenwood Canyon. That route for the California Zephyr has been immensely popular, and Lloyd said surging demand for passenger seats and room for the mail has Amtrak seriously considering a second train on the Chicago-Salt Lake City run. The agency hopes the new train can be running in two to three years, although there is no money for it at present.

On average, Amtrak turns down three people for every one who gets a reservation on the Zephyr, which runs daily in each direction between Chicago and San Francisco, via Denver. The Zephyr carried 748,551 paying passengers in the fiscal year ending September 30th and is the second most popular Amtrak train in the country, after the Coast Starlight between Seattle and Los Angeles. Nationally, mail revenue has jumped from \$2 million to \$20 million since Amtrak started in 1971.

By routing a second train across relatively flat Wyoming, instead of up the locomotive-straining haul through the Rockies, Amtrak could run longer trains and haul more people and mail. But, the new train wouldn't need to go through Denver on the Wyoming route. It could run directly from Omaha to Cheyenne, bypassing the Colorado capital.

Instead of realizing that rail travel is experiencing a renaissance and encouraging Amtrak, Denver "turns deaf ears to anything on a rail--while you are drowning in old smog," said Lloyd, who is based in San Francisco.

Moving the train station to a proposed site near 27th and Blake street in Denver would "be the equivalent of moving Stapleton Airport to Fort Collins," he added. However, if Denver moves Amtrak "out of Union Station to a location equal or better, we would probably run through Denver." (Denver Post)

## TRAINS AT UNION STATION STILL A CONTROVERSY

Keeping score of which way the wind is blowing about keeping trains at Union Station is a full-time job these days. A Denver Post story of November 17, 1989, reported that "City switches tracks, may boot trains from station." At that time, Denver's planning director, Bill Lamont, wanted to entertain a plan to end passenger train service at Denver's Union Station. At the crux of the matter is developers desires to make money at the expense of the taxpayers by moving passenger train service further north of downtown Denver. Glacier Park, a partner of Peter Neukirch, owns land that Elitch Amusement Park wants to rebuild on at the south end of the valley. Lamont was quoted as stating "The pluses are clearly in moving Amtrak out of there (Union Station)." despite opposition by transportation activists, historic preservation buffs and some business owners near Union Station. On Wednesday, December 13, 1989, the Denver Post again reported on this matter with the headline "Campaign to relocate train depot derailed...backers lack cash; historic groups cheer Peña decision."

Amtrak trains will keep using Union Station, and Denver will proceed with plans to replace 20th and 23rd street viaducts, Mayor Federico Peña stated. "The private sector (meaning Glacier Park and Neukirch) could not come up with the money to move (the station). That was their proposal, so the issue is dead, as far as I'm concerned," Peña said.



Then, on December 14th, the Post reported that despite the mayor's declaration that plans to move Amtrak are dead, a major landowner in the Central Platte Valley (Glacier Park, again) may ask the city council to oust the trains from Union Station.

Since Glacier Park could not get the city administration to go along with the estimated \$27,000,000 station move to a location at 27th and Blake streets at the taxpayers' expense, they are now pushing the plan at the city council. "We're still going to pursue it," said Marty Sevier, senior director of development for Glacier Park Company, which controls much of the land in the valley behind Union Station. "We'll approach anyone who will listen to us."

Glacier Park is a subsidiary of Burlington Resources, one of two firms split out of the former Burlington Northern railroad. Glacier now holds Burlington's former land interests in the valley. Glacier Park was among landowners seeking to move Amtrak to increase auto access to the valley. Moving the trains from Union Station also would let the city rebuild the rickety 20th and 23rd street viaducts as ground-level roadways, which developers say would increase their land's value.

Peña said that the developer's plan to move Amtrak won't be pursued because no private money was offered to pay for the new station. The viaducts will be redesigned assuming that Amtrak will stay in the station, he said.

But Ted Hackworth, a councilman in favor of moving Amtrak, said that viaducts are costlier than ground-level roads. And Amtrak's presence may force the Regional Transportation District to run buses through lower downtown instead of through the valley. Councilwoman, Debbie Ortega, who represents the valley, responded, "The folks who are most adamant about Amtrak staying are the people in lower downtown."  
(The Denver Post)



## RESULTS OF THE NEWSLETTER DELIVERY SURVEY

The newsletter committee wishes to thank all Club members who submitted the survey coupons each month for past few months. To give you some idea of what happens when our newsletters are mailed out, we thought we would give details on the December mailing.

