MINUTES

TASK FORCE ON RAIL PASSENGER SERVICES IN KANSAS

November 10, 1999
Wichita Chamber of Commerce
350 W. Douglas, Wichita, Kansas

Members Present

Representative Ed McKechnie, Chairman
Senator Chris Steineger
Representative Gary Hayzlett
Ms. Ellen Samuelson
Mr. Richard Webb

Members Excused

Senator Nick Jordan, Vice Chairman
Senator Robert Tyson
Representative Andrew Howell
Mr. Nelson Mann

Staff Present

Reed Holwegner, Kansas Legislative Research Department
Hank Avila, Kansas Legislative Research Department
Robert Waller, Kansas Legislative Research Department
Bruce Kinzie, Revisor of Statutes Office

Conferees

John Rosacker, Bureau of Transportation Planning, Kansas Department of Transportation
Dave Herbert, Oklahoma State Senator, Co-Chairperson of Oklahoma High-Speed Rail Task Force
Senator Barbara Lawrence
Senator Greta Goodwin
Representative Garry Boston

Bernie Koch, Wichita Chamber of Commerce
Robert Collins, Author, *Ghost Rail Roads in Kansas*
Bob Knight, Mayor of Wichita
John Mills, National Association of Railroad Passengers
Matt Dowty, Oklahoma Passenger Rail Association
Jim McClellan

Morning Session

The meeting was called to order by Representative Ed McKechnie, Chairman of the Task Force on Rail Passenger Services in Kansas, at 10:01 a.m., at the Chamber of Commerce in Wichita, Kansas.

The Chairman opened the meeting by having Task Force members and staff introduce themselves to the public. He then described the purpose of the study and the day's agenda. The Chairman introduced Bernie Koch, Vice President of Governmental Relations for the Wichita Chamber of Commerce. Mr. Koch thanked the Task Force for its attendance in Wichita and gave a brief summation as to the Chamber's relationship with rail service in the past.

The Chairman called on John Rosacker, Assistant Bureau Chief, Bureau of Transportation Planning, in the Kansas Department of Transportation (KDOT). Mr. Rosacker discussed the Kansas Rail Plan Update (Attachment 1). He stated that KDOT's rail program is composed of two major components: federally funded and state-funded rehabilitation loans. He commented that current rail service policies in Kansas will be based on three conditions: (1) the present conditions of tracks and trains; (2) abandonments; and (3) loan assistant programs. Mr. Rosacker also provided a historical review of the state involvement in rail matters. He said that before 1980, the *Kansas Constitution* prohibited KDOT from expending funds for rail transportation. These restrictions were eased with amendments in 1980 and 1986. In 1991, the Legislature enacted a rail service assistance program, authorizing KDOT to guarantee third-party loans and make direct loans to railroads using federal funds. Mr. Rosacker added that over $3 million has been issued in low-interest loans to short line railroads.

Chairman McKechnie asked Mr. Rosacker how the loan program has been received by the short line railroads. Mr. Rosacker replied that KDOT reviews short line needs and makes its decisions accordingly. He added that short line railroads prefer that more money be available for loans. Task Force member Richard Webb said that loan recipients sometimes have difficulty rehabilitating lines due to past deferred maintenance. Loan amounts are also determined by rail line traffic.

The Task Force next turned its attention to the rail passenger study being conducted by Transportation Economics & Management Systems, Inc. (TEMS). Mr. Rosacker informed the Task Force that the purpose of the study is to determine the feasibility of rail passenger service in Kansas. He said that the results of that study will not be completed until late spring 2000. It was also noted that, in the past, KDOT has focused only on freight service. With the completion of the study, the

information will help KDOT to make recommendations to the Legislature as to how to proceed with rail service in Kansas.

Senator Steineger asked about the speed limits at which trains can run on tracks. Mr. Rosacker indicated that on "class four" tracks, 79 miles per hour is the speed limit. This standard is set by the Federal Railroad Administration (FRA), and the average track speed is based on the rail quality and traffic density in the area.

Chairman McKechnie asked what direction KDOT has received from the Legislature concerning rail service. Mr. Rosacker replied that KDOT has received minimal direction from the Legislature. On a related issue, Mr. Rosacker remarked that railway lines are privately owned; whereas, the roads are publicly owned, and that placing freight and passengers on the railway will lower the maintenance costs of roads, thereby saving state funds for maintenance.

The Chairman thanked Mr. Rosacker for his testimony and introduced Nancy Bogina, Special Assistant to the Secretary and Director of Public Affairs for KDOT.

The next conferee to appear before the Task Force was Oklahoma State Senator Dave Herbert , Co-Chairman of the Oklahoma High Speed Rail Task Force. Senator Herbert reviewed the history of rail passenger service in Oklahoma and Oklahoma's attempts to restore rail passenger service in the state. He explained why Oklahoma lost the Lonestar Train Service (the seventh highest loading train during its time) and the steps taken to regain the routes. The Senator believed the Lonestar was lost due to the increased and popular use of automobiles, interstate highways, and air travel. The nation's train routes became subject to political decisions, rather than economic decisions. Train service was brought back to Oklahoma as a means to enhance tourism in the state. It was originally estimated that Oklahoma's rail service program should have had 23,000 riders by September 1999. This goal was met three months earlier in June.

Senator Herbert recommended a compact between Kansas and Oklahoma to aid in the placement of routes in the two states. He said that a state compact could direct Amtrak to set rates based on the profitability of routes rather than on political concerns. He said that Amtrak should be removed from federal subsidy in 2003 and that such action would aid in establishing better routes. The Senator also informed the Task Force that Texas had recently received $330 million from the FRA for 20 miles for passenger service between Dallas and Fort Worth. He said that, in effect, Texas is receiving its portion of federal gasoline taxes and that Kansas and Oklahoma can do the same.

Senator Herbert remarked that with an aging baby boomer generation, rail service will become a better travel mode for those persons. The Senator observed that as people become older, they become less certain of airline or automobile travel. In order to provide a better transportation system, the State of Oklahoma has begun buying abandoned rail lines for future commuting between Oklahoma City and its suburbs. He said by purchasing rail lines now, millions of dollars could be saved. He made the comparison that while $100 million could provide for seven miles of four-lane turnpike highway, the same amount of money could provide for 90 miles of high-speed rail line. Additionally, the Senator commented that rail passenger service enhances a city's federal "clean air" status, by keeping the city below those environmental regulations which, if violated, would cause the city to lose federal funding.

Task Force member Ellen Samuelson asked the Senator if tourism should be a factor in providing rail passenger service. Senator Herbert replied that it is an important consideration. He continued by saying that it is critical to base additional service on Amtrak's current routes. Federal funds for rail passenger service are available from the FRA, the Transportation Equity Act for the 21st Century, and the High-Speed Rail Initiative.

Chairman McKechnie asked Senator Herbert what was the most appropriate way to negotiate with Amtrak. Senator Herbert explained that both political and economic considerations should be addressed. He thinks it is important to establish a relationship with federal legislators. He elaborated by saying that local politics should not play a part in determining routes; rather, it is more important to begin some form of rail passenger program. Once a consumer base for rail service has been established, users will express their desires for expanding service.

Senator Steineger asked Senator Herbert how rail service is promoted in Oklahoma. Senator Herbert replied that Amtrak and all towns on the route of the Lonestar Train advertise. Special event trains are also advertised.

The Task Force thanked Senator Herbert for his participation and the information he provided.

The Chairman then recognized Kansas legislators that were present at the meeting. Senators Barbara Lawrence and Greta Goodwin, and Representative Garry Boston thanked the Task Force for its appearance in Wichita. They noted the importance of rail passenger service in generating tourism revenue and in providing individual travel in Kansas.

Chairman McKechnie recognized Reed Holwegner of the Kansas Legislative Research Department (Attachment 2). Mr. Holwegner alluded to information in Task Force notebooks that Chairman McKechnie requested to be provided to the members. The information included KDOT's budget request for the state's rail loan program for FYs 2000 and 2001. Also provided were performance measures for KDOT's rail division and a KDOT press release regarding the rail loan program. At the request of Senator Steineger, information was provided that outlined the frequency of air travel both inside and outside of Kansas.

Following Mr. Holwegner's remarks, the Task Force adjourned for lunch at 11:50 a.m.

Afternoon Session

Chairman McKechnie reconvened the meeting at 1:28 p.m. He welcomed Mr. Koch, who commented on rail passenger service.

Mr. Koch stated the biggest complaint the Chamber hears from businesses, as well as leisure travelers, is the high airfare costs in Wichita (Attachment 3). Mr Koch opined that rail passenger service could provide a competitive alternative to air travel in Wichita. He said that if past history is an indicator, competition would temporarily result in lower airfares. Larger airlines would then drop

their prices to match the discount airline company, thus driving it out of the market. The larger airlines would then raise prices to their previous levels. He also stated that the Chamber has inquired about the possibility of adding discount airlines to the Wichita area, but thus far, has been unsuccessful. Mr. Koch provided the Task Force with statistics regarding airline prices out of Kansas City and Tulsa, as compared to rates out of Wichita. He informed the Task Force about the excessive costs associated with flying out of Wichita and referred to data contained within his written testimony.

The Task Force thanked Mr. Koch for his presentation.

The Task Force welcomed Robert Collins, author of *Ghost Rail Road in Kansas* (Attachment 4). Mr. Collins agreed with previous conferees concerning the need for rail passenger service in Wichita or southeast Kansas and the benefits associated with the service. He said surveys indicate that the elderly are reluctant to drive, afraid to fly, but have a "connection" to riding trains due to past familiarity with that mode of transportation. He recommended the Task Force think about day service to increase ridership, thus making Kansas a "destination" rather than just a "pass though" state.

The Task Force thanked Mr. Collins for his presentation.

The Chairman welcomed Mayor Bob Knight of Wichita (Attachment 5). Mayor Knight informed the Task Force of the importance of additional transportation modes in Wichita. He said rail service would give the citizens of Wichita and central Kansas another way to travel. He noted that 1.3 million people flew out of Wichita's Mid-Continent Airport in 1998, despite higher-than-average airfares from that location. The mayor recommended a route from Oklahoma City through Wichita to Newton to make passenger rail service available to 650,000 Kansans living in that area. This includes 450,000 of those individuals that live in Wichita and Sedgwick County.

Senator Steineger asked Mayor Knight if Wichita would be willing to provide financial support to establish rail service in the city. The mayor replied that previous proposals had involved Wichita providing some level of municipal financing. Mr. Webb asked whether any studies have been done on the infrastructure needs of the city. The mayor said no but that the city is fully prepared to move forward in its assessments of its infrastructure and the establishment of funding sources to assist in bringing rail service to the area. Chairman McKechnie recommended that the mayor contact other mayors across the state, Amtrak, the Kansas League of Municipalities, and any other organization that could encourage the inception and planning of rail passenger service in Kansas.

The Chairman thanked Mayor Knight for his testimony. (Attachment 6)

Chairman McKechnie then opened the meeting for public discussion. John Mills, of the National Association of Railroad Passengers, discussed the history of rail service in Kansas. He stated that rail service should be accessible to a broader public. He suggested that the Task Force should be concerned with the costs associated with initial startup and maintenance. He recommended discussions with Amtrak to explore the possibility of throughway bus service in connection with rail lines. A throughway bus is a service dedicated to connecting rail lines. Mr. Mills also said that the Oklahoma study conducted by TEMS was, in part, incorrect and that the Task Force must carefully examine its data.

Matt Dowty, with the Oklahoma Passenger Rail Association, agreed with previous conferees that the Task Force should consider daylight service and the use of throughway busing to assist in moving travelers by rail. He suggested that both a central route and a southeast route should be established in Kansas. He informed the Task Force that all former Amtrak routes are protected for Amtrak's future use, if needed. Mr. Dowty recommended that rail service in Kansas be connected to the national rail system. He favored collaboration with other states, such as Oklahoma, in establishing routes with Amtrak. Senator Steineger asked Mr. Dowty if the state or Amtrak should select the route. Mr. Dowty replied if Amtrak alone was allowed to make the decisions, it would establish routes that have lower initial and operating costs rather than routes that would service the most needs.

Mr. Jim McClellan of Wichita briefly discussed the challenges facing train schedules and connections.

The Task Force thanked the public audience for its comments concerning rail passenger service.

Motion. *Senator Steineger moved, seconded by Representative Hayzlett, that the minutes of the September 29, 1999, meeting be approved. The motion carried.*

Staff informed the Task Force that travel vouchers would be mailed at a later date to those members in attendance and then forwarded to the Chairman for his signature.

Adjournment. Upon completion of business, the meeting adjourned at 3:15 p.m. The next meeting of the Task Force on Rail Passenger Services in Kansas is scheduled for November 30, 1999, at 9:00 a.m., at Union Station in Kansas City, Missouri.

Prepared by Robert Waller
Edited by Hank Avila and Reed Holwegner

Approved by Task Force on:

November 30, 1999
(Date)

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TESTIMONY BEFORE TASK FORCE ON RAIL PASSENGER SERVICE

November 10, 1999

Mr. Chairman and Task Force Members:

I am John Jay Rosacker, Assistant Bureau Chief, Bureau of Transportation Planning in the Kansas Department of Transportation (KDOT). We welcome the opportunity to testify on the status of our state's rail program. My presentation will focus on KDOT's rail program and the ongoing passenger rail feasibility study.

KDOT's rail program has two major components: Federally-funded rehabilitation loans and State-funded rehabilitation loans.

LOAN PROGRAM

FEDERAL

Since 1976, KDOT has engaged in limited efforts to preserve or improve rail transportation (K.S.A. 75-5025, State Rail Transportation Plan). Before 1980, the state was prohibited by the Kansas Constitution from expending funds for rail transportation. This restriction was eased and then removed by amendments in 1980 and 1986 (K.S.A. 75-5029, 5030 and 5031), Railroad rehabilitation loan guarantee fund to guarantee Mid-states Port Authority's rail loans. Between 1980 and 1991, KDOT made grants to shortline railroads with federal pass-through funds for rehabilitation projects (K.S.A. 75-5026, acceptance of federal funds). In 1991, the legislature enacted a Rail Service Assistance Program, authorizing KDOT to guarantee third-party loans and make direct loans to railroads using federal funds.

To obtain the federal funding, KDOT was required to do a Rail Plan. KDOT's initial Rail Plan was done in 1982 and updates have been done periodically. I am providing you a copy of the latest rail plan update.

Since the enactment of K.S.A. 75-5040 through 75-5049 and implementation of the corresponding regulations, KDOT has made over $3,000,000 in low-interest loans, using federal

fund, to shortline railroads. I am providing a copy of KDOT's Shortline Railroad Guidelines. These guidelines set out the following criteria: KDOT loans to shortline railroads are for a ten-year term, one to three percent interest rate and include provisions to not abandon the lines rehabilitated for ten years. The KDOT loans represent 70 percent of the project costs with the railroad providing the other 30 percent of the funding. The KDOT loans are secured by a promissory note and UCC financing statement signed by the railroad as collateral. A shortline can only qualify for a loan if it has more than twenty carloads of business per mile per year and has a benefit-cost ratio of one or higher.

STATE

With the passage of the Comprehensive Transportation Program (CTP), state funding of $3,000,000 annually for eight years has been provided to meet the rehabilitation needs of Kansas shortline railroads. I have provided a listing of loans to be made using the first year's funding. KDOT has set up its state loan program as a mirror to the federal program described above since that system has worked efficiently, and the railroads are familiar with the procedure.

In addition to loans, KDOT is active in doing research and providing assistance to rail shippers, legislators, community leaders, shortline operators and the public on railroad issues. While KDOT does not have authority to regulate or operate rail service, the Department provides policymakers with ongoing assessments of the status and conditions of the rail system in Kansas.

PASSENGER

With the increased emphasis on all modes of transportation, KDOT has determined it should study the preservation, enhancement or the establishment of additional rail passenger service in Kansas. KDOT has contracted with Transportation Economics & Management Systems, Inc. (TEMS) to do a study of the demand and feasibility of additional passenger rail service in Kansas and the associated costs. Attached for your review is a copy of the scope of work KDOT is expecting TEMS to provide in this study. The study is scheduled to be completed by late winter or early spring.

Consequently, KDOT's rail experience has been focused on freight issues. This is why a consulting firm was hired to do a feasibility study on passenger rail. It would be premature at this time to speculate on what the study will find or recommend.

I would like to thank you for the opportunity to testify before the Passenger Rail Task Force and would be glad to answer any questions I can.

Shortline Railroad Loan Guidelines

-Loans are made for the purpose of facilitating the financing, acquisition or rehabilitation of shortline railroads within the state of Kansas (priority is track rehabilitation)

-The ratio of benefits to costs (benefit-cost analysis) for any project (qualified shortline railroad) shall be greater than one (1.0)

-The qualified shortline railroad shall demonstrate that it is financially sound and capable of fulfilling all obligations created by the loan agreement

-The qualified shortline railroad shall demonstrate that adequate funding for the proposed project is not otherwise available, on terms that would make the proposed project financially feasible, in the absence of a state loan program

-The qualified shortline railroad moves less than 5,000,000 gross tons per mile annually

-The qualified shortline railroad demonstrates that operations will be made more efficient by raising the minimum operating speed from FRA class one (up to 10 mph) to FRA class two (10-25 mph) or FRA class two (10-25 mph) to FRA class three (25-39 mph)

-The qualified shortline demonstrates a positive statewide or regional economic impact resulting from the project

-The qualified shortline demonstrates that the project for which funding is sought will result in road or highway maintenance costs savings for the state and local government entities

-The qualified shortline demonstrates the commitment of capital, or the guarantee of a set amount of rail traffic by local shippers, government entities or other interested parties, to the qualified shortline for the continued operation of rail service for which a loan is sought

-Interest on loans will not exceed 3 percent

-Loan amount is 70/30. The project will be 70 percent funded through the loan program and 30 percent through funds from the qualified shortline railroad

-Term of loan is 10 years

-The qualified shortline railroad agrees not to abandon rehabilitated line (project) during the 10-year term of the loan

-The loan contract includes a promissory note and lien

Status Report: CTP Rail Component (FY00)

- 11 applications submitted totaling $7.3 million in rehabilitation projects received from Kansas shortline railroads
- All 11 applications were received by July 29, 1999 (within 30 days of the passage of the CTP)
- Loans will be for track rehabilitation
- 6 rehabilitation projects selected totaling $2.7 million (70% of $3.8 million in total requests for FY00)
- Office of Rail Affairs is anticipating one, possibly two, more applications for final $300,000 in FY00
- Railroads receiving loans have been notified via telephone and contracts have been mailed
- Railroads receiving loans are: South Kansas and Oklahoma; Kansas Southwestern, Central Kansas, Nebraska Kansas Colorado RailNet, Kyle and the Johnson County Industrial Railway (Johnson County Airport Commission)
- Counties in which shortline rail rehabilitation projects will take place: Decatur, Norton, Phillips, Smith, Jewell and Republic (Kyle); Cowley (South Kansas and Oklahoma); Rice (Kansas Southwestern); Mitchell, Lincoln and Osborne (Central Kansas); Rawlins (Nebraska Kansas Colorado RailNet); Johnson (Johnson County Industrial Railroad)
- Anticipate most of the shortlines will begin work during the spring construction season. Only SKO has begun work at this time.

An additional bullet point that may be of interest:

- Just over $2 million of the FY01 $3 million loan fund dollars have been accounted for based on Rehabilitation projects that were not selected in FY00

Passenger Rail Study Outline: *Components of Study*

- **Corridor(s)**
  - >Primary: Oklahoma to Kansas City (Tulsa to Baxter Springs, KS)
    Tulsa to Perry to Wichita to Kansas City
  - >Secondary: Kansas City to Topeka to Denver

- **Existing Transportation Environment**
  - >Auto
  - >Air
  - >Intercity Bus
  - >Rail

  Socioeconomic Trends
  - >Types of Travel by demographic groups (business, commuter, vacation)

- **Potential for Passenger Rail Development**
  - >Opportunities
  - >Challenges

- **The Market for Passenger Rail and Analysis**
  - >Ridership and Revenue Forecasts
  - >Distribution of Ridership

- **Preliminary Engineering Analysis – Meeting Class IV Standards**
  - >Capital Cost estimates for improvements
  - >Environmental Issues (if any)
  - >Estimate what capital improvements need to be made
  - >Preliminary operating costs on corridor options

KANSAS RAIL PLAN
1997 UPDATE

Bill Graves
Governor of Kansas

E. Dean Carlson
Secretary of Transportation

Kansas Department of Transportation
Bureau of Transportation Planning
Office of Rail Affairs

KANSAS RAIL PLAN

1997 UPDATE

KANSAS DEPARTMENT OF TRANSPORTATION
BUREAU OF TRANSPORTATION PLANNING
OFFICE OF RAIL AFFAIRS
OCTOBER 1997

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Executive Summary

The Kansas Rail Plan, 1997 Update, has been prepared in accordance with requirements of the Federal Railroad Administration (FRA) U.S. Department of Transportation, as set forth in federal regulations governing Local Rail Freight Assistance to States. These rules constitute chapter 49 Code of the Federal Regulations (C.F.R.), Part 266.

The Kansas Department of Transportation (KDOT), Bureau of Transportation Planning, Office of Rail Affairs is responsible for railroad planning in Kansas. The mission of KDOT's Office of Rail Affairs in this planning function is to provide information and coordinate efforts to encourage an efficient transportation system to meet the needs of the State of Kansas. To encourage an efficient transportation system, KDOT's Office of Rail Affairs has compiled this 1997 Update. The 1997 Update is divided into three chapters: 1. Rail Transportation in Kansas; 2. Railroad Abandonments; and 3. Rail Assistance.

Chapter One Rail Transportation in Kansas provides current information and operating characteristics of the three Class I and 17 Class III railroads that make up the rail transportation network in Kansas. Maps indicating location and density of traffic are included as well as charts detailing volume and types of commodities chipped on each railroad operating in Kansas.

Chapter Two Railroad Abandonments discusses the History, causes and present abandonments affecting Kansas. Also provided is a review and summary of the new abandonment regulations adopted by the Surface Transportation Board in 1997 (see 49 CFR 1105 & 1152).

Chapter Three Rail Assistance Programs was developed from Federal and Kansas activities. The Federal Local Rail Freight Assistance (LRFA) Program is a program of federal grants to fund local rail eight improvements. It was established by Section 5 of the Department of Transportation Act (49 U.S.C. 1654 et seg).

Financial Assistance in the form of FRA grants has been used to fund rehabilitation projects in Kansas. In 1991 the Kansas Legislature gave KDOT the authority (KSA 75-5048) to loan the FRA grant funds. This Kansas rail freight assistance loan program is intended to ensure that the state has rail service which contributes to the economy and well being of Kansas and it's citizens, which enhances market competitiveness of Kansas industries, and which fosters expansion of present business and attraction of new business.

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CHAPTER 1

RAIL TRANSPORTATION IN KANSAS

INTRODUCTION

The Kansas rail system is currently composed of 20 railroads. The railroads range in size from a short three-mile intrastate carrier to mega-railroads extending from Kansas to the Northwest, Gulf of Mexico, California, Canada, Mexico, the East and Southeast. Of the 20 railroads, three are Class I carriers (annual gross revenues of $250 million or more) and the remainder are Class III carriers (annual gross revenues of less than $20 million). Railroad mileage in the state was at its maximum in 1917 when 9,363 miles were recorded. The development of competitive trucking and barge services in the 1950s made railroads increasingly vulnerable to intermodal competition and eroded rail market share of both high and low-value traffic. By the 1970s, major segments of the railroad industry were in serious financial difficulty as evidenced by the bankruptcy of several major railroads. The demands for an overhaul of archaic regulatory legislation led to the passage of the Staggers Rail Act of 1980, which essentially deregulated the railroad industry. Deregulation provided the railroad industry greater opportunity to compete in a more competitive market environment through more flexible rail pricing strategies and through cost (system) rationalization via rail mergers and abandonments of marginal and unprofitable lines.

Except for some realignments, there have been no significant new construction of railroads since 1925 (Figure 1). While the state's railroad mileage continues to decrease, rail tonnage is on the increase as the rail lines are used more intensively (Figure 2). Total tons moved by Class I carriers in Kansas increased from 268 million tons in 1995 to 317 million tons in 1996, an increase of 17 percent. Total rail miles in Kansas decreased from 5912 miles in 1995 to 5550 miles in 1996 - a decrease of 6.1 percent due to rail branchline abandonments. In conclusion, railroads are moving more freight over their main lines and abandoning unprofitable branchlines. Increased efficiency and greater utilization of main line tracks is a trend expected to continue.

RAILROAD MILES IN KANSAS

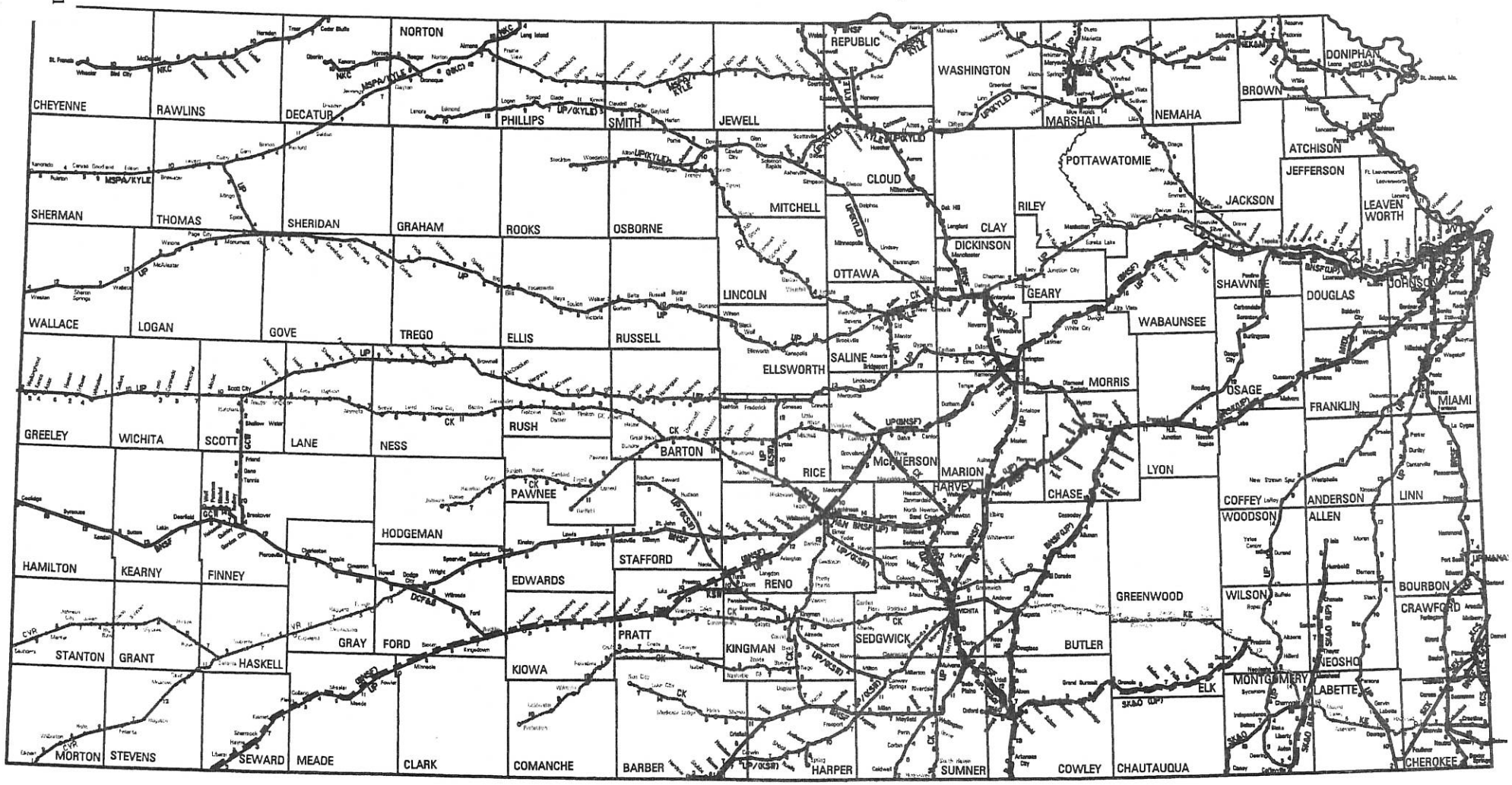
Miles Owned

Kansas ranks fourth among the states in railroad mileage. The state's line-haul railroad mileage in July, 1997 totaled 5,550 miles (Table 1). The total excludes double trackage, spur and business tracks, sidings and yards. It also excludes privately owned, "not-for-hire" railroads.

Railroad miles owned by Class I carriers totaled 3,680 while Class III carriers (shortline operators and non-operators) owned 1,866 miles. The miles of railroad owned by shortline railroad companies have nearly doubled in the last several years.

2-10

Figure 1
Kansas Railroad Map



RAILROAD		MILEAGE
A&SV	ABILENE & SMOKY VALLEY RAILROAD	18
BNR	BLUE RAPIDS RAILROAD UP&BNR	10
BNSF	BURLINGTON NORTHERN SANTA FE RAILWAY	1,253
CK	CENTRAL KANSAS	680
CVR	CIMARRON VALLEY RAILROAD	182
DCF&B	DODGE CITY FORD & BUCKLIN	26
GCR	GARDEN CITY WESTERN	45
H&N	HUTCHINSON & NORTHERN	3
JCIA	JOHNSON COUNTY INDUSTRIAL AIRPORT RAILWAY	4

RAILROAD		MILEAGE
KCS	KANSAS CITY SOUTHERN	18
KCTR	KANSAS CITY TERMINAL RAILWAY	5
KE	KANSAS EASTERN	140
KSW	KANSAS SOUTHWESTERN	265
KM&P	KIOWA, MARDTNER & PACIFIC	10
KYLE	KYLE	16
KYLE	KYLE LEASE UP GKYLD	30
MDPA	MID-STATES PORT AUTHORITY (KYLE OPERATOR)	272
MDL	MIDLAND RAILWAY	11
M&NA	MISSOURI & NORTHERN ARKANSAS (UP&MNA)	8

RAILROAD		MILEAGE
NKC	NEBRASKA, KANSAS, & COLORADO RAILNET	122
NS	NORFOLK SOUTHERN (NORFOLK & WESTERN)	*
NEKAM	NORTHEAST KANSAS & MISSOURI	108
SOO	SOO-LINE	*
SEK	SOUTHEAST KANSAS	34
SK&O	SOUTH KANSAS & OKLAHOMA	178
UP	UNION PACIFIC SYSTEM (GKT, MP, OKT, UP)	2,48
WUT	WICHITA UNION TERMINAL	2

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KANSAS DEPARTMENT OF TRANSPORTATION
BUREAU OF RAIL AFFAIRS
AND
BUREAU OF TRANSPORTATION PLANNING
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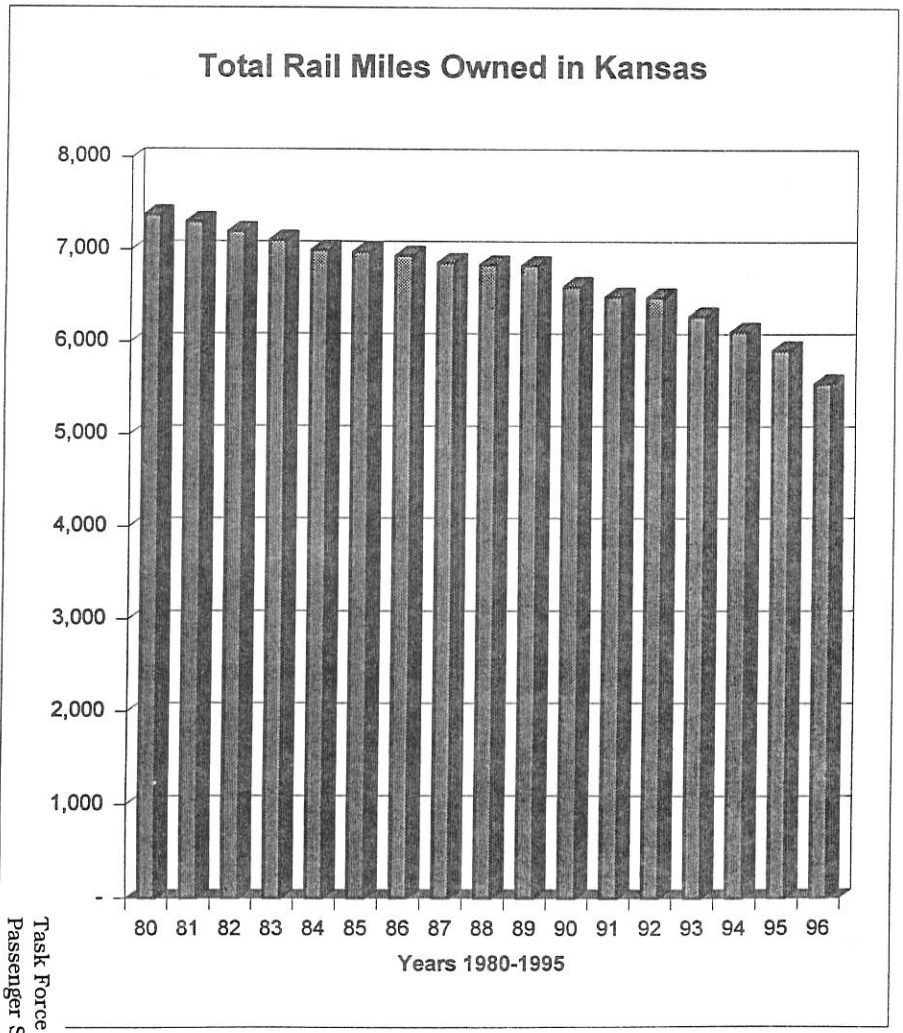
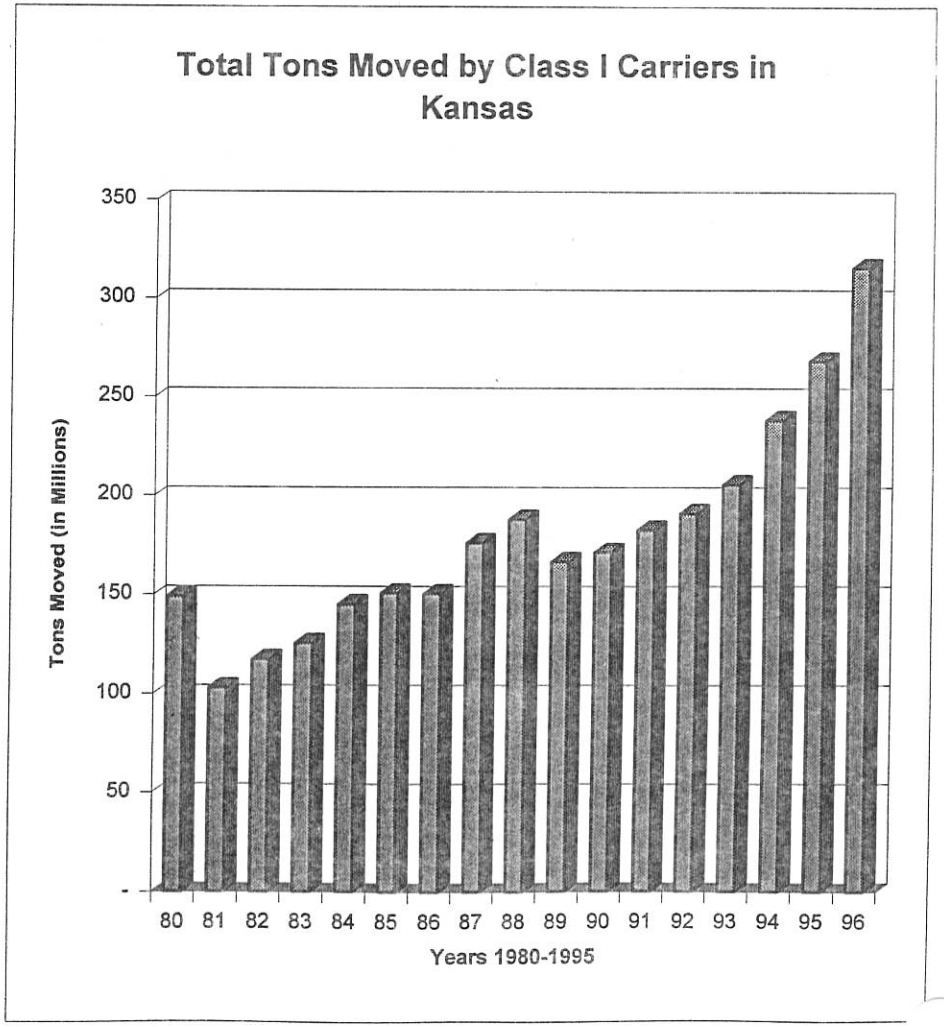
Figure 2

Trends in Rail Operations





Task Force on Rail Passenger Service
November 10, 1999

TABLE 1

MILES OF RAILROAD OWNED AND OPERATED IN KANSAS

July 1997 (a)

	Miles Owned			Leases	Trackage Rights	Total Operated
	Main Line	Branchline	Total			
Class I Rail Carrier						
Burlington Northern/ Santa Fe	1208	45	1253	0	449	1702
Kansas City Southern	18	0	18	0	0	18
Norfolk Southern (N&W)	0	0	0	0	2	2
Soo Line	0	0	0	0	7	7
Union Pacific System	1376	686	2062	0	512	2574
Southern Pacific (SSW & DRGW)	346	1	347	0	447	794
Total, Class I	2948	732	3680	0	1417	5097
Class III Rail Carriers						
Abilene & Smoky Valley		18	18	0	0	18
Blue Rapids Railroad		10	10	0	0	10
Central Kansas		690	690	0	72	762
Cimarron Valley		182	182	0	4	0
Dodge City, Ford & Bucklin		26	26	0	1	27
Garden City Western		45	45	0	0	45
Hutchinson & Northern		3	3	0	0	3
Johnson County Industrial Airport		4	4	0	0	4
Kansas City Terminal		5	5	0	0	5
Kansas Eastern		140	140	0	0	140
Kansas Southwestern (b)		0	0	285	17	302
Kyle		16	16	0	0	16
Port Authority (c)		272	272	0	0	272
UP System (b)		0	0	310	13	323
Midland		11	11	0	2	13
Missouri & Northern Arkansas (b)		0	0	8	0	8
Nebraska, Kansas & Colorado		122	122	0	17	139
Northeast Kansas & Missouri (d)		108	108	10	16	134
Southeast Kansas		34	34	0	3	37
South Kansas & Oklahoma (e)		178	178	0	140	318
Wichita Union Terminal		2	2	0	0	2
Total, Class III			1866	613	285	2578
Total, Kansas			5546	613	1702	7675

Notes:

(a) Common carrier mileage (excluding privately-owned not-for-hire miles, business tracks, parallel tracks)

(b) Branch Lines Leased from the Union Pacific

(c) Lease/Purchase agreement with the Mid States Port Authority

(d) Leased from the Blue Rapids Railroad

(e) Leased through the Kansas Eastern a subsidary of the SK&O

Source: Kansas Corporation Commission, Vernon Wenger's publication titled "A History of Railroads Constructio and Abandonment Within the State of Kansas".
Office of Rail Affairs- Correspondence with various railroads.

Miles Operated Under Trackage Rights

In addition to operating their own tracks, some rail carriers in Kansas operate other carrier's lines under trackage rights agreements. The total mileage involved in these agreements is 1,704 miles (Table 2). The majority of trackage rights granted are made to address competitive concerns by shippers and competitors as a result of recent rail mergers.

Table 2 – RAIL CARRIER TRACKAGE RIGHTS IN KANSAS, JUNE 1997

RAIL CARRIER TRACKAGE RIGHTS IN KANSAS, JUNE 1997

RAIL CARRIER	MILES	TRACK OWNER
Burlington Northern Santa Fe		
Kenneth, MO – Paola	26.9	UP
Wichita Juction	1.5	UP
Galena-MO State Line	1.0	UP
Oswego-Labette	6.4	UP
Wichita - Lost Springs	63.3	UP
Hutchinson - South Hutchinson	2.9	UP
Dodge City	.9	UP
Okla/Liberal/Herington/Topeka	346.1	UP
Total	449.0	
Central Kansas		
Abilene – Salina	19.9	UP
Newton-McPherson	29.4	UP
at Darlow	1.0	BNSF
at Hutchinson	2.9	UP
at Wichita	4.5	BNSF
at Wichita Junction	1.2	BNSF
at Harper	2.0	BNSF
at Atica	1.6	BNSF
at Wellington	1.3	BNSF
at Wichita Junction	3.2	BNSF
at Hutchinson	4.5	BNSF
Total	71.5	

TABLE 2 (Continued)

RAIL CARRIER TRACKAGE RIGHTS IN KANSAS, JUNE 1997

RAIL CARRIER	MILES	TRACK OWNER
Cimarron Valley		
at Dodge City	.9	UP
at Dodge City	2.7	BNSF
Total	3.8	
Dodge City Ford & Bucklin		
at Dodge City	.9	BNSF
Kansas Southwestern		
Yaggy-Sterling	12.9	BNSF\CKR
at Wichita	3.9	UP
Total	16.8	
Kyle		
Solomon-Salina	12.9	UP
Midland		
Ottawa Junction	2.3	Fogle Quarry Co.
Nebraska, Kansas, & Colorado Rail Net		
Oronoque-Almena	17.3	Kyle

TABLE 2 (Continued)

RAIL CARRIER TRACKAGE RIGHTS IN KANSAS, JUNE 1997

RAIL CARRIER	MILES	TRACK OWNER
Northeast Kansas & Missouri		
UP land-Marysville	6.0	UP
So Marysville-Bestwall	10.3	Blue Valley RR
Total	16.3	
Norfolk Southern (N&W)		
Kansas City-Argentine	2.0	BNSF
SOO LINE		
Kansas City	4.4	KCS
Kansas City	2.2	KCT
Total	6.6	
Southeast Kansas		
Coffeyville-So. Coffeyville	2.9	UP
South Kansas & Oklahoma		
East Augusta-West Columbus	139.3	Kansas Eastern
Winfield-Winfield Junction	1.7	BNSF
No. Fredonia-So. Fredonia	1.9	UP
Total	3.6	

TABLE 2 (Continued)

RAIL CARRIER TRACKAGE RIGHTS IN KANSAS, JUNE 1997

RAIL CARRIER	MILES	TRACK OWNER
Union Pacific		
Missouri Pacific		
at Abilene	.4	BNSF
Abilene-Lost Springs	33.3	BNSF
at Atchinson	.1	BNSF
Abilene-Concordia, Nebraska State Line	93.8	BNSF
Belle Plaine-Mulvane-Arkansas City	43.4	BNSF
Benedict-Fredonia	6.8	SK&O
Kansas City-Paola	39.6	BNSF
Rock Creek Jct. (Kansas City)	2.0	KCT
at Wichita	1.7	WUT
Mulvane-Wichita	15.2	BNSF
Humboldt-Benedict	26.6	SK&O
Winfield-Fredonia	100.1	SK&O
Coffeyville-Cherryvale	16.9	SK&O
Chanute-Cherryvale	28.1	SK&O
Fredonia-Benedict	8.4	SK&O
Union Pacific		
at Kansas City	2.0	KCT
Abilene-Concordia-Nebraska(Kyle is UPSP's agent)	93.8	BNSF
Southern Pacific		
Kansas City-MO Line	2.0	KCT
MO-Ottawa-Newton-Hutchinson	216.5	BNSF
Topeka-Holliday	52.9	BNSF
Ellinor-Douglas-Winfield-Okla	111.3	BNSF
Newton-Wichita-Wichita N. Jct.	26.4	BNSF
Wichita N. Jct.-Wichita N. Jct.	1.5	WUT
Wichita S.Jct.- Mulvane-Winfield	36.7	BNSF
Total	959.5	

CLASS I CARRIER OPERATIONS

Burlington Northern Santa Fe Corporation

I Profile

Burlington Northern Santa Fe Corporation (NYSE:BNI), through its subsidiary The Burlington Northern and Santa Fe Railway Company(BNSF), owns and operates one of the largest railroad networks in North America. The BNSF operates more than 31,000 route miles covering 27 states and two Canadian provinces. This vast network covers the western two-thirds of the United States, stretching from major Pacific Northwest and southern California ports to destinations in the Midwest, Southeast and Southwest, and from the Gulf of Mexico to Canada. The headquarters for the BNSF is located in Fort Worth, Texas.

BNSF was created on September 22, 1995, from the merger of Burlington Northern Inc. (parent company of Burlington Northern Railroad) and Santa Fe Pacific Corporation (parent company of the Atchison, Topeka, and Santa Fe Railway). The company employs more than 43,000 people.

Revenues are generated primarily from the transportation of coal, grain, intermodal containers and trailers, chemicals, metals and minerals, forest products, automobiles and consumer goods.

The BNSF has a web site at http:www.bnsf.com/. The web site includes information about BNSF's financial, marketing and business operations.

II Recent Business Developments

The vast majority of grain business to Mexico is routed through Laredo and Brownsville, Texas. BNSF's grain business with Mexico was previously done primarily on a joint-line rate basis with the Southern Pacific Railway(SP), with BNSF turning traffic over to the Union Pacific Southern Pacific(UPSP) at Fort Worth. The BNSF has negotiated trackage rights with the UPSP which enables the BNSF to use these trackage rights as gateways on a single-line basis to Laredo, Brownsville, and Corpus Christi. The BNSF is anticipating great potential from their newly acquired trackage rights. Rail revenues from trade with Mexico now exceed one billion dollars annually and 84 percent of that business is handled by the UPSP.

Additional Mexican trade has benefited the BNSF by their April 23, 1997 acquisition of trackage rights through the Union Pacific/Southern Pacific merger. The conditions of the trackage rights call for direct interchange at Eagle Pass between BNSF and the Ferrocarriles Pacifico Norte Mexican Railway. This agreement will allow for easy transfer of goods across the border.

The new service should allow BNSF to increase its market share of transporting commodities such as grain, forest products, automotive shipments and chemicals to Mexico.

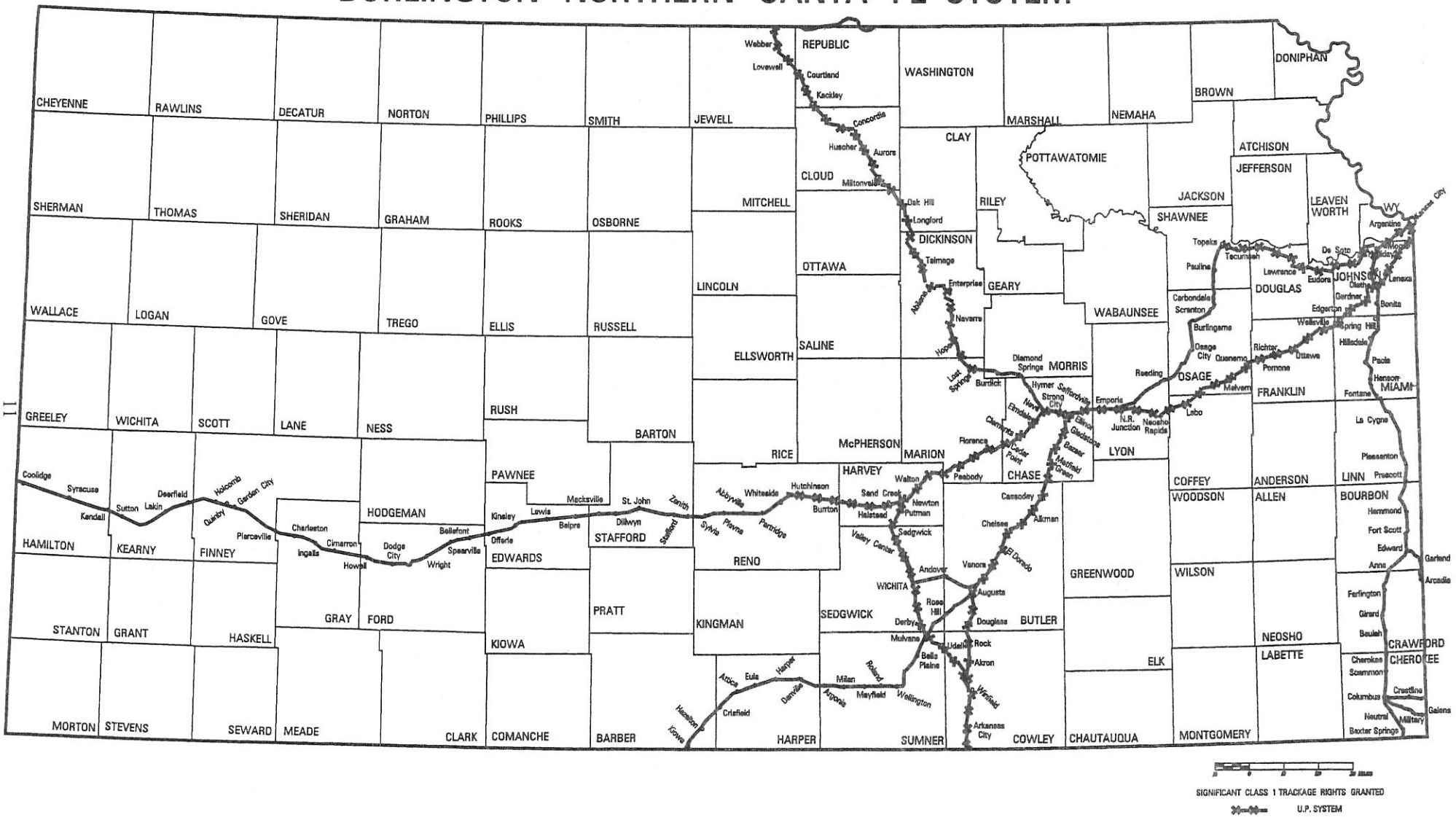
According to BNSF staff personnel, the rail traffic market between the U.S. and Mexico is growing at more than 14 percent annually. Trade between the two countries prompts the U.S. Commerce Department to predict that by year 2000, U.S./Mexico trade will reach $225 billion, up from $64.5 billion in 1991.

Effects of the Burlington Northern/Santa Fe 1995 merger continue to be felt. The sale of less profitable rail lines and employee reductions continues by eliminating overlapping operations. The merger created a railroad company of about 45,000 employees, about 10 percent nonunion and 31,000 miles of track in the western half of the country. By the end of 1997 the total reductions in BNSF's workforce will approach 16,000. The layoffs will affect employees in Topeka, Fort Worth, St Paul, and Schaumburg, Illinois.

The sale of less profitable rail lines in Kansas was not significant in 1996, because this task had been accomplished in previous years.

Figure 3

BURLINGTON NORTHERN SANTA FE SYSTEM



Task Force on Rail Passenger Service
November 10, 1999

Kansas City Southern

I Profile

Kansas City Southern Railroad (KCSR) is an operating subsidiary of Kansas City Southern Industries (NYSE:KSU). The railroad operates over 2,850 route miles in the Central and Southeastern United States. The railroads major lines link Kansas City to New Orleans via Dallas, to Meridian, MS, and Shreveport, LA to: Port Arthur, TX, Lake Charles, LA, and New Orleans, LA.

Primary commodities moved on the railroad include coal, chemicals/petroleum, and forest products. Secondary commodities include grain/food products, intermodal containers, government shipments and metals. In terms of carloadings, coal continues to be the largest single commodity handled by KCSR, generating 22% of total revenue carloading in 1996. KCSR delivers coal to six electric generating plants: Amsterdam, Missouri; Flint Creek, Arkansas; Welsh, Texas; Mossville, Louisiana; Kansas City, Missouri, and Pittsburg, Kansas. In terms of revenue, petroleum and chemicals represents the largest commodity moved on the KCSR in terms of revenue ($116 million in 1996 verses $114 million in 1995). Petroleum and chemical products are serviced via tank and hopper cars and shipped primarily to markets in the Southeast and Northeast through interchange with other rail carriers. The increase in petroleum and chemicals in 1996 is a result of increased volumes. Further, these carloading volumes and revenues could grow in future years if the Surface Transportation Board (STB) approves KCSR's petition seeking approval for construction of a nine mile rail line from KCSR's main line into the Geismar, Louisiana industrial area, which is supported by three major chemical manufactures.

Kansas City Southern-Industry also operates financial asset management companies. These include the Janus and Berger mutual funds, which had assets of approximately $34.5 billion at the beginning of 1996. By year-end 1996, total assets of Janus and Burger had rocketed to $50.3 billion, a 46% increase. In the five years from 1992 to 1996, Janus and Berger experienced a 209% increase in assets under management. In 1996 operating income generated for the KCSR was $74.1 million and income from the Financial Asset Management group was 142.3 million.

The KCSR has a web site at http:www.kcsi.com/. The web site includes information about KCSR's financial, marketing and business operations.

II Recent Business Developments

Kansas City Southern, in a joint venture with Transportacion Maritima Mexicana, or TMM, was awarded the first line auctioned by the Mexican government in December 1996, the 2,455 mile Northeast Railway. The joint venture called Transportatacion Ferroviaria Mexicana, stunned industry observers by submitting a whooping $1.4 billion bid to beat out the partnership led by Union Pacific.

The Northeast Railway via Laredo, Texas is considered the most valuable railroad asset in Mexico. It carries 40 percent of the rail traffic that moves in Mexico and has the most direct route between Texas and Mexico City. This acquisition fits well with the Texas Mexican Railway Company, of which KCSI has a 49%ownership interest.