Because of elections in December and a desire to put things together before Thanksgiving, the December newsletter was collated and stapled on Tuesday evening, November 21st and mailed at the Denver Terminal Annex on Wednesday, November 22nd. Thursday, November 23rd was the Thanksgiving Holiday and probably slowed down deliveries somewhat. A few people in Denver received their newsletters on Friday with the majority receiving their copies on Saturday. Interestingly, some Wyoming, Nebraska and Indiana members received their copies on Saturday as well!! Some Denver suburb members received their Rail Report on Friday and Saturday, but the majority received their copies on Monday, the 27th. Normally, the suburbs get delivery before Denver does!! Deliveries were made in Arizona, Oregon, Illinois, Indiana, Montana, Idaho and Washington State by the 27th or 28th latest. Some members in Aurora (just east of Denver) and Boulder (just north of Denver) did not receive their newsletters until the 29th and 30th of November. December 1st and 2nd found members in Texas, New Jersey and Florida receiving their Rail Reports. We have not had any response from California either this month or last. This interests us as California always has its own mail bag rather than being mixed with other regional states!! [Could the recent earthquake still be affecting the mail?]

Based on the data we have collected, it is our opinion that, while the mailing

is made on time each month at the best possible Postal Service Station, it is anyone's guess as to when it will be delivered by local post offices and even local postal employees!

So what does this mean to each individual member? All we can say for sure is that monthly meetings are always held on the second Tuesday of each month except in October when the Annual Banquet is normally scheduled on the 2nd Saturday.

In 1988, we spent well over \$4,500 on mailings of which the newsletter accounted for the vast majority. However, in 1989, we cut that expense to a little over \$2,000 by going to second class postage. The use of second class mailing has enabled the Club to hold annual dues at the current rate with no increase for 1990. We think that this justifies the continued use of second class along with the fact that local delivery is just as good as first class mailing and out-of-state delivery is also about the same as first class. Problems arising in delivery of the Rail Report are 95% local post office incurred. This was true when we mailed first class and continues as we now mail second class. (John Dillavou; edited by Jim Trowbridge)

## FROM THE "PAST" PRESIDENT

### OBSERVATIONS

Since our last trip to Iowa this past summer, we felt that we had to make another one over Thanksgiving to visit my mother. Here at 85 years of age, it becomes rather traumatic to lose your drivers license after driving for some 65 years. It was difficult in having to sell a 1975 Dodge Dart with only 26,000 miles on it. It was surprising to travel the same route this time more over the Interstate to find even more changes in rail traffic. Normally thru the week up on the UP and C and NW you do not have as many trains as you do on a weekend. Not this time. What I noticed was the change to more and more double stacks, still the coal trains and grain trains but a lack of general merchandise mixed freight trains. Of course we could always hear a lot of trains at night so perhaps that is when they were running.

Another thing was the motive power. Where once we saw SW's for switchers, we saw the change to GP 30's, after going through a rash of SD and GP units between as they left road service and were delegated to yards. The bigger units have returned to the rails in the form of Dash 8's, SD 50's and 60's and wierd looking cabs. No longer do we seem to see many 4 to 7 engines on the front but at the most 3 and usually 2 and now a lot of 1 locomotive. Coming back west of North Platte where one line branches off to the NW to the Wyoming coal fields 1 unit was pulling another 100 car empty coal train and accelerating like the dickens upgrade at our road crossing.

After Thanksgiving dinner we drove over to Boone to where they have a scenic railway operating during the warmer months. On a flat car was the last steam locomotive built by the locomotive plant in China. A 2-8-2 was on one large flat car and the tender with its auger poking out was on an adjacent flat car. The cab was tilted up in the back, which would mean the engineer and fireman would be tilted down hill about 30 deg. angle. The engine had just arrived 2 days before after being unloaded of a ship on the West Coast. The reason for the tilted cab was they dropped it while unloading. I've heard two stories, one dropped on the dock and the other was back in to the hold of the ship. They spent \$50,000 on trying to fix up another steamer with no luck so decided they would spend \$350,000 to have a new one built and shipped here.

So this will be a great experience for those to go to Iowa and ride behind steam power this coming summer. Boone is also a division point on the CNW and used to be a rather large shop facility as I recall. All kinds of diesels were there even a couple of SD 45's off the Penn Central (letters crossed out) and CNW decals on the cabs and numbers placed on the sides, etc. Over the years it is interesting to see the railroad map of Iowa change with the CNW being the consumer of other lines such as M & St. L, Chi. Grt Western, branches of the Rock Island, etc. North South and East West main lines meet on interesting wye patterns over at Nevada just east of Ames. So if you are on a trip back east drive through Iowa or take old high way 30 and follow the CNW tracks

through the cities and towns. Take a lot of film along because you will need it. I even picked up a bumper sticker in blue and white stating "Iowa, is this Heaven?". They may know something we don't

(John Dillavou, Past President)

[Editor's note: John talked to our new President, Dave Salter, and determined that Dave would not be writing a monthly column and has decided to continue to submit a monthly column under the heading, "Observations."]