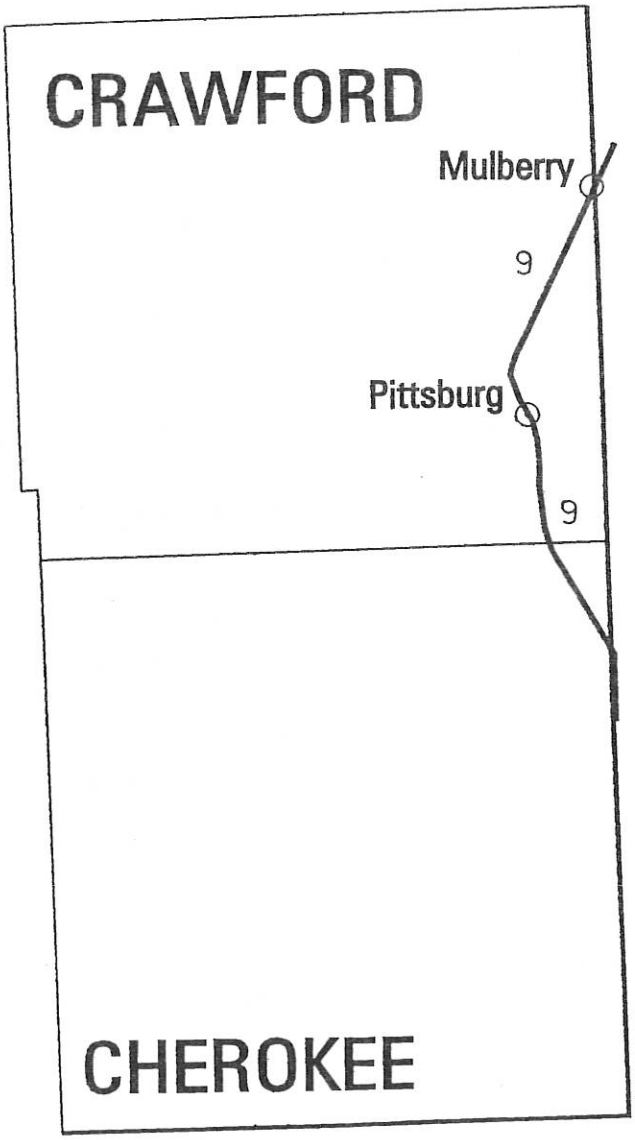
On May 5, 1997 Kansas City Southern Industries, Inc. acquired Gateway Western and Eastern Railways and had extended its rail network an additional 402 miles between Kansas City, Missouri and East St. Louis, Illinois.

"With the acquisition of Gateway Western, KCSI's 6,000 mile rail network extends from Kansas City, East St. Louis, Springfield, Illinois and Meridian, Mississippi to Mexico City. Gateway's operations will be coordinated with the other KCSI rail companies and affiliates--Kansas City Southern Railway, Texas Mexican Railway and TFM--to comprise the NAFTA Railway," said KCS President and Chief Executive Officer, Mike Haverty.

"Gateway has established itself as an important transportation link between Kansas City and East St. Louis," said Haverty. "With its strong management, qualified work force, strategic location on the Mississippi River, and access to every major U.S. rail carrier, Gateway is a strong addition to Kansas City Southern's NAFTA rail network."

Figure 4

KANSAS CITY SOUTHERN RAILROAD



Union Pacific Corporation

I Profile

Union Pacific Railroad is an operating subsidiary of Union Pacific Corporation (NYSE:UNP). It is the largest railroad in North America (36,025 miles), operating in the western two-thirds of the United States. The system serves 23 states, linking every major West Coast and Gulf Coast port. It also serves four major gateways to the east: Chicago, St. Louis, Memphis and New Orleans. UPSP is the primary rail connection between the U.S. and Mexico. It also interchanges traffic with the Canadian rail system.

The railroad has one of the most diversified commodity shipping mixes in the industry, including chemicals, coal, food and food products, forest products, grain and grain products, intermodal, metals and minerals, and automobiles and parts.

Union Pacific's largest single customer is APL Land Transport Services, a steamship company that operates in the Pacific. Second is General Motors, followed by an assortment of chemical companies and utilities.

The railroad is the nation's largest hauler of chemicals, much of which originates along the Gulf Coast near Houston, Texas. Union Pacific is also one of the largest intermodal carriers--that is the transport of truck trailers and marine containers.

Having access to the coal-rich Powder River Basin in Wyoming and coalfields in Illinois, Colorado and Utah, the railroad moves more than 130 million tons of coal annually. It's one of Union Pacific's fastest-growing business areas. The company is investing millions of dollars annually to add capacity to handle coal traffic, including new locomotives, and new double and triple track main lines.

Although Union Pacific Railroad's primary role is transporting freight, it also runs a substantial commuter train operation in Chicago and major cities in California. Union Pacific is working with a number of other cities to explore the possibility of operating commuter trains in the future.

The UPSP has a web site at http:www.uprr.com/. The web site includes information about UPSP's financial, marketing and business operations.

II Recent Business Developments

Federal regulators July 3, 1996 approved the $5.4 billion merger of Union Pacific and Southern Pacific railroads, paving the way for creation of the nation's biggest railroad company. The three member Surface Transportation Board unanimously sanctioned the merger in a ruling that took effect August 12, 1996, and through it set a series of conditions designed to minimize anti-competitive aspects of the deal. Chief among those conditions is expanded access to the UPSP tracks and facilities by other competitors, especially the Burlington Northern Santa Fe. But the board stopped well short of forcing divestiture of track, something that had been recommended by the United States Departments of Justice, Transportation and Agriculture. Union Pacific had vigorously opposed any forced track sale, saying divestiture could make the merger unpalatable.

Union Pacific Chairman Drew Lewis said. "Nothing in the condition will keep us from moving ahead with the merger. We are satisfied. I guess I should say well satisfied."

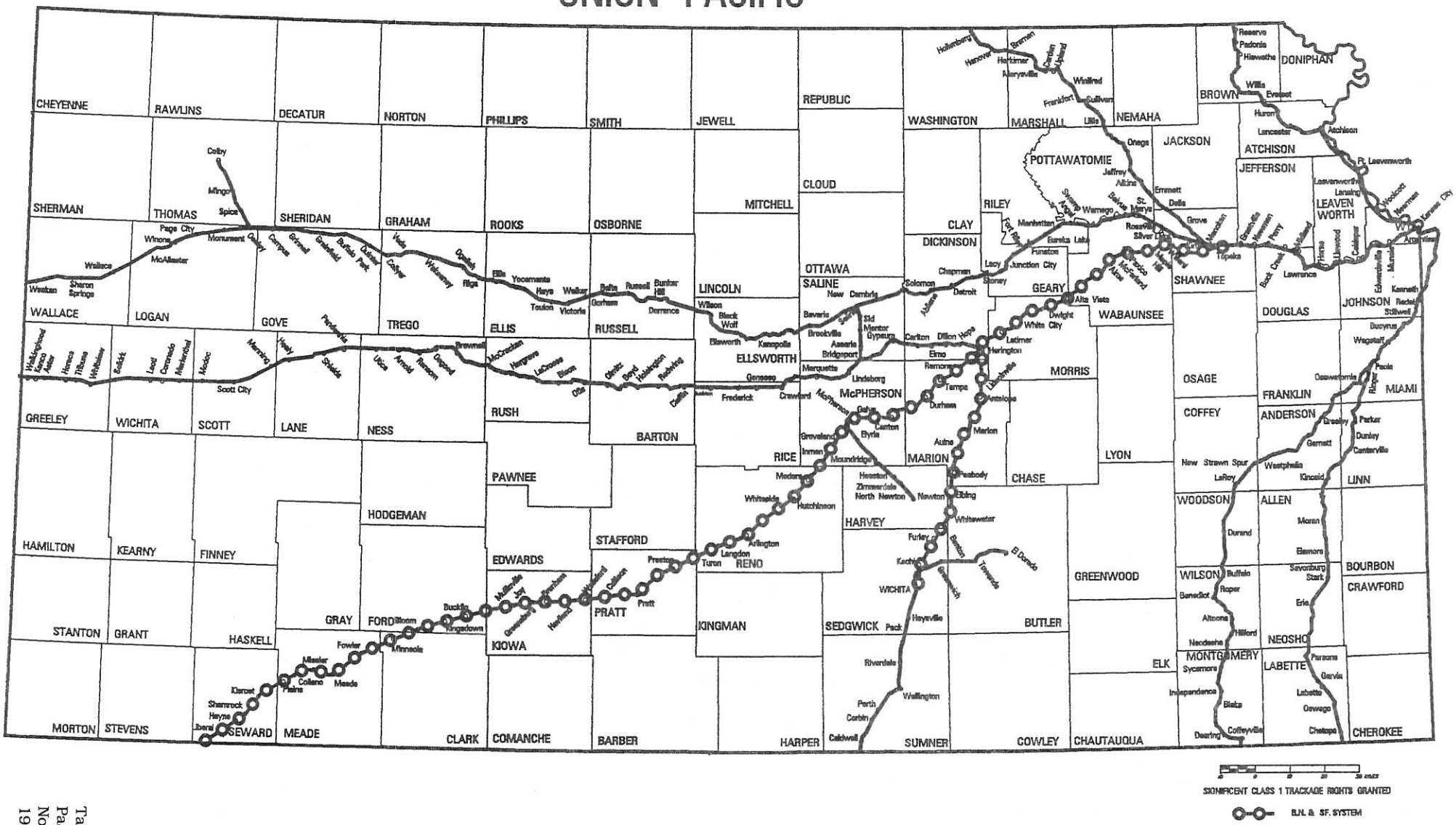
Merger supporters and shippers will benefit from access to new routes and lower prices resulting from increased corporate efficiency. The potential partners project $750 million in annual savings, some of which will result from the planned elimination of 3,400 jobs.

On May 29, 1997 the Union Pacific Railroad registered a bid for a share of Mexico's Pacific North Railroad. The 3,854-mile line connects Mexico City to the United States border at several locations. The Mexican government is selling its national railway system, offering 50-year concessions in which the winners get 80 percent equity interests. The government will keep 20 percent interest for at least the first seven years of the concession. According to the Union Pacific personnel they will not be the operators of this line. The Mexican government will run the lines and make the decisions.

The principal goods moved by rail between the United States and Mexico are grain and mining ores. Additionally, the output of factories (maquiladoras) on the border, particularly of automobiles has become an increasing large factor for rail shipments in recent years.

Figure 5

UNION PACIFIC



2-23

STASTICAL ANALYSIS OF CLASS I RAIL CARRIER OPERATIONS

Tons Transported

Freight tonnage transported by Class I Railroads in Kansas totaled 316 million tons in 1996, a 17% increase over 1995 tonnage (Table 3). Freight tons include originating, terminating and through traffic. The total 1996 rail tonnage would require approximately 17 million trucks to move the equivalent tonnage of bulk commodities over Kansas's highways for 1996. The Union Pacific continues to be the dominant rail service provider in the state hauling 152 million tons or 45 percent of the total rail tonnage for 1996.

Commodities Moved

Coal remains the principal commodity hauled by Class I railroads with 139 million tons or 44 percent of the total rail tonnage of 1996 (Table 3). Other principal commodity groups moved include farm products at 34 million tons (11 percent), food and kindred products at 24 million tons (8 percent), chemicals and allied products at 25 million tons (8 percent).

All four major groups showed significant increases in 1996 over their 1995 tonnage totals. Chemicals and Allied Products showed the most significant increase of 44 percent. Because the origin/termination carloads did not show significant increase within the state, it follows that the majority of these shipments are through shipment. The Class I railroads have shown significant increases in bulk commodities over longer hauls via their main line through the state.

Growth in the "other" category continues at a significant rate (29 percent). The major component of this traffic is trailer/container shipments on flat cars (miscellaneous mixed freight shipments). Continued growth of this category, represents an increased of shippers using railroads over trucks where applicable.

Originated and Terminated Freight Carloads in Kansas By Class I Rail Carriers

Class I railroads operating in Kansas originated and terminated over 664 thousand carloads in the state in 1996, a 7.5 percent decrease from 1995 (Table 4). The Burlington Northern Santa Fe (BNSF) originated and terminated 296 thousand carloads in Kansas (45 percent). The Union Pacific originated and terminated 250 thousand carloads in Kansas (38 percent). Together, both carries originate and terminate over 83 percent of the shipments in Kansas.

Class I Rail Carrier Share of Originated Traffic in Kansas

The Burlington Northern Santa Fe and Union Pacific Railroads continue to dominate originated traffic (tonnage) in Kansas with individual shares at 38.38 and 43.16 percent (82 percent total), respectively in 1996 (Table 5). In 1995, the Burlington Northern merged with the Santa Fe. The combined origins decreased in 1996.

TABLE 3

Commodities Moved By Class I Rail Carriers in Kansas, 1994, 1995 and 1996 (Tons)

Rail Carriers	Year	Coal	Farm Products	Food & Kindred Products	Chemicals and Allied Products	Other	Total
Atchison, Topeka & Santa Fe	1995	10,222,547	8,637,471	6,348,033	5,145,645	24,049,059	54,402,755
	1994	9,058,599	9,411,284	6,297,978	5,131,706	22,328,126	52,227,693
Burlington Northern	1995	1,074,166	557,113	198,038	106,406	315,154	2,250,877
	1994	773,705	618,848	205,752	132,345	399,072	2,129,722
Burlington Northern Santa Fe	1996	8,798,023	8,183,664	6,630,965	5,041,991	24,340,394	52,995,037
Kansas City Southern	1996	10,250,026	2,914,487	1,376,192	1,779,038	2,982,801	19,302,544
	1995	10,107,015	4,028,121	1,352,462	1,597,636	3,148,520	20,233,754
	1994	10,052,879	3,030,404	1,143,723	1,485,770	2,752,952	18,465,728
Norfolk Southern	1996	0	264	0	1,696	835,575	837,535
	1995	0	0	1,052	2,184	12,497	15,733
	1994	4,692	1,476	20,127	13,261	405,395	444,951
SOO Line	1996	0	1,275	720	51	3,688	5,733
	1995	0	75	0	0	6,252	6,327
	1994	0	2,475	1,440	101	1,123	5,139
Southern Pacific (includes SLSW & DRGW in 94)	1996	39,157,636	5,843,850	8,818,063	7,205,099	39,556,061	100,580,709
	1995	27,421,413	2,849,899	5,608,162	2,118,948	28,227,977	66,226,399
	1994	20,828,198	2,228,993	5,953,589	2,190,781	22,963,706	54,165,267
Union Pacific System (includes MoPac, MKT & OKT)	1996	81,074,445	17,481,662	7,794,711	11,164,261	24,487,452	142,002,531
	1995	78,457,370	14,512,260	7,701,438	8,510,880	15,778,737	124,960,685
	1994	66,499,491	13,158,148	7,793,872	8,169,904	15,192,209	110,813,624
Total Tons	1996	139,280,130	34,425,202	24,620,651	25,192,136	92,205,971	315,724,089
	1995	127,282,511	30,584,939	21,209,185	17,481,699	71,538,196	268,096,530
	1994	107,217,564	28,451,628	21,416,481	17,123,868	64,042,583	238,252,124

TABLE 4
CARLOADS OF FREIGHT TRANSPORTED IN KANSAS BY CLASS 1 RAIL CARRIERS, 1996 and 1995
(BY STANDARD TRANSPORTATION COMMODITY CODE)

STCC	COMMODITY	Burlington Northern Santa Fe				Kansas City Southern				Norfolk Southern			
		Originating Traffic in Kansas		Terminating Traffic in Kansas		Originating Traffic in Kansas		Terminating Traffic in Kansas		Originating Traffic in Kansas		Terminating Traffic in Kansas	
		1996	1995	1996	1995	1996	1995	1996	1995	1996	1995	1996	1995
01	Farm Products	34,334	47,395	7,559	11,329	8,838	8,879	3	4	0	0	0	0
08	Forest Products	0	0	0	1	0	0	0	0	0	0	0	0
09	Fresh Fish & Other Marine	0	0	0	0	0	0	0	0	0	0	0	0
10	Metallic Ores	1	0	0	1	0	0	21	0	0	0	0	0
11	Coal	18	34	25,892	25,420	0	0	4,906	6,740	0	0	0	0
13	Crude Petro, Natural Gas or Gasoline	0	0	0	0	0	0	0	0	0	0	0	0
14	Nonmetallic Minerals Except Fuels	4,627	5,849	2,360	4,824	0	0	0	0	0	0	19	0
19	Ordnance & Accessories	0	6	0	0	0	0	0	0	0	0	0	0
20	Food, Kindred Products	29,437	36,424	7,837	6,579	1,612	2,115	37	2	0	0	67	1
21	Tobacco Products	0	1	0	0	0	0	0	0	0	0	0	0
22	Textile Mill Products	13	107	9	9	0	0	0	0	0	0	0	0
23	Apparel & Other Finished Textile Prod.	77	11	2	68	0	0	0	0	0	0	0	0
24	Lumber, Wood Products, Except Furniture	74	71	2,376	2,245	0	0	0	0	0	0	9	0
25	Furniture & Fixtures	568	427	111	483	0	0	0	0	0	0	0	0
26	Pulp, Paper & Allied Products	1,188	1,494	3,955	3,855	1	0	296	57	0	0	254	9
27	Printed Matter	1,581	3,757	219	519	0	0	0	0	0	0	0	0
28	Chemicals and Allied Products	15,655	14,325	8,479	8,921	1	3	1,143	81	6	1	3	0
29	Petroleum & Coal Products	1,273	2,376	2,455	1,729	0	2	242	40	0	0	5	0
30	Rubber Products	1,158	1,798	192	89	0	0	1	0	0	0	0	0
31	Leather Products	12	21	3	242	0	0	0	0	0	0	0	0
32	Stone, Clay, Glass & Concrete Products	2,861	3,011	4,173	3,993	0	0	0	0	1	0	0	0
33	Primary Metal Products	357	214	2,647	2,558	0	0	0	8	0	0	17	0
34	Fab. Metal Products (ex STCC 19,35,37)	69	183	117	52	0	1	0	0	0	0	0	0
35	Machinery, Except Electrical	106	104	137	255	0	0	0	0	0	0	0	0
36	Electrical Machinery, Equip. & Supplies	1,326	582	252	252	0	0	0	0	0	0	0	0
37	Transportation Equipment	7,933	7,341	6,610	8,474	45	86	6	1	1	0	31	0
38	Instr.,Photo Optical,Watches & Clocks	27	13	23	0	0	0	0	0	0	0	0	0
39	Miscellaneous Products of Manufacturing	271	594	165	54	0	0	0	0	0	0	0	0
40	Waste and Scrap Materials	3,773	4,185	505	994	1	3	0	30	0	0	11	0
41	Miscellaneous Freight Shipments	80	198	64	147	0	27	8	0	0	0	0	0
42	Containers, Shipping Returned Empty	4,138	5,197	3,449	2,933	0	0	0	0	38	0	0	0
43	Mail Shipments	0	0	1	0	0	0	0	0	0	0	0	0
44	Freight Forwarder Traffic	15,859	11,691	10,673	7,572	0	0	0	0	1	0	1	0
45	Shipper Association or Similar Traffic	8	60	107	384	0	0	0	0	0	0	0	0
46	Miscellaneous Mixed Shipments	40,895	41,755	37,007	37,613	0	0	3	0	296	7	0	0
47	Small Packaged Freight Shipments	0	0	0	0	0	0	0	0	0	0	0	0
48	Hazardous Waste Materials or Substance	75	75	405	353	0	0	0	0	0	0	0	0
	Total Carloads	167,794	189,299	127,784	131,948	10,498	11,116	6,666	6,963	343	8	417	10

TABLE 4 (Continued)

CARLOADS OF FREIGHT TRANSPORTED IN KANSAS BY CLASS 1 RAIL CARRIERS, 1996 and 1995
(BY STANDARD TRANSPORTATION COMMODITY CODE)

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STCC	COMMODITY	Soo Line				Southern Pacific (SLSW)				Union Pacific System			
		Originating Traffic in Kansas		Terminating Traffic in Kansas		Originating Traffic in Kansas		Terminating Traffic in Kansas		Originating Traffic in Kansas		Terminating Traffic in Kansas	
		1996	1995	1996	1995	1996	1995	1996	1995	1996	1995	1996	1995
01	Farm Products	0	1	12	0	18,843	14,400	1,335	579	64,920	53,824	10,866	18,033
08	Forest Products	0	0	0	0	2	0	2	22	0	0	1	3
09	Fresh Fish & Other Marine	0	0	0	0	0	0	0	0	0	1	0	
10	Metallic Ores	0	0	0	0	1	0	0	0	1	0	0	0
11	Coal	0	0	0	0	8	1	34,868	0	8	6	77,006	126,895
13	Crude Petro, Natural Gas or Gasoline	0	0	0	0	18	0	1	0	109	0	0	0
14	Nonmetallic Minerals Except Fuels	0	0	0	0	128	72	1,113	36	4,931	4,114	5,575	6,173
19	Ordnance & Accessories	0	0	0	0	0	0	0	0	44	96	29	117
20	Food, Kindred Products	1	0	14	8	5,970	2,893	2,422	592	13,837	22,614	3,889	7,453
21	Tobacco Products	0	0	0	0	0	0	0	0	0	0	0	0
22	Textile Mill Products	0	0	0	0	143	64	26	11	0	3	0	0
23	Apparel & Other Finished Textile Prod.	0	0	3	6	61	41	4	19	0	114	0	4
24	Lumber, Wood Products, Except Furniture	0	0	4	0	581	7	1,126	144	94	117	885	1,491
25	Furniture & Fixtures	0	0	0	0	32	23	24	13	0	303	0	17
26	Pulp, Paper & Allied Products	0	0	0	0	198	234	1,300	96	78	221	1,093	1,708
27	Printed Matter	0	0	0	1	41	43	30	2	0	4	0	1
28	Chemicals and Allied Products	0	0	0	0	1,398	1,338	1,753	682	9,371	10,475	5,599	7,030
29	Petroleum & Coal Products	0	0	0	0	3,328	2,865	1,006	1,422	4,846	3,636	3,129	3,741
30	Rubber Products	0	0	0	0	222	558	180	96	18	98	192	172
31	Leather Products	0	0	0	0	5	0	11	81	0	0	0	366
32	Stone, Clay, Glass & Concrete Products	0	0	0	0	2,476	192	950	183	1,827	1,847	6,899	6,581
33	Primary Metal Products	0	0	0	0	806	55	403	135	146	1,196	2,178	2,520
34	Fab. Metal Products (ex STCC 19,35,37)	0	0	0	0	18	1	9	47	20	30	4	3
35	Machinery, Except Electrical	0	0	0	0	43	14	67	66	16	24	93	117
36	Electrical Machinery, Equip. & Supplies	0	0	0	0	181	29	68	83	1	20	0	13
37	Transportation Equipment	125	248	12	24	3,901	388	2,951	415	12,209	10,328	13,569	10,251
38	Instr.,Photo Optical,GD,Watches & Clocks	0	0	0	0	5	0	0	0	0	5	0	1
39	Miscellaneous Products of Manufacturing	0	0	0	0	692	210	118	119	0	37	0	54
40	Waste and Scrap Materials	0	0	0	0	1,092	314	497	40	3,115	2,653	709	699
41	Miscellaneous Freight Shipments	0	0	0	0	411	3	10	3	302	504	1,396	1,076
42	Containers, Shipping Returned Empty	0	0	0	0	134	230	173	31	14	1,245	98	1,294
43	Mail Shipments	0	0	0	0	0	0	0	0	0	13	0	3
44	Freight Forwarder Traffic	0	0	0	0	0	0	2	0	0	180	3	606
45	Shipper Association or Similar Traffic	0	0	0	0	14	16	4	3	0	1	0	1
46	Miscellaneous Mixed Shipments	5	0	5	0	4,158	2,894	4,915	5,519	583	13,613	59	15,162
47	Small Packaged Freight Shipments	0	0	0	0	2	5	0	4	0	1,532	0	586
48	Hazardous Waste Materials or Substance	4	8	0	0	0	0		0	12	37	227	317
	Total Carloads	135	257	50	39	44,912	26,890	55,368	10,443	116,502	128,891	133,499	212,488

Table 4 (Continued)

CARLOADS OF FREIGHT TRANSPORTED IN KANSAS BY CLASS 1 RAIL CARRIERS, 1996 and 1995
(BY STANDARD TRANSPORTATION COMMODITY CODE)

STCC	COMMODITY	Grand Total all Railroads			
		Originating Traffic in Kansas		Terminating Traffic in Kansas	
		1996	1995	1996	1995
01	Farm Products	126,935	124,499	19,775	29,945
08	Forest Products	2	0	3	26
09	Fresh Fish & Other Marine	0	1	0	0
10	Metallic Ores	3	0	21	1
11	Coal	34	41	142,672	159,055
13	Crude Petro, Natural Gas or Gasoline	127	0	1	0
14	Nonmetallic Minerals Except Fuels	9,686	10,035	9,067	11,033
19	Ordnance & Accessories	44	102	29	117
20	Food, Kindred Products	50,857	64,046	14,266	14,635
21	Tobacco Products	0	1	0	0
22	Textile Mill Products	156	174	35	20
23	Apparel & Other Finished Textile Prod.	138	166	9	97
24	Lumber, Wood Products, Except Furniture	749	195	4,400	3,880
25	Furniture & Fixtures	600	753	135	513
26	Pulp, Paper & Allied Products	1,465	1,949	6,898	5,725
27	Printed Matter	1,622	3,804	249	523
28	Chemicals and Allied Products	26,431	26,142	16,977	16,714
29	Petroleum & Coal Products	9,447	8,879	6,837	6,932
30	Rubber Products	1,398	2,454	565	357
31	Leather Products	17	21	14	689
32	Stone, Clay, Glass & Concrete Products	7,165	5,050	12,022	10,757
33	Primary Metal Products	1,309	1,465	5,245	5,221
34	Fab. Metal Products (ex STCC 19,35,37)	107	215	130	102
35	Machinery, Except Electrical	165	142	297	438
36	Electrical Machinery, Equip. & Supplies	1,508	631	320	348
37	Transportation Equipment	24,214	18,391	23,179	19,165
38	Instr.,Photo Optical,GD,Watches & Clocks	32	18	23	1
39	Miscellaneous Products of Manufacturing	963	841	283	227
40	Waste and Scrap Materials	7,981	7,155	1,722	1,763
41	Miscellaneous Freight Shipments	793	732	1,478	1,226
42	Containers, Shipping Returned Empty	4,324	6,672	3,720	4,258
43	Mail Shipments	0	13	1	3
44	Freight Forwarder Traffic	15,860	11,871	10,679	8,178
45	Shipper Association or Similar Traffic	22	77	111	388
46	Miscellaneous Mixed Shipments	45,937	58,269	41,989	58,294
47	Small Packaged Freight Shipments	2	1,537	0	590
48	Hazardous Waste Materials or Substance	91	120	632	670
	Total Carloads	340,184	356,461	323,784	361,891

Currently there are seventeen Class III railroads in the state. A primary goal of Class III's operations is to forward/terminate traffic in connection with Class I railroads. The forwarded/terminated class III rail cars are accounted for as originated/terminated traffic accounted for in Class I statistics.