## PROBLEMS BEING ENCOUNTERED IN ANSCHUTZ' SOUTHERN PACIFIC DEAL

Denver billionaire Philip Anschutz has hit a stumbling block a year after buying the Southern Pacific railroad in a \$1.2 billion leveraged buyout. The deal included long-term debt of \$1.56 billion--including a \$200 million junk bond issue--and shareholder equity of just \$182 million. That debt load was to be offset by \$1.5 billion in California real estate and some spur lines that would be sold piece by piece.

But a planned sale of Southern Pacific Transportation Co. assets isn't proceeding as quickly as expected and the company may miss a December 31 target date for the sales. The result is a cash crunch that has brought Anschutz back to the bargaining table with bankers, according to a company official.

The deal was one of dozens of leveraged buyouts on Wall Street in the last decade that used junk bond financing. The goal was simple--borrow heavily to buy a property, break up its assets, sell part of them to help pay off debt and rake in a hefty profit. But a number of leveraged buyouts have stumbled when the assets

either dropped in value or were difficult to sell.

Analysts and company officials said that while the deal has hit some snags, a complete restructuring won't be necessary. "The question is only a matter of timing of real estate deals," according to Bob Starzel, Southern Pacific's vice chairman. "We're talking to the banks."

The senior debt of Southern Pacific is rated "speculative" or BB+ by Standard and Poor's, the New York credit firm. There is no foreseeable change in that rating, according to Marna Dann, a vice president with Standard and Poor's. "We never expected it to be easy," Dann said. "If push comes to shove, those assets could be sold. They just don't want a fire sale on them."

Most of Southern Pacific's properties are in the booming Southern California and San Francisco real estate markets.

Sources close to the deal said some \$250 million in sales contracts were pending and could close by then, alleviating immediate problems. Southern Pacific has debt service payments of about \$160 million annually. (Denver Post)



## ACCOMPLISHMENTS OF VOLUNTEERS ON THE C&TS DURING 1989

During 1989 over 100 people traveled to Chama, New Mexico, to volunteer their time and travel expenses to help preserve the Cumbres and Toltec Scenic Railroad. On one weekend alone in late August, 74 people came from as far away as Jacksonville, Florida; Jeffrey, New Hampshire; and Novato, California. This was the 9th year that volunteers had been coming to work on the C&TS and the second year under the

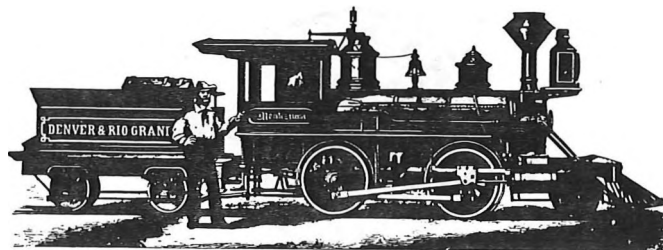
auspices of the Friends of the Cumbres & Toltec.

Many projects of historical preservation were accomplished. Again this year, freight cars were repaired, painted and lettered and various other projects were completed. The remnant of the historic snowshed at Cumbres Pass was plotted on a computer assisted drawing by several civil engineer volunteers. Two particular projects stand out as highlights for 1989:

1. The last remaining section of 3-Rail Track in Alamosa, Colorado, was disassembled and transported to Antonito, Colorado. The Denver and Rio Grande Western Railway donated this historically significant section of track which includes a rare dual-gauge switch. Through the cooperation of the Public Service Company of Colorado, the volunteers loosened the track and switch from the ties, dismantled it and transported all of it to Antonito. A dual-gauge display is planned for the Antonito yard of the C&TS.

2. Significant work was accomplished to restore narrow gauge Derrick OP and its Boom Tender Flat Car. A new roof consisting of tongue and groove planks and canvas built-up roofing was installed on the Derrick house. New planking was installed on the Derrick deck and other restoration work completed. Kyle Railway's employee Earl Knoob hooked up compressed air to the Derrick machinery and it worked fine. In

order to restore the flat car, several sills had to be replaced, including an oak end sill which involved taking the entire coupler and draft gear apart and replacing the sill with an oak timber cut from a tree back East and trucked to Chama for this purpose. Work will continue in 1990 to complete the restoration of Derrick OP and its Flat Car. (William J. Lock)



## SWAP 'N SHOP

Personal ads are accepted from members for items to be listed for SALE or TRADE or WANTED. We cannot enter into any correspondence, nor will we appraise them.

FOR SALE: Collection Dispersal Sale #3 G.W. negatives and slides, C&S & UP slides. \$1.00 for listing. WANTED: Buy or trade D&RGW narrow gauge train orders & line ups. Peter Gilbert, P. O. Box 16451, Denver, Colorado 80216.

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## SECOND CLASS