Composite of Individual Class I Rail Carriers Share of Originated Traffic in Kansas.

The Burlington Northern Santa Fe's three primary commodities originated in Kansas are farm products (36.3 percent), food and kindred products (23.4 percent) and chemicals and allied products (15 percent)(Table 6). The Union Pacific's primary origin commodity are farm products (66 percent). Other major commodities originated on the Union Pacific include food and kindred products, and chemicals and allied products. Farm products or grain shipment/harvest has been mixed in the state, dependent on the harvest in the specific location or section of the state.

Class I Rail Carrier Share of Moved Traffic in Kansas

For 1996 the Union Pacific System transported 45 percent of the total traffic (originated, terminating and through by tonnage) in Kansas. Which is over twice the rail business being done in the state by any other railroad (Table 7). The Southern Pacific Railroad is a close second with 32% and the Burlington Northern Santa Fe Railroad is a distant third at 17 percent.

Composition of Individual Class I Rail Carrier Share of Total Traffic in Kansas

The Union Pacific System shipped more coal in their system than any other commodity (originating, terminating and through tonnage) at 57 percent (Table 8).

Coal was also a major commodity moved through Kansas on the Kansas City Southern (53 percent) and Southern Pacific (39 percent). The Burlington Northern Santa Fe showed a more diverse traffic mix with miscellaneous mixed shipments (21.6 percent), coal (17 percent), farm products (15 percent) and food and kindred products (13 percent).

TABLE 5
FREIGHT MOVED BY CLASS 1 RAIL CARRIERS DURING 1996
RAIL CARRIER'S SHARE OF TOTAL TONNAGE ORIGINATING IN KANSAS
(PERCENT, BY STANDARD TRANSPORTATION COMMODITY CODE)

STCC	COMMODITY	BNSF Percent	KCS Percent	NS Percent	SOO Percent	SP(SLSW) Percent	UP Percent	TOTAL Percent
01	Farm Products	25.93	6.73	0.00	0.00	14.46	52.88	100%
08	Forest Products	0.00	0.00	0.00	0.00	100.00	0.00	100%
09	Fresh Fish & Other Marine	0.00	0.00	0.00	0.00	0.00	0.00	0%
10	Metallic Ores	19.64	0.00	0.00	0.00	52.68	27.68	100%
11	Coal	23.52	0.00	0.00	0.00	24.57	51.91	100%
13	Crude Petro, Natural Gas or Gasoline	0.00	0.00	0.00	0.00	14.84	85.16	100%
14	Nonmetallic Minerals Except Fuels	46.30	0.00	0.00	0.00	0.83	52.88	100%
19	Ordnance & Accessories	0.00	0.00	0.00	0.00	0.00	100.00	100%
20	Food, Kindred Products	56.43	3.69	0.00	0.00	11.19	28.68	100%
21	Tobacco Products	0.00	0.00	0.00	0.00	0.00	0.00	0%
22	Textile Mill Products	4.40	0.00	0.00	0.00	95.60	0.00	100%
23	Apparel & Other Finished Textile Prod.	36.90	0.00	0.00	0.00	63.10	0.00	100%
24	Lumber, Wood Products, Except Furniture	9.16	0.00	0.00	0.00	82.33	8.50	100%
25	Furniture & Fixtures	93.49	0.00	0.00	0.00	6.51	0.00	100%
26	Pulp, Paper & Allied Products	55.80	0.20	0.00	0.00	21.45	22.55	100%
27	Printed Matter	97.02	0.00	0.00	0.00	2.98	0.00	100%
28	Chemicals and Allied Products	58.17	0.00	0.02	0.00	4.71	37.10	100%
29	Petroleum & Coal Products	12.34	0.00	0.00	0.00	37.56	50.10	100%
30	Rubber Products	72.54	0.00	0.00	0.00	26.32	1.13	100%
31	Leather Products	73.97	0.00	0.00	0.00	26.03	0.00	100%
32	Stone, Clay, Glass & Concrete Products	39.29	0.00	0.01	0.00	34.18	26.52	100%
33	Primary Metal Products	24.73	0.00	0.00	0.00	65.92	9.35	100%
34	Fab. Metal Products (ex STCC 19,35,37)	49.23	0.00	0.00	0.00	22.82	27.95	100%
35	Machinery, Except Electrical	60.61	0.00	0.00	0.00	23.50	15.90	100%
36	Electrical Machinery, Equip. & Supplies	77.12	0.00	0.00	0.00	20.90	1.97	100%
37	Transportation Equipment	45.34	0.00	0.01	0.55	12.93	41.17	100%
38	Instr.,Photo Optical,GD,Watches & Clocks	80.91	0.00	0.00	0.00	19.09	0.00	100%
39	Miscellaneous Products of Manufacturing	12.23	0.00	0.00	0.00	87.77	0.00	100%
40	Waste and Scrap Materials	49.27	0.01	0.00	0.00	12.29	38.44	100%
41	Miscellaneous Freight Shipments	10.36	0.00	0.00	0.00	35.39	54.24	100%
42	Containers, Shipping Returned Empty	84.82	0.00	10.00	0.00	4.87	0.30	100%
43	Mail Shipments	0.00	0.00	0.00	0.00	0.00	0.00	0%
44	Freight Forwarder Traffic	99.98	0.00	0.02	0.00	0.00	0.00	100%
45	Shipper Association or Similar Traffic	34.16	0.00	0.00	0.00	65.84	0.00	100%
46	Miscellaneous Mixed Shipments	77.26	0.00	2.97	0.01	18.52	1.25	100%
47	Small Packaged Freight Shipments	0.00	0.00	0.00	0.00	100.00	0.00	100%
48	Hazardous Waste Materials or Substance	86.13	0.00	0.00	0.58	0.00	13.28	100%
	Total Carloads	38.38	4.20	0.11	0.01	14.13	43.16	100%

TABLE 6

FREIGHT MOVED BY CLASS 1 RAIL CARRIERS DURING 1996
COMPOSITION OF EACH RAIL CARRIER'S TOTAL TONNAGE ORIGINATING IN KANSAS
(PERCENT, BY STANDARD TRANSPORTATION COMMODITY CODE)

STCC	COMMODITY	BNSF Percent	KCS Percent	NS Percent	SOO Percent	SP(SLSW) Percent	UP Percent
01	Farm Products	36.30	85.99	0.00	1.11	54.99	65.82
08	Forest Products	0.00	0.00	0.00	0.00	0.00	0.00
09	Fresh Fish & Other Marine	0.00	0.00	0.00	0.00	0.00	0.00
10	Metallic Ores	0.00	0.00	0.00	0.00	0.00	0.00
11	Coal	0.00	0.00	0.00	0.00	0.01	0.01
13	Crude Petro, Natural Gas or Gasoline	0.00	0.00	0.00	0.00	0.05	0.09
14	Nonmetallic Minerals Except Fuels	4.70	0.00	0.00	0.00	0.23	4.78
19	Ordnance & Accessories	0.00	0.00	0.00	0.00	0.00	0.03
20	Food, Kindred Products	23.40	13.99	0.00	1.71	12.61	10.58
21	Tobacco Products	0.00	0.00	0.00	0.00	0.00	0.00
22	Textile Mill Products	0.00	0.00	0.00	0.00	0.08	0.00
23	Apparel & Other Finished Textile Prod.	0.01	0.00	0.00	0.00	0.05	0.00
24	Lumber, Wood Products, Except Furniture	0.05	0.00	0.00	0.00	1.19	0.04
25	Furniture & Fixtures	0.11	0.00	0.00	0.00	0.02	0.00
26	Pulp, Paper & Allied Products	0.19	0.01	0.00	0.00	0.19	0.07
27	Printed Matter	0.28	0.00	0.00	0.00	0.02	0.00
28	Chemicals and Allied Products	14.94	0.01	1.39	1.50	3.28	8.47
29	Petroleum & Coal Products	1.08	0.00	0.00	0.00	8.97	3.92
30	Rubber Products	0.24	0.00	0.00	0.00	0.23	0.00
31	Leather Products	0.00	0.00	0.00	0.00	0.00	0.00
32	Stone, Clay, Glass & Concrete Products	2.48	0.00	0.23	0.00	5.85	1.49
33	Primary Metal Products	0.26	0.00	0.00	0.00	1.87	0.09
34	Fab. Metal Products (ex STCC 19,35,37)	0.03	0.00	0.00	0.00	0.04	0.02
35	Machinery, Except Electrical	0.04	0.00	0.00	0.00	0.04	0.01
36	Electrical Machinery, Equip. & Supplies	0.16	0.00	0.00	0.00	0.11	0.00
37	Transportation Equipment	2.80	0.00	0.23	92.66	2.17	2.26
38	Instr.,Photo Optical,GD,Watches & Clocks	0.00	0.00	0.00	0.00	0.00	0.00
39	Miscellaneous Products of Manufacturing	0.06	0.00	0.00	0.00	1.25	0.00
40	Waste and Scrap Materials	3.00	0.00	0.00	0.00	2.03	2.08
41	Miscellaneous Freight Shipments	0.03	0.00	0.00	0.00	0.31	0.15
42	Containers, Shipping Returned Empty	0.21	0.00	8.68	0.00	0.03	0.00
43	Mail Shipments	0.00	0.00	0.00	0.00	0.00	0.00
44	Freight Forwarder Traffic	2.89	0.00	0.23	0.00	0.00	0.00
45	Shipper Association or Similar Traffic	0.00	0.00	0.00	0.00	0.01	0.00
46	Miscellaneous Mixed Shipments	6.66	0.00	89.23	1.80	4.34	0.10
47	Small Packaged Freight Shipments	0.00	0.00	0.00	0.00	0.00	0.00
48	Hazardous Waste Materials or Substance	0.07	0.00	0.00	1.23	0.00	0.01
	Total Carloads	100%	100%	100%	100%	100%	100%

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TABLE 7

FREIGHT MOVED BY CLASS 1 RAIL CARRIERS DURING 1996
RAIL CARRIER'S SHARE OF TOTAL TONNAGE MOVED IN KANSAS
(PERCENT, BY STANDARD TRANSPORTATION COMMODITY CODE)

STCC	COMMODITY	BNSF Percent	KCS Percent	NS Percent	SOO Percent	SP(SLSW) Percent	UP Percent	TOTAL Percent
01	Farm Products	23.77	8.47	0.01	0.00	16.97	50.78	100%
08	Forest Products	2.88	4.92	4.45	0.00	6.02	81.72	100%
09	Fresh Fish & Other Marine	0.36	0.00	0.00	0.00	98.40	1.24	100%
10	Metallic Ores	0.04	0.28	0.01	0.00	99.03	0.65	100%
11	Coal	6.32	7.36	0.00	0.00	28.11	58.21	100%
13	Crude Petro, Natural Gas or Gasoline	7.43	0.00	0.00	0.00	24.84	67.73	100%
14	Nonmetallic Minerals Except Fuels	16.99	1.19	0.03	0.00	38.65	43.15	100%
19	Ordnance & Accessories	22.31	0.78	5.46	0.00	34.06	37.39	100%
20	Food, Kindred Products	26.76	5.55	0.63	0.00	35.59	31.46	100%
21	Tobacco Products	6.83	35.90	0.00	0.00	22.77	34.50	100%
22	Textile Mill Products	25.26	18.13	0.49	0.00	51.01	5.10	100%
23	Apparel & Other Finished Textile Prod.	6.34	1.05	0.06	0.00	82.65	9.90	100%
24	Lumber, Wood Products, Except Furniture	6.23	5.63	0.15	0.00	58.16	29.83	100%
25	Furniture & Fixtures	36.39	1.11	1.20	0.00	38.38	22.92	100%
26	Pulp, Paper & Allied Products	15.18	18.49	1.04	0.00	43.66	21.63	100%
27	Printed Matter	71.33	1.14	0.20	0.00	10.01	17.33	100%
28	Chemicals and Allied Products	19.95	7.04	0.34	0.00	28.51	44.17	100%
29	Petroleum & Coal Products	16.42	12.05	0.03	0.00	38.71	32.78	100%
30	Rubber Products	30.61	3.79	0.26	0.00	44.11	21.23	100%
31	Leather Products	24.71	0.16	0.00	0.00	21.54	53.59	100%
32	Stone, Clay, Glass & Concrete Products	24.50	3.51	0.72	0.00	30.02	41.25	100%
33	Primary Metal Products	21.98	1.26	1.57	0.00	51.67	23.52	100%
34	Fab. Metal Products (ex STCC 19,35,37)	31.90	3.54	0.19	0.00	37.11	27.26	100%
35	Machinery, Except Electrical	34.26	2.69	0.81	0.00	37.39	24.84	100%
36	Electrical Machinery, Equip. & Supplies	30.16	1.68	0.22	0.00	39.93	28.02	100%
37	Transportation Equipment	28.94	0.27	2.21	0.03	33.63	34.92	100%
38	Instr.,Photo Optical,GD,Watches & Clocks	44.08	0.13	0.00	0.00	40.14	15.65	100%
39	Miscellaneous Products of Manufacturing	18.38	5.02	0.19	0.00	46.25	30.16	100%
40	Waste and Scrap Materials	17.32	2.84	0.08	0.00	55.76	24.01	100%
41	Miscellaneous Freight Shipments	14.46	4.01	0.24	0.00	43.95	37.34	100%
42	Containers, Shipping Returned Empty	26.91	0.56	4.68	0.00	3.62	64.22	100%
43	Mail Shipments	0.00	0.00	0.00	0.00	0.00	100.00	100%
44	Freight Forwarder Traffic	89.53	0.00	0.00	0.00	0.38	10.09	100%
45	Shipper Association or Similar Traffic	30.82	0.24	0.00	0.00	57.89	11.05	100%
46	Miscellaneous Mixed Shipments	47.52	1.26	0.36	0.00	22.22	28.63	100%
47	Small Packaged Freight Shipments	0.00	0.08	0.00	0.00	12.23	87.69	100%
48	Hazardous Waste Materials or Substance	19.79	0.00	0.00	0.02	0.00	80.19	100%
	Total Carloads	16.79	6.11	0.27	0.00	31.86	44.98	100%

TABLE 8

FREIGHT MOVED BY CLASS 1 RAIL CARRIERS DURING 1996
COMPOSITION OF EACH RAIL CARRIER'S TOTAL TONNAGE MOVED IN KANSAS
(PERCENT, BY STANDARD TRANSPORTATION COMMODITY CODE)

STCC	COMMODITY	BNSF Percent	KCS Percent	NS Percent	SOO Percent	SP(SLSW) Percent	UP Percent
01	Farm Products	15.44	15.10	0.54	22.24	5.81	12.31
08	Forest Products	0.00	0.00	0.03	0.00	0.00	0.00
09	Fresh Fish & Other Marine	0.00	0.00	0.00	0.00	0.04	0.00
10	Metallic Ores	0.01	0.14	0.06	0.00	9.70	0.05
11	Coal	16.60	53.10	0.00	0.00	38.93	57.09
13	Crude Petro, Natural Gas or Gasoline	0.00	0.00	0.00	0.00	0.00	0.01
14	Nonmetallic Minerals Except Fuels	1.63	0.31	0.16	0.00	1.95	1.54
19	Ordnance & Accessories	0.04	0.00	0.61	0.00	0.03	0.02
20	Food, Kindred Products	12.51	7.13	18.49	12.56	8.77	5.49
21	Tobacco Products	0.00	0.00	0.00	0.00	0.00	0.00
22	Textile Mill Products	0.02	0.05	0.03	0.00	0.02	0.00
23	Apparel & Other Finished Textile Prod.	0.02	0.01	0.01	0.00	0.14	0.01
24	Lumber, Wood Products, Except Furniture	1.02	2.52	1.56	6.49	5.00	1.81
25	Furniture & Fixtures	0.11	0.01	0.22	0.00	0.06	0.03
26	Pulp, Paper & Allied Products	1.46	4.87	6.34	0.00	2.21	0.77
27	Printed Matter	0.30	0.01	0.05	0.00	0.02	0.03
28	Chemicals and Allied Products	9.51	9.22	10.27	0.87	7.16	7.86
29	Petroleum & Coal Products	1.78	3.59	0.20	0.66	2.21	1.33
30	Rubber Products	0.24	0.08	0.13	0.00	0.19	0.06
31	Leather Products	0.01	0.00	0.00	0.00	0.00	0.01
32	Stone, Clay, Glass & Concrete Products	1.61	0.63	3.00	0.00	1.04	1.01
33	Primary Metal Products	4.29	0.67	19.34	0.00	5.31	1.71
34	Fab. Metal Products (ex STCC 19,35,37)	0.17	0.05	0.06	0.00	0.10	0.05
35	Machinery, Except Electrical	0.18	0.04	0.27	0.00	0.10	0.05
36	Electrical Machinery, Equip. & Supplies	0.33	0.05	0.15	0.00	0.23	0.12
37	Transportation Equipment	5.32	0.14	25.65	54.00	3.26	2.40
38	Instr.,Photo Optical,GD,Watches & Clocks	0.01	0.00	0.00	0.00	0.01	0.00
39	Miscellaneous Products of Manufacturing	0.10	0.07	0.06	0.00	0.13	0.06
40	Waste and Scrap Materials	1.16	0.52	0.33	0.00	1.96	0.60
41	Miscellaneous Freight Shipments	0.16	0.13	0.18	0.00	0.26	0.16
42	Containers, Shipping Returned Empty	0.18	0.01	1.99	0.00	0.01	0.16
43	Mail Shipments	0.00	0.00	0.00	0.00	0.00	0.01
44	Freight Forwarder Traffic	4.45	0.00	0.01	0.00	0.01	0.19
45	Shipper Association or Similar Traffic	0.08	0.00	0.00	0.00	0.08	0.01
46	Miscellaneous Mixed Shipments	21.16	1.54	10.25	2.46	5.21	4.76
47	Small Packaged Freight Shipments	0.00	0.00	0.00	0.00	0.03	0.14
48	Hazardous Waste Materials or Substance	0.10	0.00	0.00	0.72	0.00	0.15
	Total Carloads	100%	100%	100%	100%	100%	100%

Class I Rail Carrier Share of Terminated Traffic in Kansas

The Union Pacific System transported 51 percent of terminated traffic in Kansas in 1996 (Table 9). This figure is down from 63 percent in 1995. A distant second was the Burlington Northern Santa Fe at 27 percent, then the Southern Pacific at 20 percent. The remaining percentages of terminating traffic are distributed between the other Class I railroads.

Composition of Individual Class I Rail Carrier Share of Terminated Traffic in Kansas

Coal accounted for a large share of terminated traffic in Kansas in 1996 for three railroads: Kansas City Southern at 78 percent, Union Pacific System at 68 percent and Burlington Northern Santa Fe at 39 percent (Table 10). Farm products, food and kindred products and small packaged freight shipments also slow shipping activity for terminated deliveries in Kansas.

Table 9

FREIGHT MOVED BY CLASS 1 RAIL CARRIERS DURING 1996
RAIL CARRIER'S SHARE OF TOTAL TONNAGE TERMINATED IN KANSAS
(PERCENT, BY STANDARD TRANSPORTATION COMMODITY CODE)

2-35

STCC	COMMODITY	BNSF Percent	KCS Percent	NS Percent	SOO Percent	SP(SLSW) Percent	UP Percent	TOTAL Percent
01	Farm Products	37.95	0.01	0.00	0.06	6.77	55.20	100%
08	Forest Products	0.00	0.00	0.00	0.00	62.44	37.56	100%
09	Fresh Fish & Other Marine	0.00	0.00	0.00	0.00	0.00	0.00	0%
10	Metallic Ores	0.00	100.00	0.00	0.00	0.00	0.00	100%
11	Coal	16.93	3.10	0.00	0.00	24.54	55.43	100%
13	Crude Petro, Natural Gas or Gasoline	0.00	0.00	0.00	0.00	100.00	0.00	100%
14	Nonmetallic Minerals Except Fuels	25.95	0.00	0.07	0.00	11.53	62.45	100%
19	Ordnance & Accessories	0.00	0.00	0.00	0.00	0.00	100.00	100%
20	Food, Kindred Products	46.73	0.33	0.55	0.09	19.48	32.81	100%
21	Tobacco Products	0.00	0.00	0.00	0.00	0.00	0.00	0%
22	Textile Mill Products	15.77	0.00	0.00	0.00	84.23	0.00	100%
23	Apparel & Other Finished Textile Prod.	8.41	0.00	0.00	62.39	29.20	0.00	100%
24	Lumber, Wood Products, Except Furniture	53.64	0.00	0.21	0.11	25.28	20.75	100%
25	Furniture & Fixtures	71.44	0.00	0.00	0.00	28.56	0.00	100%
26	Pulp, Paper & Allied Products	47.87	4.72	3.96	0.00	21.91	21.54	100%
27	Printed Matter	85.31	0.00	0.00	0.69	13.99	0.00	100%
28	Chemicals and Allied Products	49.44	6.39	0.02	0.00	9.80	34.36	100%
29	Petroleum & Coal Products	34.30	3.31	0.05	0.01	14.29	48.05	100%
30	Rubber Products	33.54	0.02	0.00	0.00	46.89	19.54	100%
31	Leather Products	15.89	0.00	0.00	0.00	84.11	0.00	100%
32	Stone, Clay, Glass & Concrete Products	34.05	0.00	0.00	0.00	7.45	58.50	100%
33	Primary Metal Products	46.26	0.00	0.30	0.00	7.66	45.78	100%
34	Fab. Metal Products (ex STCC 19,35,37)	79.18	0.00	0.00	0.00	10.09	10.73	100%
35	Machinery, Except Electrical	35.07	0.00	0.00	0.00	18.89	46.04	100%
36	Electrical Machinery, Equip. & Supplies	76.23	0.00	0.00	0.00	23.36	0.41	100%
37	Transportation Equipment	25.17	0.01	0.21	0.03	15.82	58.77	100%
38	Instr.,Photo Optical,GD,Watches & Clocks	100.00	0.00	0.00	0.00	0.00	0.00	100%
39	Miscellaneous Products of Manufacturing	44.26	0.00	0.00	0.00	55.74	0.00	100%
40	Waste and Scrap Materials	22.37	0.00	0.42	0.00	30.35	46.86	100%
41	Miscellaneous Freight Shipments	6.35	0.38	0.00	0.00	0.62	92.66	100%
42	Containers, Shipping Returned Empty	97.97	0.00	0.00	0.00	0.44	1.59	100%
43	Mail Shipments	100.00	0.00	0.00	0.00	0.00	0.00	100%
44	Freight Forwarder Traffic	99.90	0.00	0.01	0.00	0.09	0.00	100%
45	Shipper Association or Similar Traffic	95.66	0.00	0.00	0.00	4.34	0.00	100%
46	Miscellaneous Mixed Shipments	79.28	0.01	0.00	0.01	20.34	0.36	100%
47	Small Packaged Freight Shipments	0.00	0.00	0.00	0.00	0.00	0.00	0%
48	Hazardous Waste Materials or Substance	61.75	0.00	0.00	0.00	0.00	38.25	100%
44	Total Carloads	26.84	2.47	0.10	0.01	19.96	50.62	100.00

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Task Force on Rail
P[illegible]er Service
N[illegible]er 10,
19[illegible]

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Table 10

FREIGHT MOVED BY CLASS 1 RAIL CARRIERS DURING 1996
COMPOSITION OF EACH RAIL CARRIER'S TOTAL TONNAGE TERMINATING IN KANSAS
(PERCENT, BY STANDARD TRANSPORTATION COMMODITY CODE)

STCC	COMMODITY	BNSF Percent	KCS Percent	NS Percent	SOO Percent	SP(SLSF) Percent	UP
01	Farm Products	10.49	0.04	0.00	39.83	2.52	8.09
08	Forest Products	0.00	0.00	0.00	0.00	0.00	0.00
09	Fresh Fish & Other Marine	0.00	0.00	0.00	0.00	0.00	0.00
10	Metallic Ores	0.00	0.15	0.00	0.00	0.00	0.00
11	Coal	39.38	78.38	0.00	0.00	76.79	68.39
13	Crude Petro, Natural Gas or Gasoline	0.00	0.00	0.00	0.00	0.00	0.00
14	Nonmetallic Minerals Except Fuels	3.20	0.00	2.55	0.00	1.91	4.08
19	Ordnance & Accessories	0.00	0.00	0.00	0.00	0.00	0.01
20	Food, Kindred Products	6.69	0.52	21.87	30.23	3.75	2.49
21	Tobacco Products	0.00	0.00	0.00	0.00	0.00	0.00
22	Textile Mill Products	0.00	0.00	0.00	0.00	0.02	0.00
23	Apparel & Other Finished Textile Prod.	0.00	0.00	0.00	9.08	0.00	0.00
24	Lumber, Wood Products, Except Furniture	2.54	0.00	2.79	11.98	1.61	0.52
25	Furniture & Fixtures	0.02	0.00	0.00	0.00	0.01	0.00
26	Pulp, Paper & Allied Products	2.58	2.76	59.36	0.00	1.59	0.62
27	Printed Matter	0.05	0.00	0.00	1.00	0.01	0.00
28	Chemicals and Allied Products	10.89	15.26	1.08	0.00	2.90	4.01
29	Petroleum & Coal Products	2.73	2.86	1.06	1.22	1.53	2.03
30	Rubber Products	0.07	0.00	0.00	0.00	0.12	0.02
31	Leather Products	0.00	0.00	0.00	0.00	0.01	0.00
32	Stone, Clay, Glass & Concrete Products	5.65	0.00	0.00	0.00	1.66	5.14
33	Primary Metal Products	2.68	0.00	4.87	0.00	0.60	1.41
34	Fab. Metal Products (ex STCC 19,35,37)	0.04	0.00	0.00	0.00	0.01	0.00
35	Machinery, Except Electrical	0.04	0.00	0.00	0.00	0.03	0.03
36	Electrical Machinery, Equip. & Supplies	0.08	0.00	0.00	0.00	0.03	0.00
37	Transportation Equipment	1.79	0.00	4.21	4.06	1.51	2.22
38	Instr.,Photo Optical,GD,Watches & Clocks	0.01	0.00	0.00	0.00	0.00	0.00
39	Miscellaneous Products of Manufacturing	0.04	0.00	0.00	0.00	0.06	0.00
40	Waste and Scrap Materials	0.41	0.00	2.17	0.00	0.75	0.46
41	Miscellaneous Freight Shipments	0.04	0.03	0.00	0.00	0.01	0.31
42	Containers, Shipping Returned Empty	0.15	0.00	0.00	0.00	0.00	0.00
43	Mail Shipments	0.00	0.00	0.00	0.00	0.00	0.00
44	Freight Forwarder Traffic	2.54	0.00	0.05	0.00	0.00	0.00
45	Shipper Association or Similar Traffic	0.02	0.00	0.00	0.00	0.00	0.00
46	Miscellaneous Mixed Shipments	7.41	0.01	0.00	2.61	2.56	0.02
47	Small Packaged Freight Shipments	0.00	0.00	0.00	0.00	0.00	0.00
48	Hazardous Waste Materials or Substance	0.46	0.00	0.00	0.00	0.00	0.15
	Total Carloads	100.00	100.00	100.00	100.00	100.00	100.00

TABLE 11
FINANCIAL CONDITION OF CLASS I RAIL CARRIERS IN KANSAS
SELECTED RATIOS, 1992-1996

Rail Carrier	Year	Debt/ Equity (Percent)	Profit Margin (Percent)	Operating Ratio (Percent)	Expense Ratio (Percent)	Maintenance of Road (Percent)	Maintenance of Equipment (Percent)	Freight Revenue/ Miles Road	Operating Expense/ Miles Road
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Burlington Northern Santa Fe	1996	13.2	20.8	79.2	80.4	13.5	22.0	231,450	184,185
* Atchison Topeka and Santa Fe	1992 (1)	22.9	-1.1	101.1	105.3	17.8	25.0	252,897	260,178
	1993	22.1	13.1	86.9	89.9	13.7	26.0	277,475	245,144
	1994	18.3	16.0	84.0	86.5	12.8	25.4	315,984	269,640
	1995	8.5	17.9	82.1	84.0	13.5	24.4	301,086	250,775
* Burlington Northern	1992	41.2	12.7	87.3	89.5	17.2	20.6	197,996	177,408
	1993	28.1	13.8	86.2	88.0	17.5	20.1	203,822	179,940
	1994	24.4	16.7	83.3	84.9	16.4	20.5	217,879	184,829
	1995 (2)	25.4	7.7	92.3	93.9	17.9	20.9	236,743	223,769
Kansas City Southern	1992	33.4	17.7	82.3	85.7	18.7	17.8	189,504	164,418
	1993	38.5	23.0	77.0	81.0	18.6	15.8	191,808	155,430
	1994	151.6	23.8	76.2	84.5	15.6	17.6	156,860	125,023
	1995	152.6	15.2	84.8	94.9	17.5	21.7	164,236	145,231
	1996	114.3	15.5	84.5	94.0	18.8	20.3	158,772	140,632
Southern Pacific (Includes SLSF, DRGW for 1994)	1992	48.6	-0.9	100.9	104.6	17.2	28.0	188,292	198,240
	1993 (3)	51.3	-1.8	101.8	106.0	16.7	29.1	193,759	204,558
	1994	28.7	7.6	92.4	96.3	14.2	25.2	207,004	198,179
	1995 (4)	61.3	-0.7	100.7	104.6	17.1	27.0	182,753	190,095
	1996	62.9	1.6	98.4	103.2	16.0	26.7	204,965	206,969
* Denver & Rio Grande (Combined with the SP in 1994)	1992	6.0	3.1	96.9	98.3	21.0	23.3	146,765	144,630
	1993	5.0	8.1	91.9	92.8	19.1	22.6	157,067	146,784

TABLE 11 (Continued)

Rail Carrier / Year	Debt/ Equity (Percent)	Profit Margin (Percent)	Operating Ratio (Percent)	Expense Ratio (Percent)	Maintenance of Road (Percent)	Maintenance of Equipment (Percent)	Freight Revenue/ Miles Road	Operating Expense/ Miles Road
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Union Pacific System								
1992	32.1	19.3	80.7	84.6	11.8	22.5	247,313	203,077
1993	29.2	19.6	80.4	83.9	11.4	22.6	267,223	218,932
1994	28.2	20.8	79.2	82.5	11.4	22.4	290,047	233,998
1995 (5)	80.4	21.1	78.9	82.5	12.9	22.2	264,449	214,548
1996	84.3	22.1	77.9	82.9	12.8	21.9	292,852	235,323

Source: Transport Statistics, Part I: Railroads, Annual Report, ICC Bureau of Accounts and Class 1 Rail Carriers R-1 reports.

a Selected Non-Current Liabilities/Net Stockholders Equity.
b Net Railway Operating Revenue/Total Railway Operating Revenues.
c Operating Expenses/Total Railway Operating Revenues.
d Operating Expenses + Fixed Charges + Contingent Interest/Total Railway Operating Revenues.
e Repair and Maintenance of Ways and Structures/Total Railway Operating Revenues.
f Repair and Maintenance of Equipment/Total Railway Operating Revenues.
g Freight Revenue/Miles of Road Operated.
h Operating Expense/Miles of Road Operated.

Notes:

(1) The Santa Fe took $336 million pretax writeoffs.
(2) The BN recorded merger, severence and asset change.
(3) The SP issued 200 shares of common stock for a total consideration of $445.5 million.
(4) The SP financing in reguards to merger with the UP.
(5) The UP financed the acquisition of the CNW and SP Railroads.

* Merged with proceeding railroad

CLASS III RAIL CARRIERS

In 1997, Kansas had 17 Class III rail carriers. The Nebraska Kansas & Colorado RailNet, Inc. was the latest addition.

The following pages contain a brief overview of each of the rail carrier's operations and a map. The map also indicates the counties in which each rail carrier operates.

Abilene & Smoky Valley Railroad
P.O. Box 744
Abilene, Kansas 67410
(913) 263-1077

Locomotives	4 (3 diesel, 1 steam)
Freight Cars	4
Passenger Cars	3
Track Miles	18

Railroad and Connections

BNSF	Union Pacific
Abilene	Abilene

Background

The Abilene & Smoky Valley Railroad is a tourist train which runs between Abilene and Woodbine, with a stop in Enterprise. The railroad is owned and operated by the Abilene & Smoky Valley Railroad Association. The Abilene & Smoky Valley Railroad Association is a "not for profit" corporation dedicated to the restoration, operation and display of historic railroad equipment and locomotives.

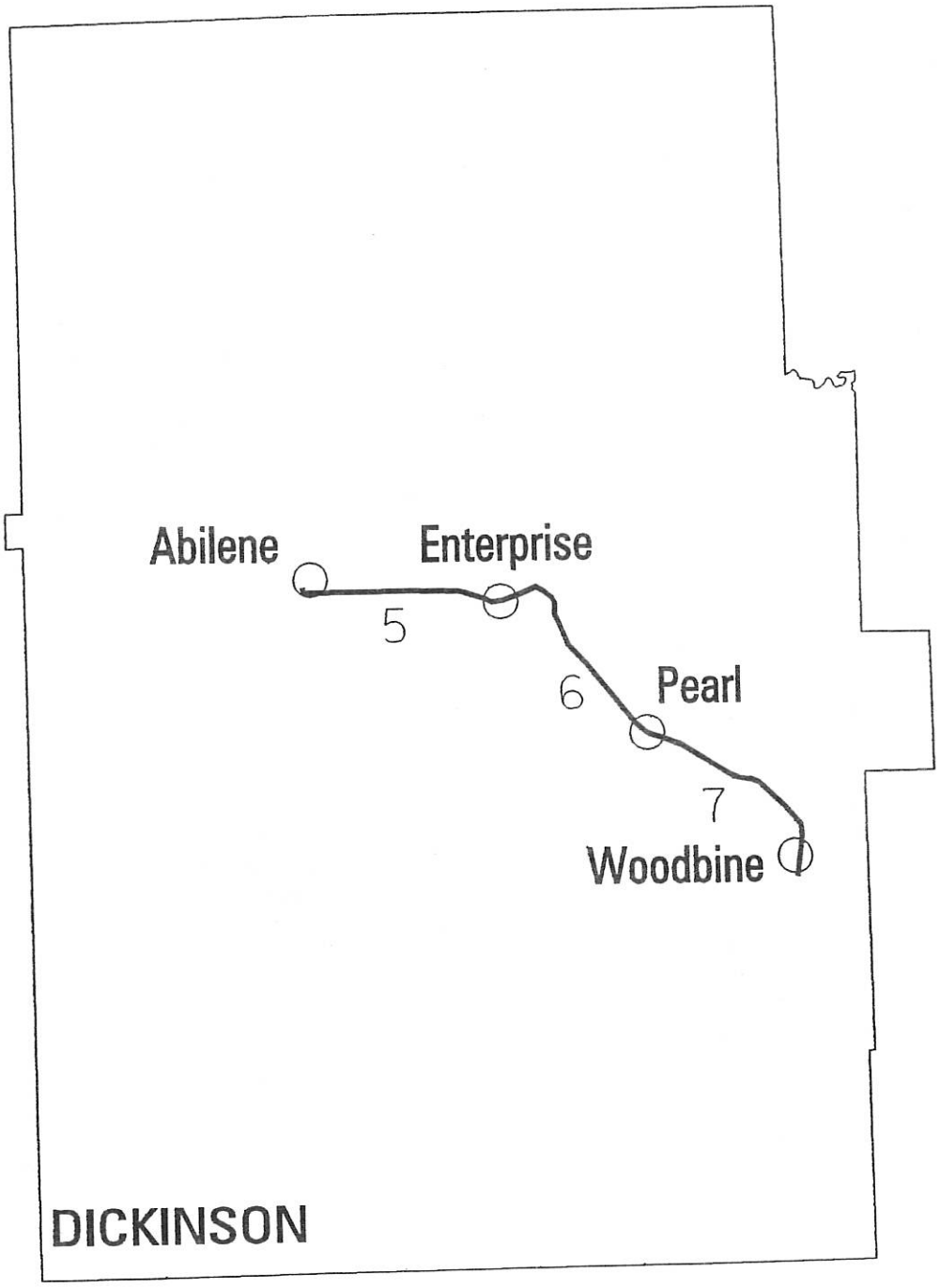
The train runs through scenic fertile Kansas's farmland. Currently, fares for adults (12 and over), are $7.50, children (3 to 11) are $5.50, infants (2 and under) are free. The train is scheduled to run between Memorial Day and Labor Day, with the train departing Tuesday through Friday at 10:00 and 2:00, Saturday at 10:00, 2:00 and 4:00, and Sunday at 2:00 and 4:00.

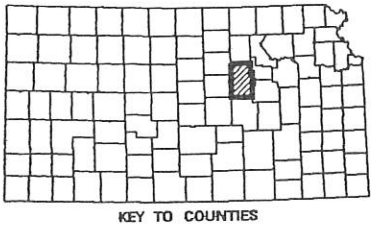
Business Operations (Opportunities and Concerns)

Ridership has exceeded initial projections. The initial operation was between Abilene and Enterprise. The Union Pacific planned to abandon this track, but the Abilene and Smoky Valley Railroad acquired it in 1995. To accommodate the increased tourist demand, the Railroad has acquired the track from Enterprise to Woodbine. In 1995, they were awarded Transportation Enhancement funds, a Federal Surface Transportation program, to purchase and refurbish the rail. Abilene has many historic attractions and riding the train offers tourists a unique experience.

Figure 6

ABILENE & SMOKY VALLEY RAILROAD





Task Force on Rail Passenger Service
November 10, 1999

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Central Kansas Ry., Inc.
1825 West Harry St
Wichita, Kansas 67213
(316) 263-3113

Locomotives 22

Freight Cars 350

Track Miles 882 (816.2 miles owned and 66.4 miles leased)

Railroad and Connections

BNSF	KSW	Kyle	SKO	SSW	UP
Abilene	Anthony	Osborne	Wellington	Hutchinson	McPherson
Attica	Lyons				Salina
Hutchinson	Wichita				Scott City
Newton	Yaggy				Wellington
Wellington					Wichita
Wichita					

Background

The Central Kansas Railway (CKR), is a subsidiary of OmniTrax Corporation, and operates over approximately 882 miles of Kansas branch line track. The railroad was created in 1992 upon purchase from the Santa Fe Railroad. The CKR owns and utilizes 22 locomotives, 300-grain hopper cars and 50 miscellaneous cars. Major commodities shipped on the line include grain, rock and Liquid Petroleum Gas (LPG). Currently, the CKR employs 54 workers. In 1996, it was estimated that the CKR handled about 33,000 carloads of freight.

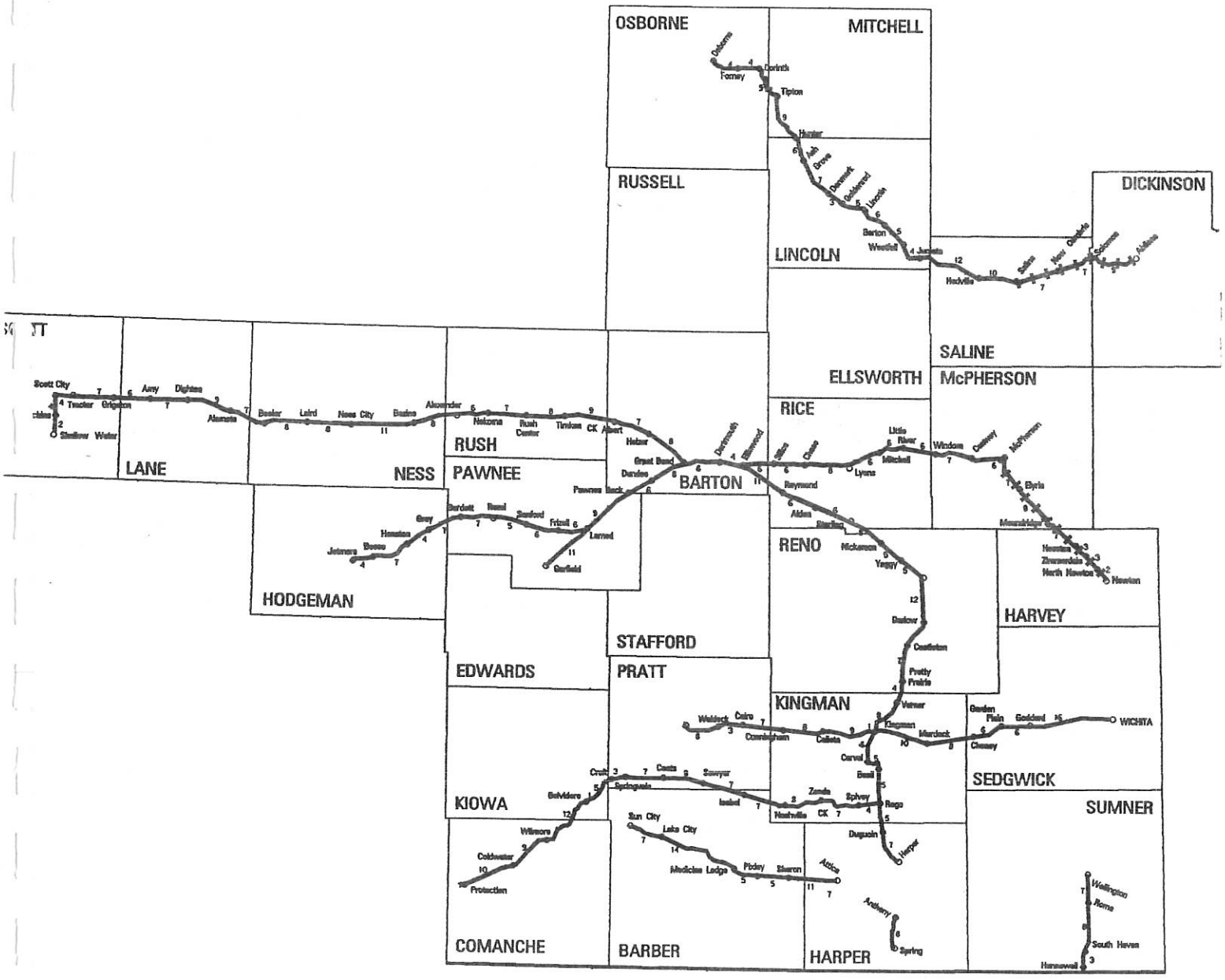
Business Operations (Opportunities and Concerns)

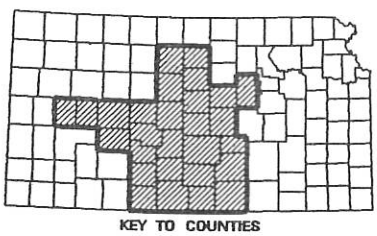
The management staffs of the Central Kansas and the Kansas Southwestern have been consolidated into a single cohesive team. This consolidated management team provides faster decision making for customers, Class I partners and railroad personnel. The operating functions and characteristics of each railroad remain separate.

Car availability can be a problem at the peak of harvest and in a effort to ease this situation the CKR increased it's fleet by 20 percent in 1996. The poor wheat harvest of 1996 placed substantially less demand upon the rail car fleet, However, cars will be added to the fleet on a continuing basis.

Figure 7

CENTRAL KANSAS RY., INC.





KEY TO COUNTIES

Task Force on Rail
Passenger Service
November 10,
1999

2-93

Cimarron Valley Railroad
P.O. Box 249 Satanta
Satanta, KS 67870
(316) 649-3280

Locomotives	5
Freight Cars	0
Track Miles	182 Kansas Miles, 254 Total Miles

Railroad and Connections	Burlington Northern/Santa Fe
Dodge City, Kansas	Springfield, Colorado
Boise City, Oklahoma	

Background

Two branch lines of the BN/Santa Fe have recently been sold to the Cimarron Valley Railroad. The Cimarron Valley Railroad is a subsidiary of the Western Group, which is located in Ogden Utah. The Western Group owns six other short lines and a railroad construction company. The track involved runs southwest out of Dodge City, Kansas to Satanta, Kansas. At Satanta the line splits, the southern route going to Boise City, Oklahoma, the western route to Springfield, Colorado. The operating plan calls for a two-engine operation. Other engines will be added during grain season to accommodate the harvest.

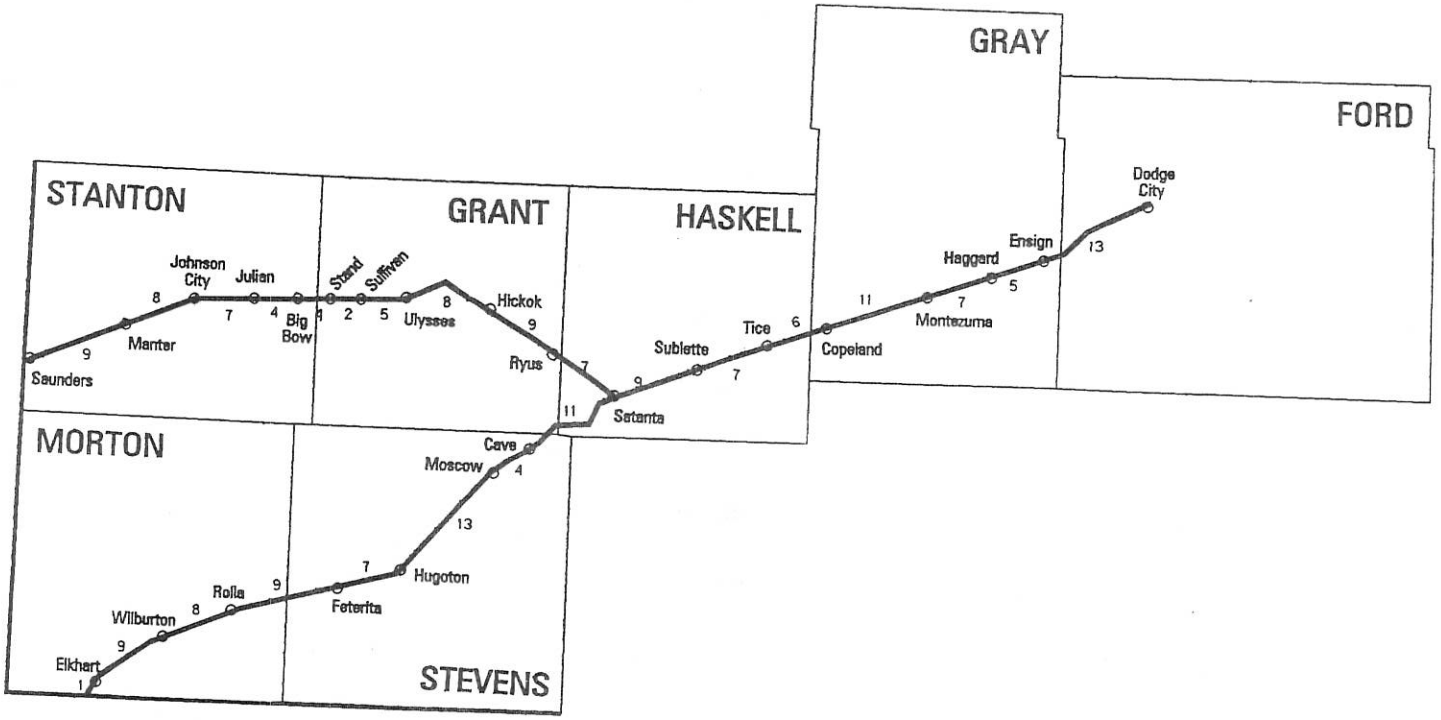
Business Operations (Opportunities and Concerns)

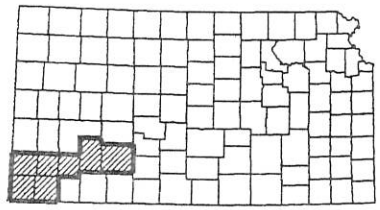
The Cimarron Valley Railroad is operating over 254 miles of railroad and will utilize at least two switch crews. In total it is estimated that the railroad will employ fifteen employees, and additional staff will be added when required.

The primary commodities include grain and grain related products, fertilizer, chemicals and various miscellaneous shipments. The railroad will begin operations on February 6, 1996.

Figure 8

CIMARRON VALLEY RAILROAD





Task Force on Rail Passenger Service
November 10, 1999

Dodge City Ford & Bucklin R.R. CO., Inc
P.O. Box 714
Dodge City, Kansas 67801
(316) 225-3232

Locomotives	2
Freight Cars	0 (at least five passenger cars)
Track Miles	26.5

Railroad and Connections

BNSF	SP
Dodge City	Bucklin

Background

The Dodge City, Ford & Bucklin R.R. (DCFB) was created from part of the old Chicago, Rock Island & Pacific Railroad and consists of 26.5 miles, connecting Dodge City to Bucklin, Kansas. Because of limited operating authority, the railroad passenger service operates only between Dodge City and the Wilroads Elevator. There are depots in Ford and Buclkin, Kansas, which are under going renovation.

Dodge City is a historic western town, which is visited by a variety of tourists. The DCFB Railroad boards passengers in historic Dodge City. Daily service is provided at 10:00 AM. The ride takes about an hour and a half. Costs in 1996 are $10.00 for adults, $7.50 for children. Group and school tour rates are available.

Upon request (requiring reservations), a menu of various dining options can be provided. Dinners include barbecued ribs, ham or turkey, grilled pork chops, steak, and prime rib.

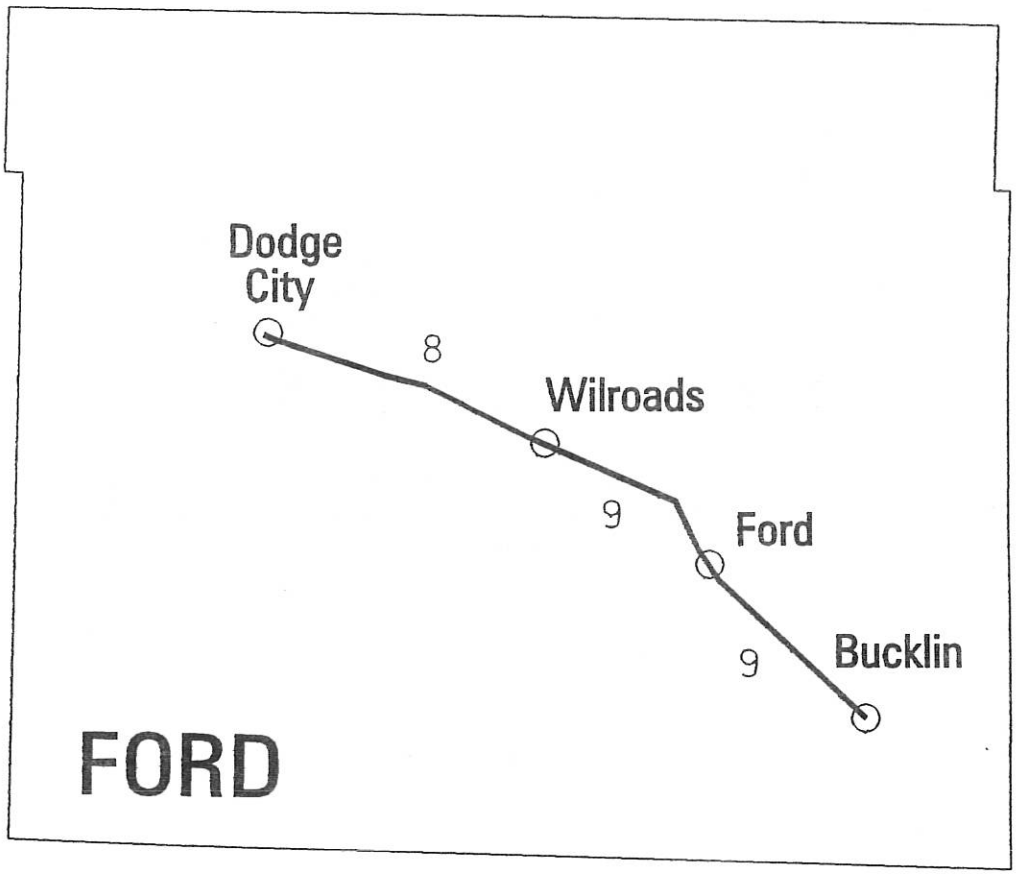
Business Operations (Opportunities and Concerns)

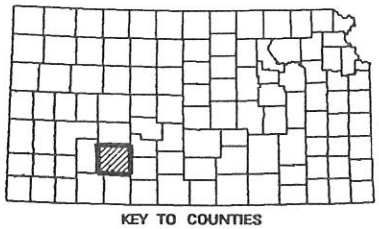
During 1995, the DCFB also provided freight service. The DCFB has a switching locomotive dedicated to freight service. The grain elevators at Wilroads and Ford utilize the rail service. The DCFB interchanges with the BNSF at Dodge City or the SP in Bucklin.

It is in the DCFB's interest to continue to rehabilitate the track between Ford and Bucklin to expand their tourist operations. Additional business is being generated from the DCFB's track repair service, which the DCFB offers, to shippers and railroads in the region.

Figure 9

DODGE CITY FORD & BUCKLIN R.R. CO., INC.





Garden City Western RY., Inc
P.O. Box 838
Garden City Kansas 67846
(316) 275-6161

Locomotives	2
Freight Cars	0
Track Miles	44.5

Railroad and Connections

Burlington Northern Santa Fe
Garden City

Background

The Garden City Western (GCW) was constructed in 1916 and connected Garden City to Wolf, Kansas. In 1982 this railroad was sold to the Garden City Coop. In 1989 the Garden City Coop purchased the Santa Fe Branch from Garden City, north to Shallow Water.

The primary commodities the railroad hauls include fertilizers, feed grains and grain products. In 1996, the railroad handled about 2,044 carloads of freight. Currently, the rail operation employs six railroad workers, four full-time and two part-time.

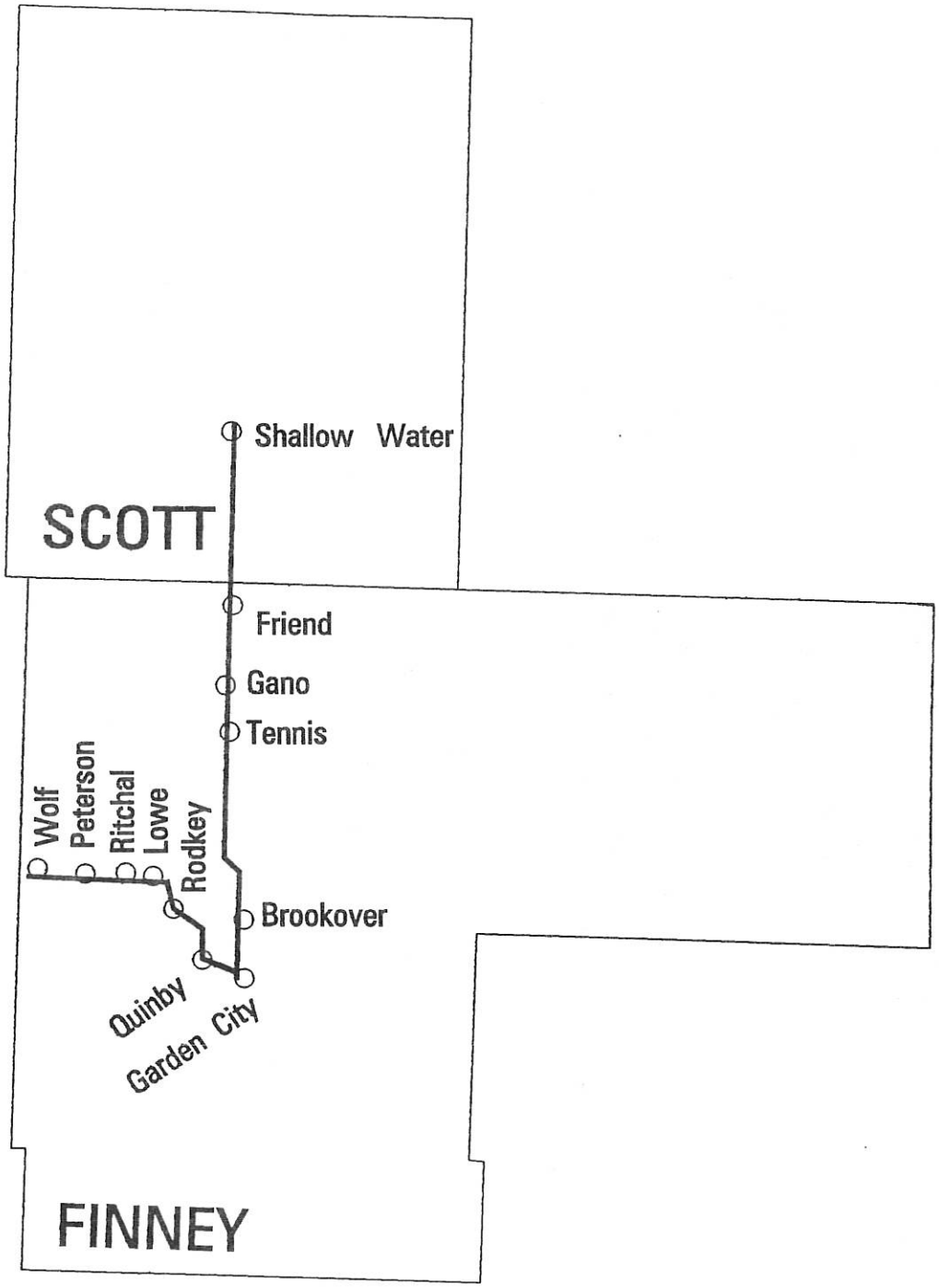
Business Operations (Opportunities and concerns)

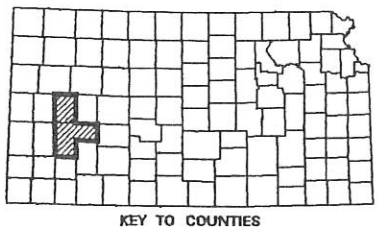
A major concern of the GCW is obtaining cars for use during harvest season. In 1995 the harvest in Southwest Kansas was below average compared to previous years, but car availability continues to be a problem.

Unit train rates are often another problem for short lines such as the GCW which are tied to Class I Carriers. The GCW is served by and competes with its Class I Carrier, the Burlington Northern/Santa Fe. The GCW is experiencing pressure from the unit train rates offered by the BNSF at Dodge City. It is interesting to note the Garden City Western relies on the BNSF for its survival, yet competes with the same carrier for car distribution, service and rates.

Figure 10

GARDEN CITY WESTERN RY., INC.





Task Force on Rail Passenger Service
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Hutchinson & Northern RY CO.
1800 Carey Blvd.
Hutchinson, Kansas 67501
(316) 662-0901

Locomotives	2
Freight Cars	0
Track Miles	3

Railroad and Connections

Burlington Northern	Santa Fe	Southern Pacific
Union Pacific	Hutchinson	Hutchinson
Hutchinson		

Background

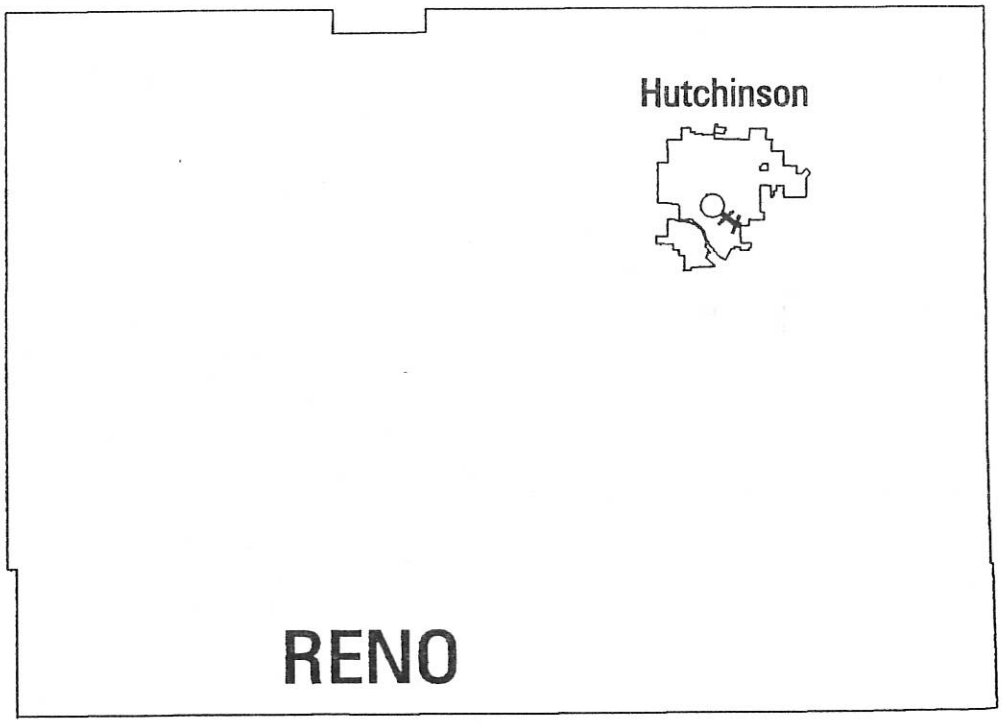
The North American Salt Company owns the Hutchinson & Northern Railroad (H&N). The railroad is approximately three miles in length and is located in the southeastern section of Hutchinson. Major commodities shipped on the Hutchinson & Northern include salt, grain and scrap iron. It is estimated that the H&N Railroad handled approximately 1,970 carloads of freight during 1996. The Hutchinson & Northern employs three people in Kansas.

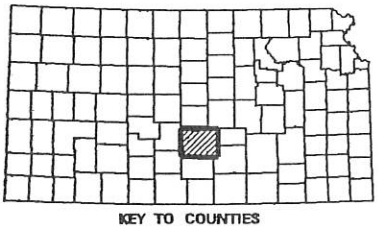
Business Operations (Opportunities and Concerns)

The H&N primary responsibility is to service the salt production at the North American Salt Company. Additionally they do business with Irsik & Doll, a grain elevator; and Midwest Iron and Metal, a scrap and recycling entity.

Figure 11

HUTCHINSON & NORTHERN RY. CO.





Johnson County Industrial Airport RY
One New Century Parkway
New Century, Kansas 66031
(913) 782-5338

Locomotives	1
Freight Cars	0
Track Miles	4

Railroad and Connections

Burlington Northern Santa Fe
Gardener

Background

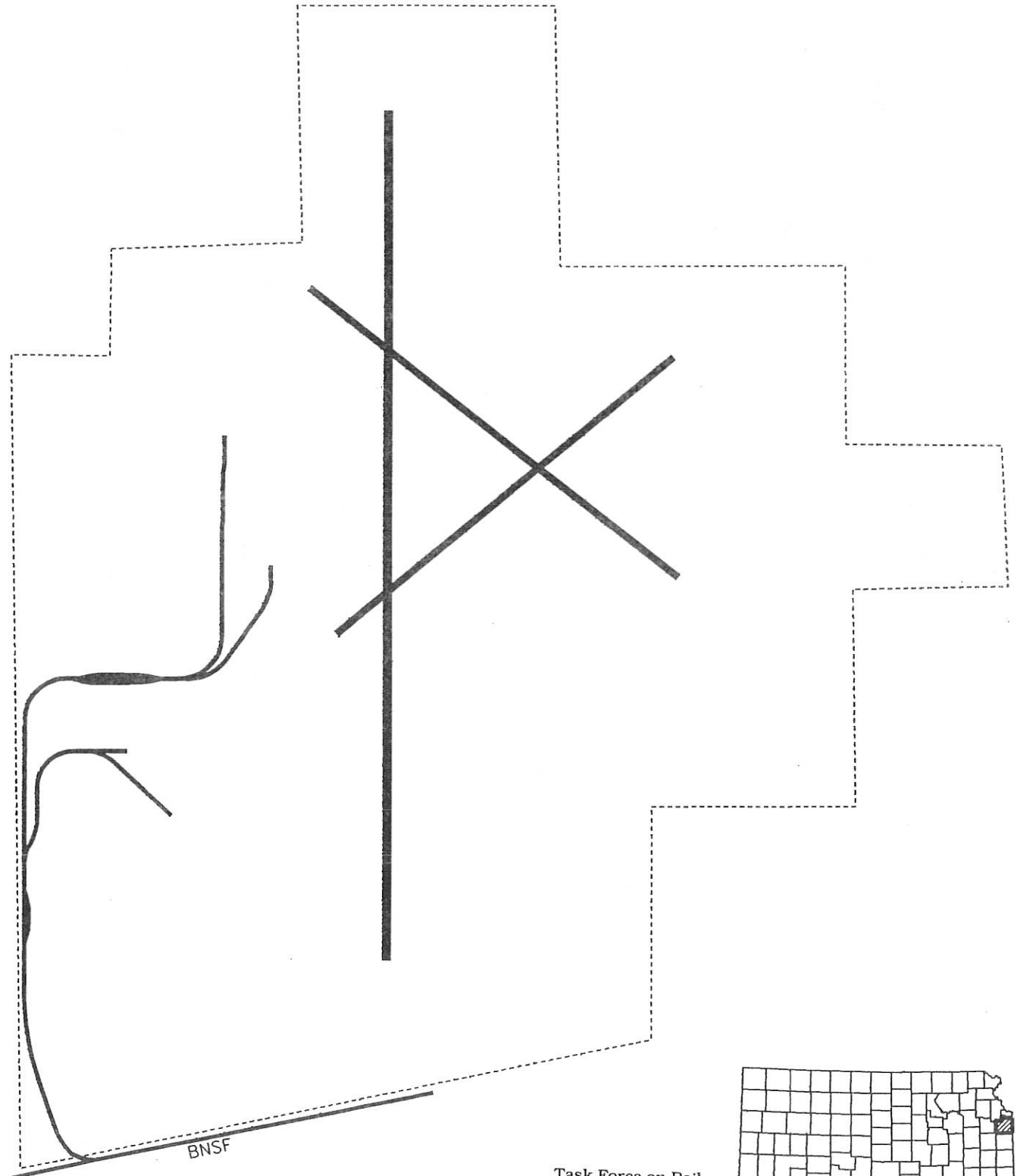
The Burlington Northern Santa Fe Railway (BNSF) provides Main line rail service at the New Century Aircenter rail service). The Airport Commission personnel handle switching on the New Century Air Center. The airport can be much more responsive and flexible than the BNSF in handling intra-plant shipping requests, normally responding to such requests in twenty minutes during normal business hours and as requested otherwise. In addition to the scheduling convenience, the airport offers this service at $60.00 per switch as of 1995. The airport also maintains a certified track scale for special weighting requirements. The main rail line courses through the center of the industrial park. In most cases rail spurs can easily be extended to sites not currently served.

Business Operations (Opportunities and Concerns)

The New Century Aircenter is in the process of marketing and developing industrial sites. These benefits includes central location, access to I-35 and access to intermodal facilities. In 1996, the New Century Aircenter handled approximately 623 shipments. In total, The New Century Aircenter employs 22 people in Kansas.

Figure 12

JOHNSON COUNTY INDUSTRIAL AIRPORT RY



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Kansas City Terminal Ry Co.
2801 Rockcreek Parkway
North Kansas City, Missouri 64117
(816) 245-2298

Gateway Western Railway
15 Executive Drive
Fairview Heights, Illinois 62208
(618) 624-4700

Locomotives	0
Freight Cars	0
Track Miles	86.8
Track Miles in Kansas	6

Railroad and Connections

BNSF	DRGW	GW	KCS	NS	SOO	SP	UP
KC	KC	KC	KC	KC	KC	KC	KC

Background

The Kansas City Terminal Ry Co (KCT) was formed in 1906 as a switching line for Class I railroads which serviced the Union Terminal and the surrounding Kansas City area. The KCT coordinates switching activities for nine major railroads in the Kansas City area. The KCT Railroad maintains the railroad and signals. Additionally, it completes the billing and collection of charges for the participating carriers. On April 2, 1994, the train switching operation was contracted to the Gateway Western Railway. When the Gateway Western Railway started operations, the KCT employees continued to work for the Gateway Western. It is of interest to note that the line was, and continues to be, covered by union contracts.

The Gateway Western links Kansas City to Springfield to E. St Louis, Il., from Springfield it continues northeast to Chicago. The Kansas City Terminal Ry Co operates 86.8 miles of track, in total, of which approximately 6 miles extends into Kansas. The major customer in Kansas is the Proctor and Gamble Company. Business has been increasing on the line which extends into Kansas. In 1995, the railroad will have handled approximately 10,000 carloads of freight in Kansas.

Business Operations (Opportunities and Concerns)

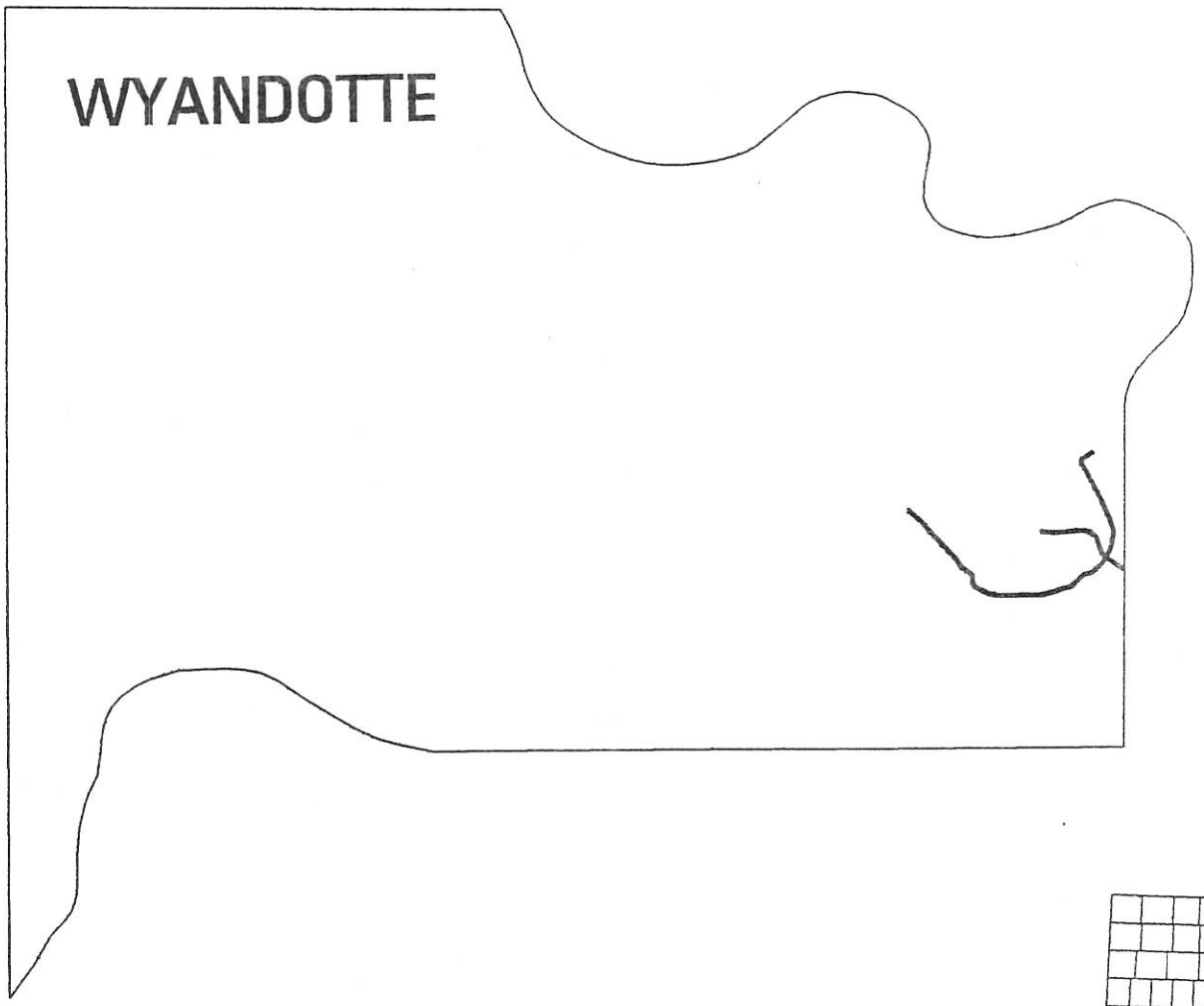
The Gateway Western is currently in the process of procuring more rail cars, primarily gondolas, to serve their industrial customers on the KCT. The original fleet of the Gateway Western is the result of acquiring rail cars with the track purchased from the bankrupt Missouri Chicago & Western Railroad. The securing additional rail cars and increasing the fleet will help procure additional business on the KCT.

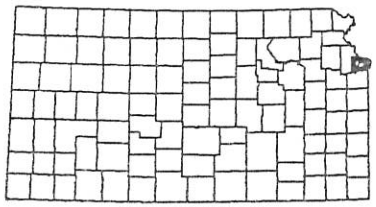
A recent developing opportunity on the KCT is their contracts, which involve through rates and routes with the Gateway Western Railway Co. Their major shipper in Kansas, Proctor and Gamble, ships large volumes of its merchandise to St Louis, using only the KCT and Gateway Western. By offering through rates and routes, the shipments have eliminated the use of additional carriers. This has saved considerable time and has helped procure new business

As noted earlier, the Gateway Western Railway Co. has been acquired by Kansas City Southern Railroad.

Figure 13

KANSAS CITY TERMINAL RY. CO.





Kansas Southwestern Ry.
1825 West Harry
Wichita, Kansas 67213
(316) 263-3240

Locomotives	12
Freight Cars	10
Track Miles	298 Total Miles
Track Miles in Kansas	302 (285 miles leased from the UP and 17 miles of trackage rights)

Railroads and Connections

BNSF	CKR	DRGW	H&N	SP(SSW)	UP
Hutch-inson	Anthony	Geneseo	Hutch-inson	Hutch-inson	Geneseo
Wichita	Yaggy				Wichita
	Lyons				
	Wichita				

Background

The Kansas Southwestern Railway (KSW) has been operating 298 miles of Union Pacific leased lines in Kansas since April of 1991. The KSW is one of twelve short line railroads owned and operated by OmniTrax, Inc. of Denver, Colorado. KSW's headquarters is in Wichita, Kansas, along with it's sister carrier the Central Kansas Railway. They have a staff of forty-two people in Kansas. Major commodities handled are grain, salt and chemicals. In 1995, the KSW will have handled about 35,000 carloads of freight.

Business Operations (Opportunities and Concerns)

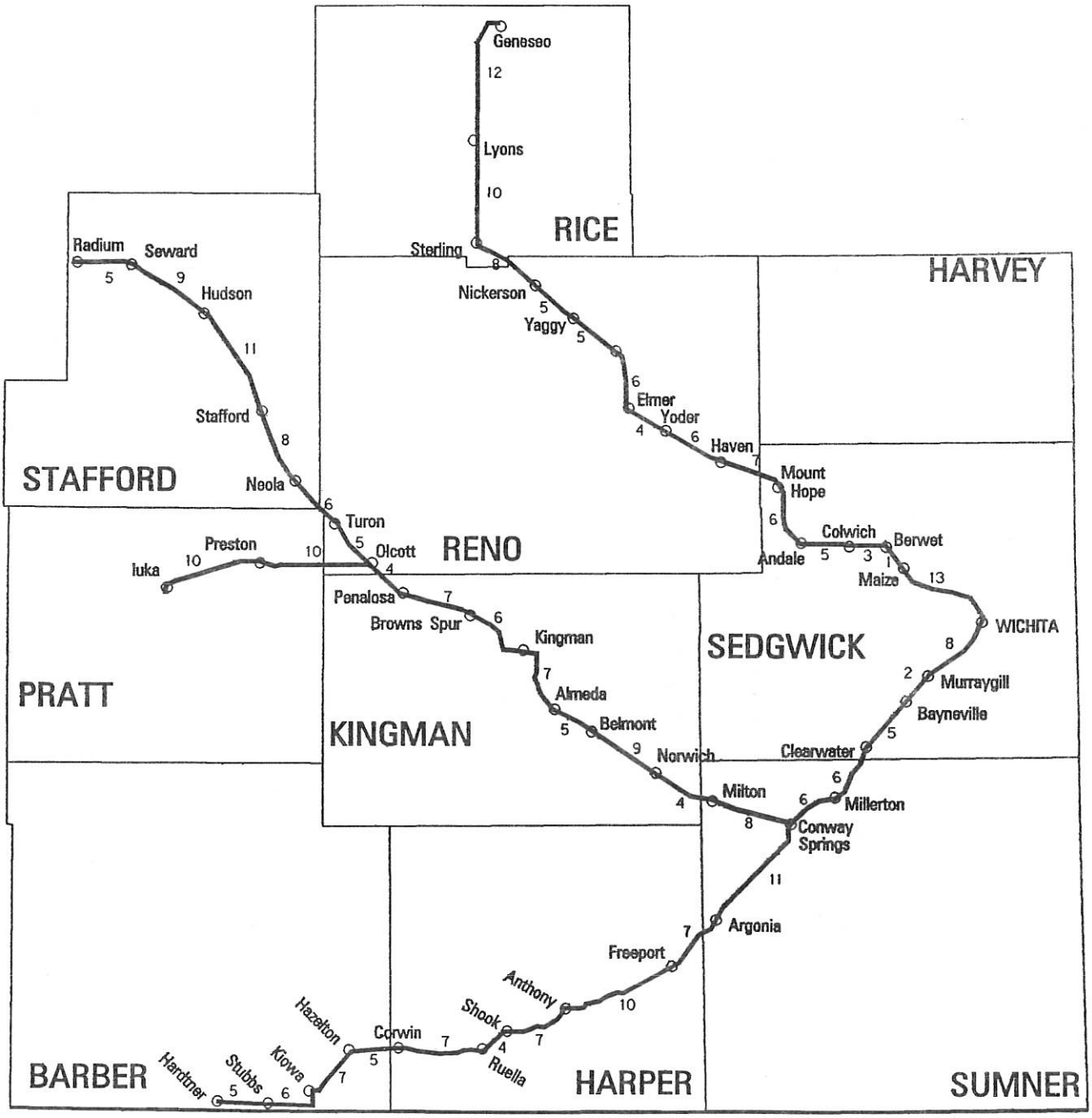
The management staff of the Central Kansas and the Kansas Southwestern has been consolidated into a single cohesive team. The consolidated management team provides faster decision making for customers, Class I partners and railroad personnel. The operating function and characteristics of each railroad remain separate.

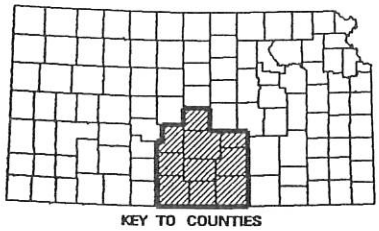
The grain harvest of 1996 did not produce the quantity of grain that as had been harvested in recent years. Car availability can sometimes be a problem as harvest and markets are in constant fluctuations.

The Kansas Southwestern is a lease line of the Union Pacific railroad. The Union Pacific has merged with the Southern Pacific. With the merger is completed, the Kansas Southwestern has greater opportunity to offer through "seamless" transportation service (rates and routes), to a larger number of shipping points.

Figure 14

KANSAS SOUTHWESTERN RY.





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Kyle Railroad Company
P.O. Box 566, Third and Railroad Avenue
Phillipsburg, Kansas 67661
(913) 543-6527

Locomotives	28
Freight Cars	2,200 (550 owned, 850 leased (Long Term), 800 leased (Short Term)
Track Miles	632 (15.7 owned, 272 leased from Port Authority)
	(344 leased from the Union Pacific)

Railroads and Connections

BNSF	Central KS. Ry	Nebraska Kansas & Colorado Railnet	UPSP
Courtland	Osborne	Norton	Colby
Concordia			Salina
			Limon CO.

Background:

The Kyle Railroad is one of 7 railroads owned by the Kyle Railway Company. In Kansas, the Kyle operates 632 miles of track in the northwestern/north central section of the state. The railroad operates under a lease/purchase agreement with the Mid States Port Authority (272 miles), a lease/trackage rights agreement with the Union Pacific Railroad (344 miles) and owns 16 miles of track. Kyle's lease/purchase agreement with the Mid States Port Authority will conclude in the year 2009.

StatesRail Inc., of Dallas, Texas recently completed the purchase of the Kyle Railways Corporation. StatesRail is the Parent Company for the Kiamichi Railroad, a successful shortline railroad based in Hugo, Oklahoma. No operational changes are anticipated as a result of the sale.

Major commodities shipped include wheat, milo, roofing material and sunflower oil. In 1996, the Kyle handled 21,254 carloads of freight, down from 24,443 in 1995. The downturn was mainly caused by a poor 1996 wheat harvest. The railroad employs 114 people in the state of Kansas.

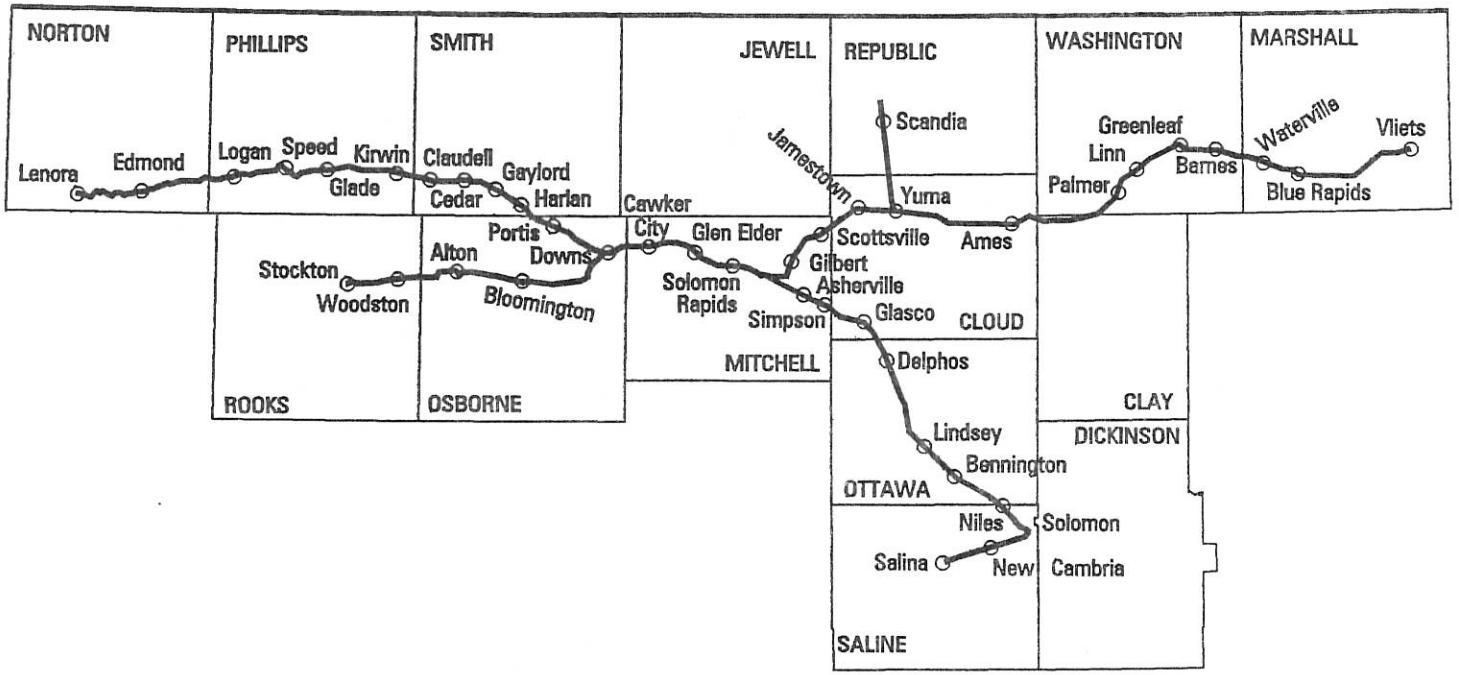
Business Operations (Opportunities and Concerns)

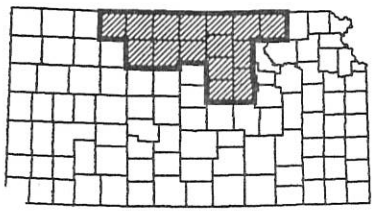
The Kyle is undertaking steps to provide facilities for the interchange of 108 car unit grain trains to both the BNSF and UPSP to provide the additional benefits of the unit train to customers located on the Kyle railroad. Unit trains increase the volume of bulk commodities shipped enhancing car utilization/available and benefiting both the carrier and customer. The Kyle leases 800 covered hopper cars on an annual basis and supplements the fleet with an additional 500 short term lease cars during summer wheat harvest. Kyle also owns 550 jumbo covered hoppers. The Kyle Railroad supported the Union Pacific merger with the Southern Pacific.

Figure 15

KYLE RAILROAD COMPANY

U.P. LEASE LINES





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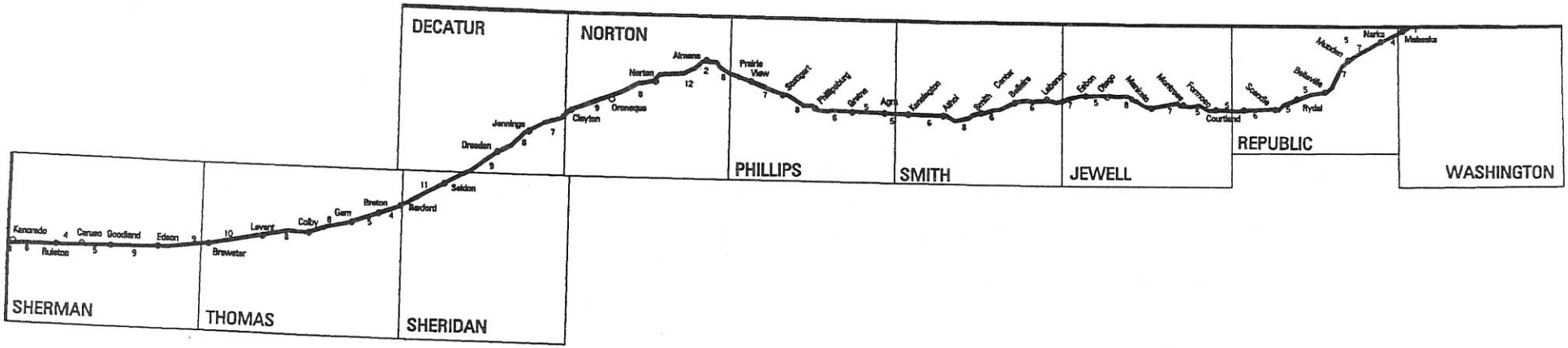
2-60

Figure 16

KYLE RAILROAD COMPANY

MID STATES PORT AUTHORITY LINES



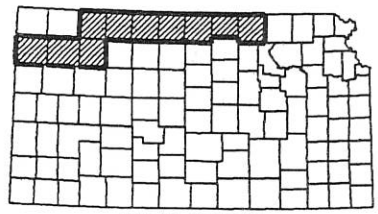
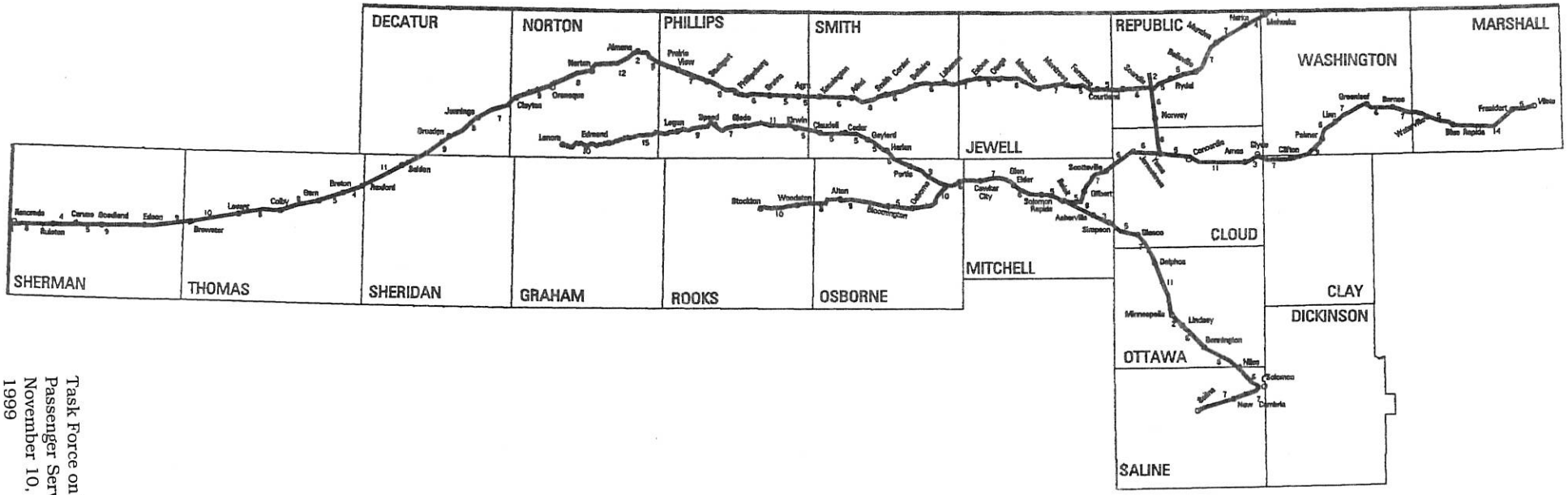
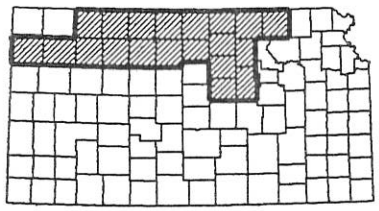


Figure 17

KYLE RAILROAD COMPANY

U. P. LEASE LINES
MID STATES PORT AUTHORITY LINES





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Midland Railway
PO Box 412
Baldwin City, Kansas 66006
(913) 594-6982

Locomotives	7 (6 diesel, 1 steam)
Freight Cars	13 (including a caboose and 8 cars on lease/loan)
Passenger Cars	3
Track Miles	11.2

Railroads and Connections

Burlington Northern Santa Fe
Ottawa Kansas

Background:

The Midland Railway operates an excursion train on a line originally constructed in 1867. Trains make a 7 plus mile round trip from Baldwin City to "Nowhere", traveling through scenic eastern Kansas farmland and woods using vintage equipment. The entire railroad operates between Baldwin City and Ottawa, where it connects to the BNSF.

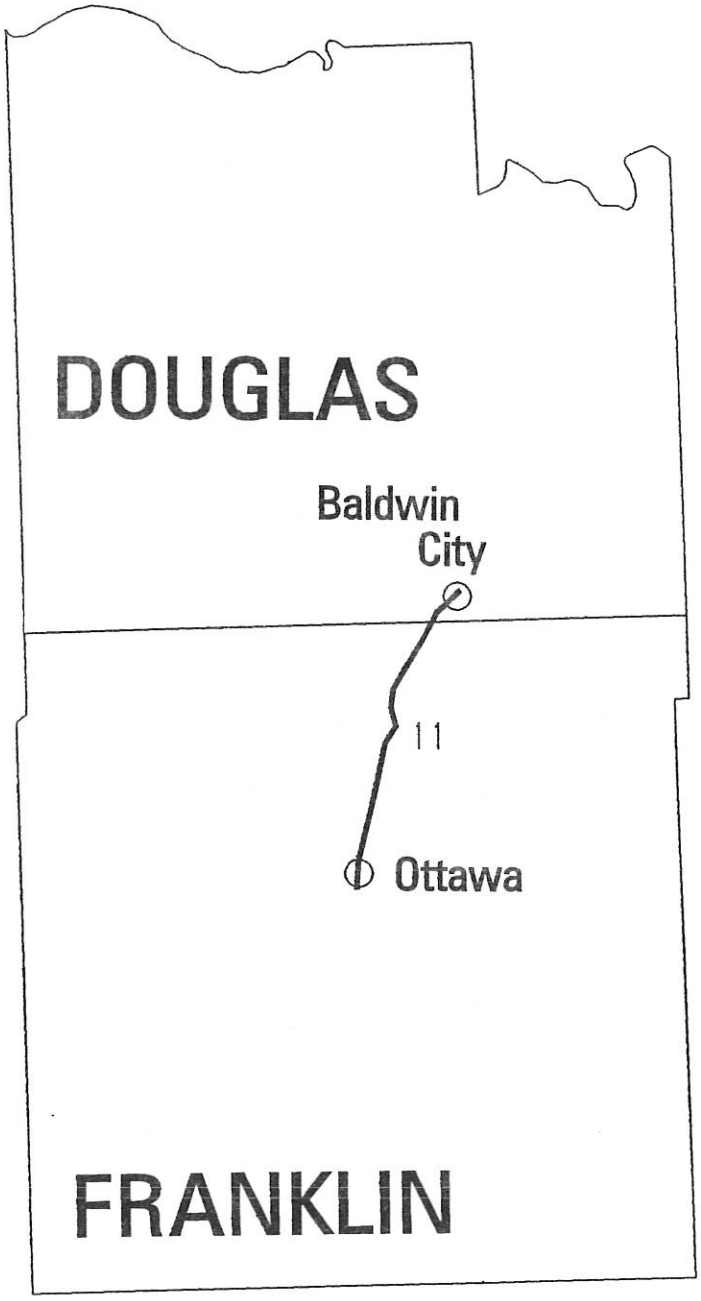
The Midland Railway is a project of the Midland Railway Historical Association and the Santa Fe Trail Historical Society. Both organizations are non-profit and educational in purpose. Funds for operations and development come from fares, sales, donations and memberships. Recently, the Midland Railway applied for and received Transportation Enhancement Funds from the Federal Surface Transportation Program, to refurbish the rail line. This is a federal program, which requires a 20% local match. Persons working on the railroad are volunteers. Memberships are available.

Business Operations (Opportunities and Concerns):

The Baldwin Railway has numerous special events throughout the year. Additionally, the railroad provides insight to historic train operations. Recently a portion of a film titled "Kansas" City" was shot capturing the 1930's steam engine and historic depot.

Figure 18

MIDLAND RAILWAY




KEY TO COUNTIES

Missouri & Northern Arkansas R.R.
P.O. Box 776
Carthage, Missouri 64836
(417) 358-8800

Locomotives	23
Freight Cars	217 Leased
Track Miles	8 in Kansas 520 total

Railroad and Connections

BNSF	KCS	UP
Ft Scott	Joplin Missouri	Kansas City Missouri and various other Missouri Points
Various Missouri Points (Lamar, Carthage Joplin and Aurora)		Newport, Arkansas

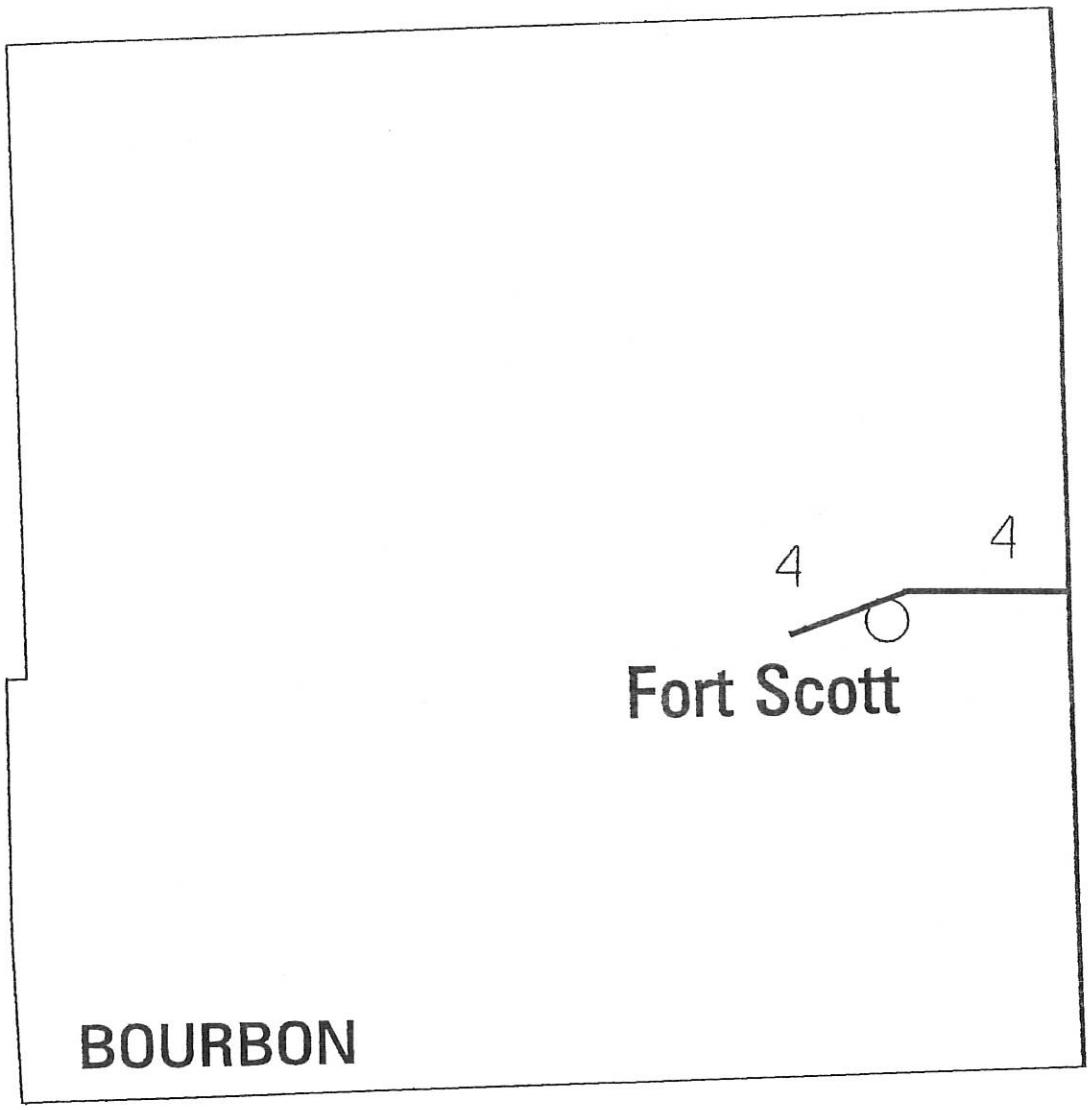
Background

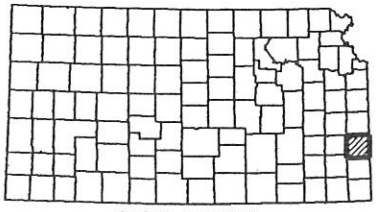
The Missouri & Northern Arkansas R.R. (M&NA) was created on December 13, 1992 and is one of 28 railroads owned by Rail Tex, Incorporated. The eight-mile branch line, which operates in Kansas, is a former Missouri, Kansas and Texas Railroad. There is not any freight moving on the line at present. The coal that did move over the line for KCPL is now routed through Kansas City, Missouri on the Union Pacific Railroad.

Additionally, the M&N operate an intermodal Facility in Carthage, Missouri. Two major customers utilizing this facility are Walmart and Leggett & Platt, Inc. The majority of the intermodal trains that serve this facility are routed through Kansas City, via the Union Pacific Railroad.

Figure 19

MISSOURI & NORTHERN ARKANSAS R.R.





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Nebraska Kansas & Colorado RailNet, Inc.
605 W. 4th Avenue
Holdrege, NE
(308) 995-5685

Locomotives 5

Freight Cars 0

Track Miles 121 in Kansas 419 total

Railroad and Connections

BNSF	KYLE
Orleans, NE	Norton, KS
Holdrege, NE	
Sterling, CO	

Background

Nebraska, Kansas & Colorado RailNet, Inc. (a subsidiary of North American RailNet, Inc.) was created on December 17, 1996 from former Burlington Northern properties. There are two branch lines of this railroad located in the northwest section of Kansas. One line connects St. Francis and Cedar Bluffs (where it enters Nebraska), the other line connects Oberlin to Reager. The NKC railroad uses trackage rights over the Kyle to Almena then to Long Island where the second branch line enters Nebraska. The majority of the traffic on these lines is outbound grain and inbound agriculture support commodities.

Business Operations (Opportunities and Concerns)

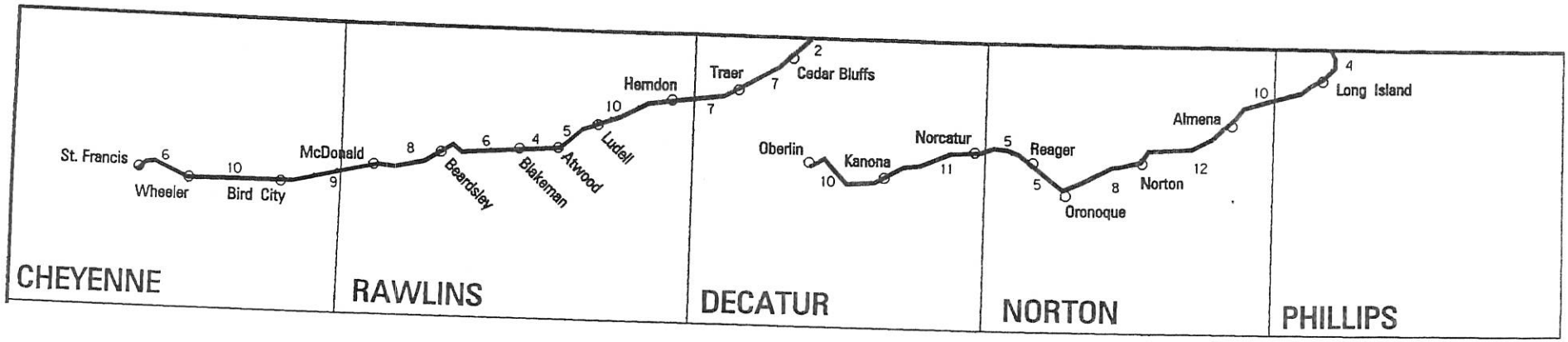
The NK&CR is dependent upon the BNSF (the connecting Class I Railroad) for car supply, marketing and rates. NK&CR's success will be dependent upon the success of the shippers along its lines and BNSF's initiatives to support these shippers.

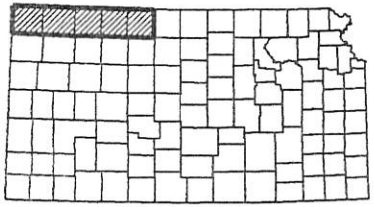
The initial operating plan of the NK&CR is to service these branch lines on an as needed basis. More switching operations will be added during grain season or as conditions dictate. There is a section crew based at Atwood to service the two branch lines.

The primary commodities that are moved on these lines are grain and farm products. The major grains are wheat, which moves to the northwest United States for shipments to Asia, the corn is shipped to processing mill and the majority ground for animal feed. The NKC with the coordinated help of the shippers provides a 48-hour carload turn around rate on this line saving the shippers per diem car lease expenses. They also offer reduced rates on 52 and 104 carload train shipments.

Figure 20

NEBRASKA, KANSAS, AND COLORADO RAIL NET





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Northeast Kansas & Missouri R.R.
P.O. Box 476
Hiawatha, Kansas 66434
(913) 742-7944

Locomotives	2
Freight Cars	158 (150 Covered Hoppers, 8 box)
Track Miles	107.7

Railroad and Connections

Union Pacific	Burlington Northern Santa Fe
St Joseph Missouri	St Joseph Missouri
Hiawatha Kansas	
Marysville Kansas	

Background

The Northeast Kansas and Missouri (NEKM) Railroad is a division of the Mid-Michigan Railroad, a subsidiary of RailTex. The NEKM Railroad connects with the Union Pacific at Marysville (via trackage rights from Upland) and St Joseph, Missouri. There are about twenty-five shippers on this line who can be serviced twice daily. Major commodities include soybean oil, various feed grains, and other mixed shipments. It is estimated that the NEKM Railroad will have handled about 5,300 carloads of freight in 1996. The NEKM employs five people in Kansas.

Business Operations (Opportunities and Concerns)

Recently the NEKM has made an agreement with Farmland Industries to ship 75 grain car unit trains. These agreements benefit both the shippers and railroads, by utilizing the economies of scale.

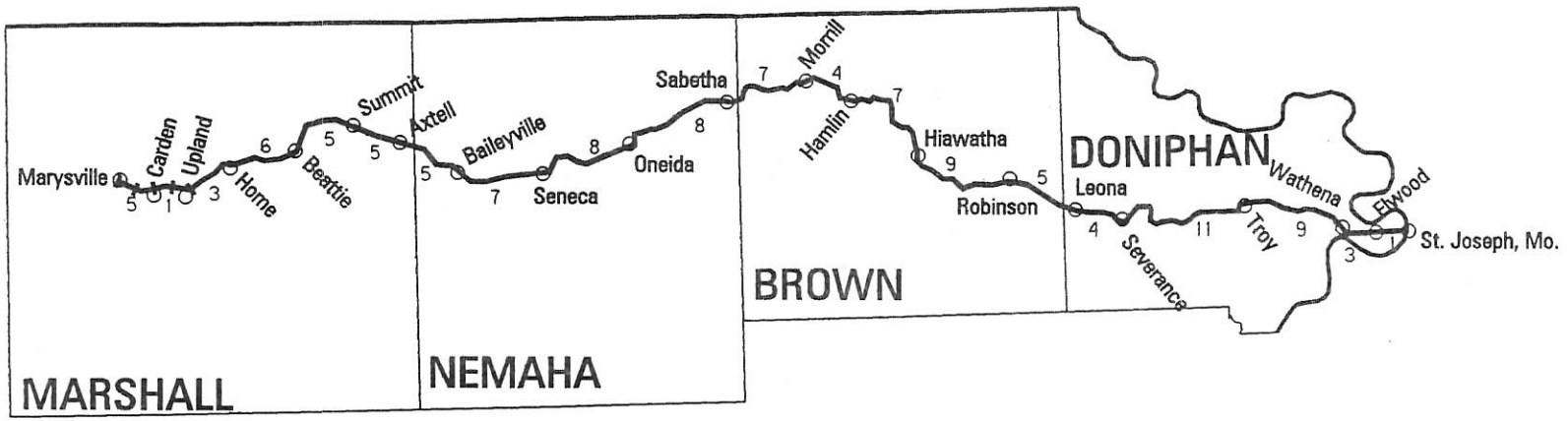
The NEKM provides switching service for the Georgia Pacific Company at Bestwall twice a week. Bestwall is 10 miles south of Marysville.

Car supply remains a problem, particularly, during harvest season. While being owned by a parent company, the NEKM is managed locally. One recent accomplishment was NEKM's ability to procure 150 rail cars from their parent company RailTex. These cars will provide a permanent fleet to provide cars to NEKM customers. In 1996 Northeast Kansas had an above average harvest. Business in farm shipments increased, but a shortage of hopper cars during the peak-shipping season continues to be a problem.

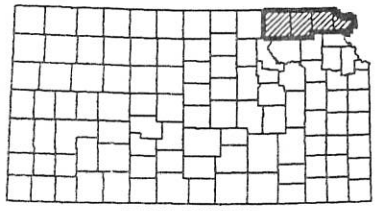
The NEKM will continue their customer service efforts by providing a safe, effective switching operation and also by procuring additional rail cars.

Figure 21

NORTHEAST KANSAS & MISSOURI R.R.



TRACKAGE RIGHTS



Southeast Kansas R.R. CO.
1230 South Walnut
Coffeyville, Kansas 67337
(316) 251-3600

Locomotives	8
Freight Cars	190 Total Railcars
	100 grain hoppers
	50 cement hoppers
	30 bottom dump rock cars
	10 ballast cars
Track Miles	140 Miles Total
	70 Miles in Kansas

Railroad and Connections

BN	SKOL	UP	KCS
Cherokee	Coffeyville	Chetopa	Pittsburg
		Coffeyville	

Background

The Southeast Kansas Railroad (SEK) was purchased in 1987 to provide service for WATCO the parent company. The railroad is a regional railroad serving approximately 20 customers in southeast Kansas. The principal commodities transported by the SEK are grains and flour, soybean meal, plastic products and paper. The railroad handled approximately 6,200 carloads of freight in 1996. They employ 20 railroad workers in Kansas.

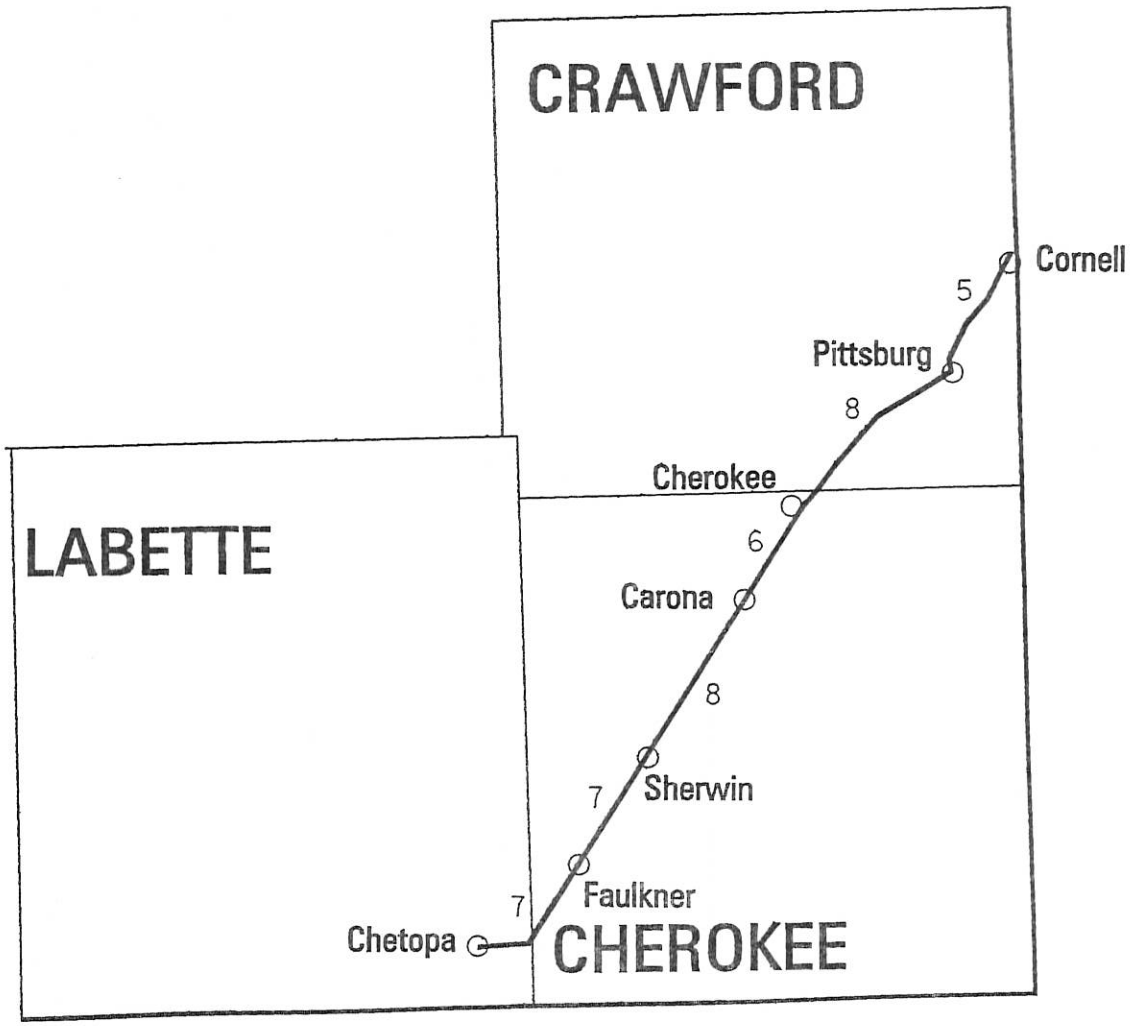
Business Operations (Opportunities and Concerns)

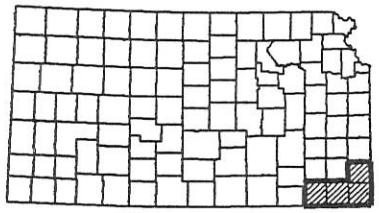
During 1995 the SEK developed new business through a contractual agreement with the Kansas City Southern. This was for transporting soybean meal, which is produced in Kansas and is used as feed for the chicken producing areas throughout the southeastern United States.

The Southeast Kansas Railroad was successful in attracting a large feed mill to be located in Sherwin, KS. This is new business, which should generate thousands of new shipments for the SEK on an annual basis.

Figure 22

SOUTHEAST KANSAS R.R. CO.





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South Kansas & Oklahoma R.R. INC.
1230 South Walnut
Coffeyville, Kansas 67337
(316) 251-3600

Locomotives	20
Freight Cars	0
Track Miles	286.7 Miles Total
	212.0 Miles in Kansas

Railroads and Connections

BNSF	CKR	SEK	UPSP
Fredonia	Wellington	Coffeyville	Coffeyville
Winfield			Winfield

Background

The South Kansas & Oklahoma (SKO) was purchased from the Santa Fe Railroad in 1990. This railroad operates in conjunction with the Southeast Kansas (SEK) railroad, its sister company. Commodities moved include cement, chemicals, (as related to petroleum products), rock, grain and fertilizer. The diverse freight has helped the line to generate revenue despite economic down turns by local industries or specific commodities. In 1996 the SKO handled 22,000 carloads of freight. The railroad employs 47 people in Kansas. As noted above the railroad is connected to four major carriers. This has allowed competition resulting in a better car supply and in many cases better rates and/or routes dependent on the traffics origin or destination.

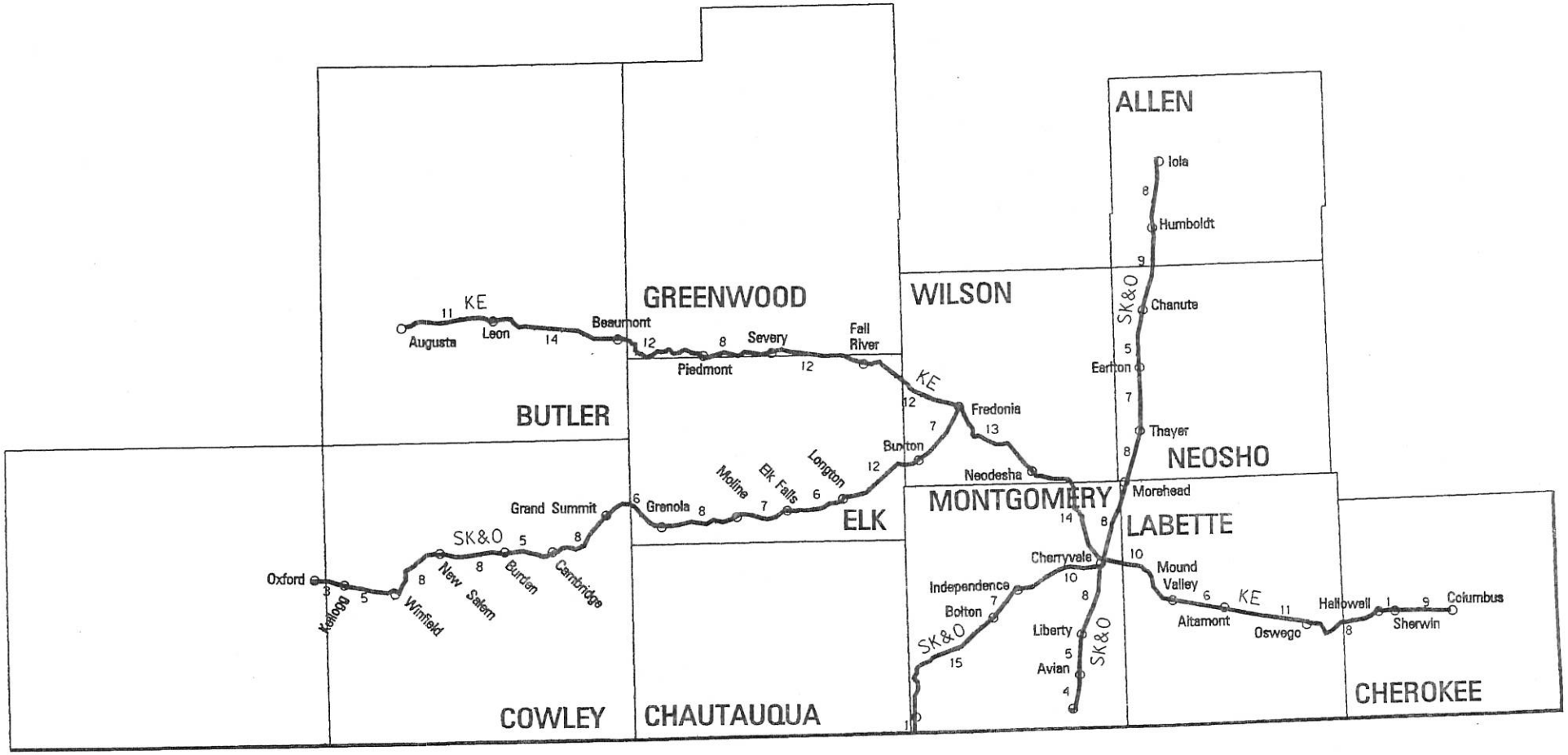
Business Operations (Opportunities and Concerns)

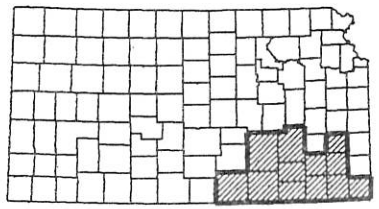
In 1995 the SKO consummated an agreement with the Central Kansas Railroad and the Southern Pacific to move rock to central Kansas locations. Much of this business is the result of the Kansas Department of Transportation's road building activities.

Additionally, the SKO benefits from a diverse traffic base and connects to many competing railroads. Traffic continues to increase on both the SKO and Southeast Kansas Railroads.

Figure 23

SOUTH KANSAS & OKLAHOMA R.R. INC.
&
KANSAS EASTERN RAILROAD





Task Force on Rail
Passenger Service
November 10,
1999

Wichita Union Association R.R. INC.
1537 Barwise
Wichita, Kansas 67214
(316) 262-5081

Locomotives	0 Owned, two switchers leased
Freight Cars	0
Track Miles	2

Railroad and Connections

BNSF	UP
Wichita	Wichita

Background

The Wichita Union Association Railroad Inc. (WUARR) was formed in 1887, to service the stockyards in the City of Wichita. The railroad is owned by a partnership between the Burlington Northern Santa Fe and Union Pacific. The Burlington Northern Santa Fe handles the maintenance and dispatching on the line. The railroad is primarily a switching concern, which handles grain and grain related products. Grain products include wheat for flourmills, grain elevators, and soybean mills. Often shipments of grain involve subsequent moves as related to the processing of flour products. Additionally some scrap steel is moved.

The Wichita Union Terminal Association employs 16 people in Kansas. There are 15 union or contract employees, one superintendent, and is currently a two-shift operation. In 1996, the Wichita Union Association Railroad handled approximately 27,000 cars.

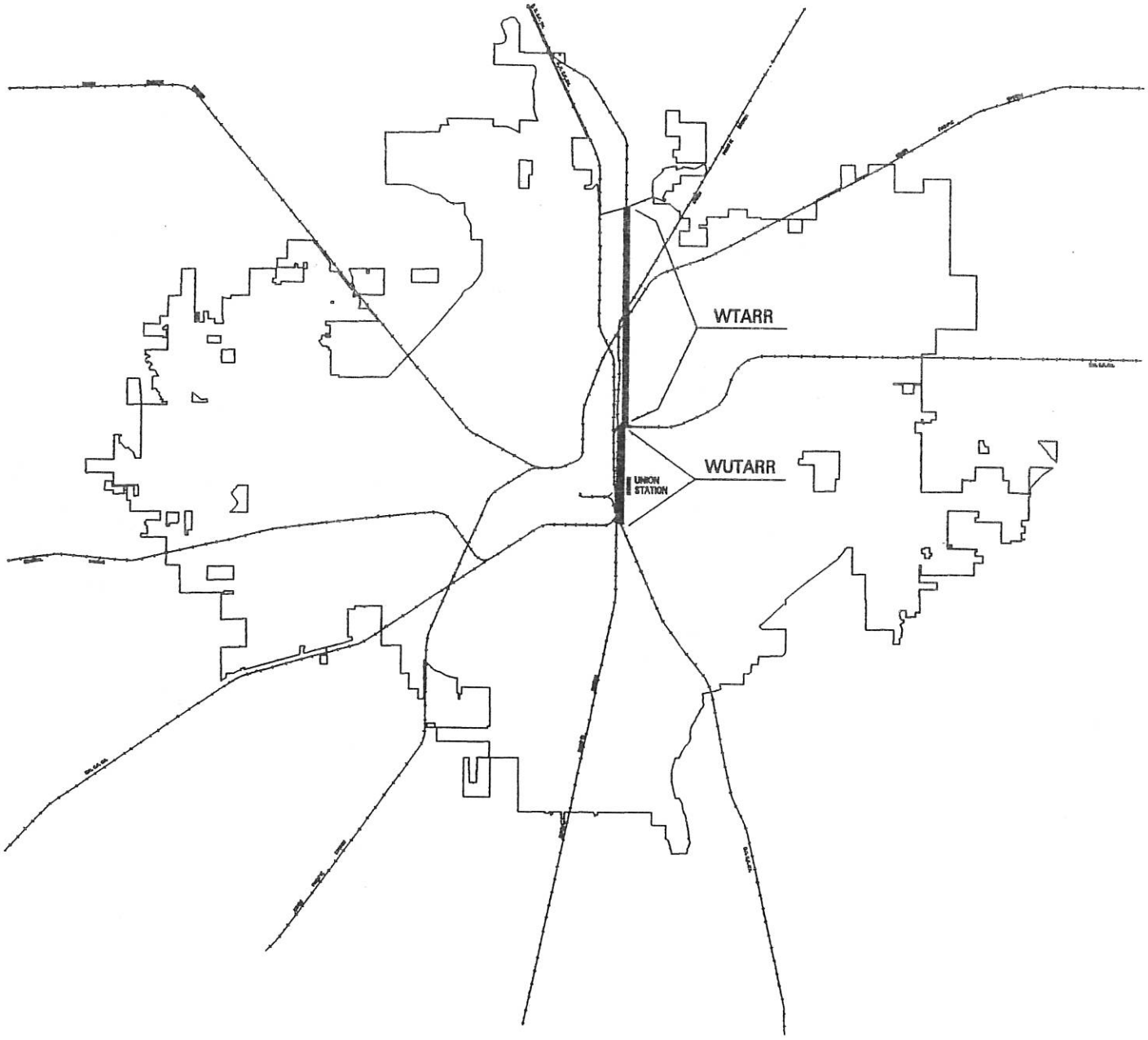
Business Operations (Opportunities and Concerns)

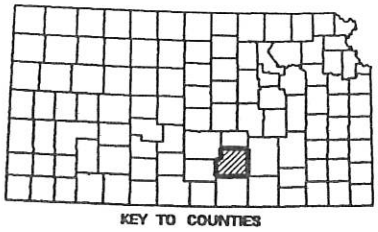
A major concern is service from Class I Carriers. While the Wichita Union Association Railroad is owned by the connecting carriers, there has been difficulty with service due to reorganizations and mergers.

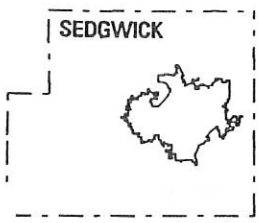
Additionally, the grain harvest is of concern. As the majority of the shipments are tied to grain production, when production is low the traffic base suffers. Rate competition from trucking in and around the Wichita area is also of concern to short line operations.

Figure 24

WICHITA UNION ASSOCIATION R.R. INC.







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CHAPTER 2

RAILROAD ABANDONMENTS

HISTORY OF ABANDONMENTS

Nearly 3,415 miles of railroad have been abandoned in Kansas from 1920 to the present. In the 1980 decade alone over 800 miles were abandoned and during the time from 1991 to 1996, over 590 miles were abandoned (Figure 25).

The abandoned miles refer to line-haul routes. In some instances portions of line-haul tracks were retained for spur or business tracks. A few corridors of former railroad track in Kansas have been converted by rail banking and interim trail use under the National Trails System Act of 1983. This alternative is discussed in a later section.

CAUSES OF ABANDONMENT

Rail lines carrying less than one million gross ton-miles per mile are often referred to as light density lines. These lines are generally considered at risk for potential abandonment at some time in the future (Figure 26). The branchlines of major carriers are usually light density lines. Including the miles operated by shortlines, Kansas has 2,600 miles of light density rail lines --nearly half of the total railroad mileage in the state.

In 1988 Mike Hayden, then Governor of Kansas, established an interagency working group to study the problem of railroad abandonments. The working group subsequently issued a report entitled Kansas Rail Lines at Risk: A Report to the Governor on Rail Abandonment (June 1989). The report suggested the state could lose nearly half of its rail system within the next several decades if current public policies regarding rail transportation continue.

In recent years the major rail carriers have eliminated numerous light density and unprofitable branchlines from their operations by sales to shortline operators or by abandonment. The Staggers Rail Act of 1980 and Surface Transportation Board (STB) streamlined abandonment procedures.

The susceptibility of many branchlines to abandonment depends on the volume of traffic and revenue along with such factors as the cost of labor contracts, the kinds of commodities hauled, condition of the track and whether bridge or overhead traffic can be rerouted without incurring excess route circuitry. Many rail lines in the state have suffered from deferred maintenance, and thus rehabilitation is a major consideration in Class I rail carriers' decisions about continuing rail service or abandonment.

The decline in rail freight traffic is often a gradual process, evidenced by diminished rail service and neglect of repair or maintenance of railroads. Directly contributing to the decline is the intense competition by highway motor carriers. In the 10-year period between 1981 and 1991, the proportion of the four major grains (wheat, corn, sorghum and soybeans) shipped from Kansas elevators by rail decreased from 75 percent in 1981 to 57 percent in 1991.

THE INTERSTATE COMMERCE COMMISSION BECOMES THE SURFACE TRANSPORTATION BOARD (STB)

In December of 1995, the Congress eliminated the Interstate Commerce Commission (ICC) and replaced it with the Surface Transportation Board (STB). The majority of duties involve rail issue primarily maximum rate regulation, mergers, abandonments and line sales. Reflecting these changes made by Congress, the STB has implemented/prepared rule making changes in abandonments.

FIGURE 25

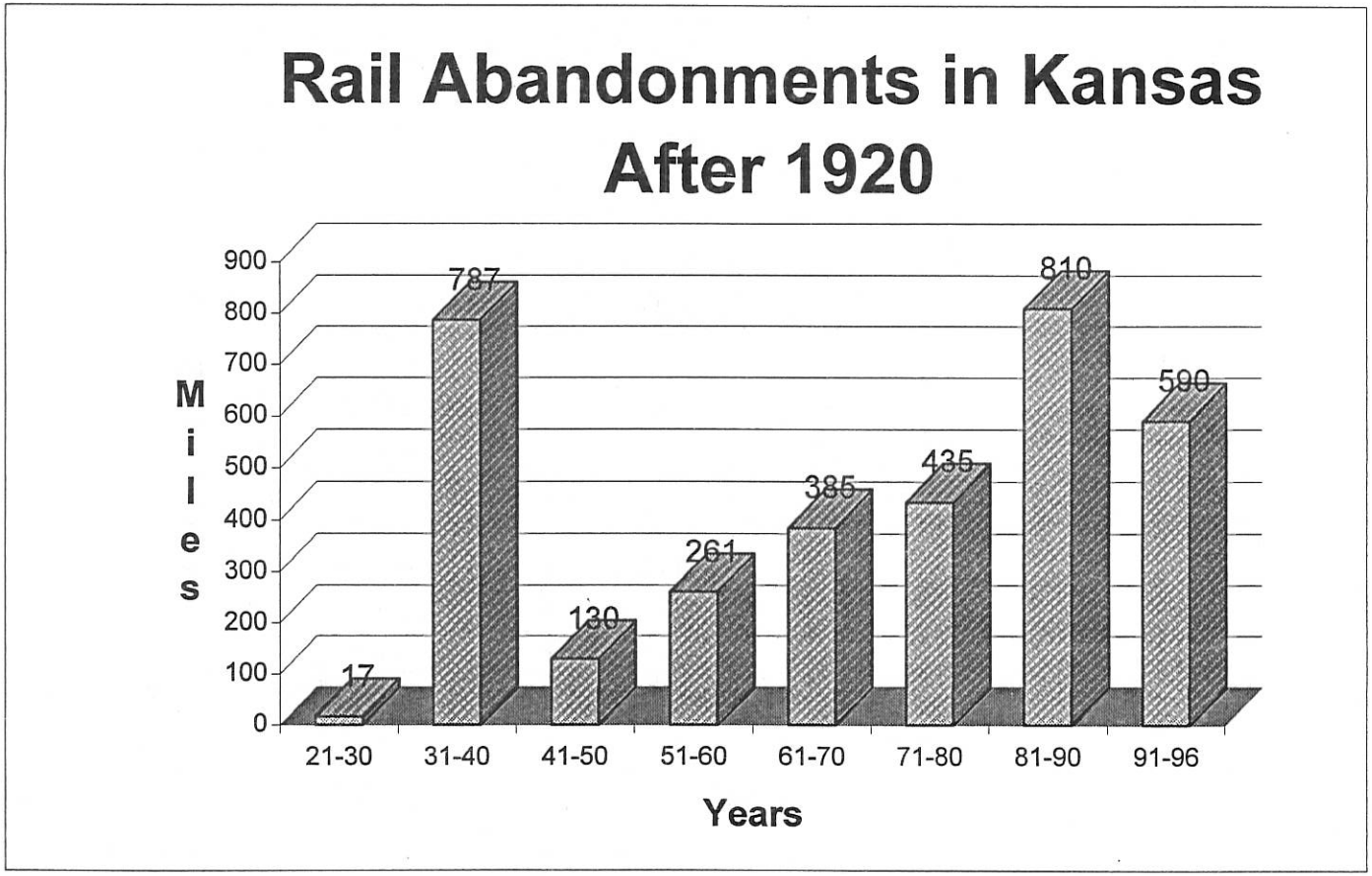
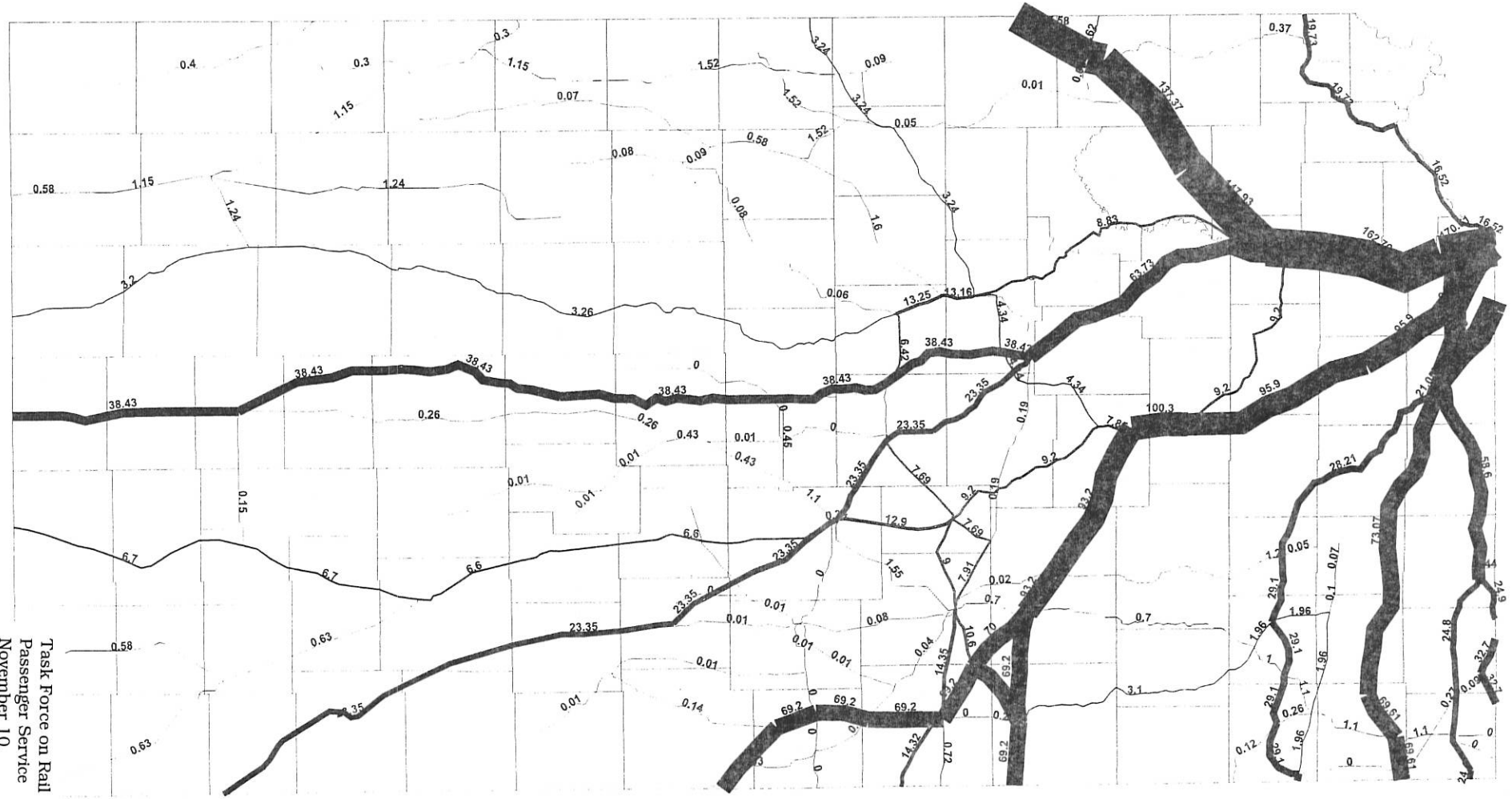

Rail Abandonments in Kansas After 1920
Miles
900
800
700
600
500
400
300
200
100
0
17
787
130
261
385
435
810
590
21-30
31-40
41-50
51-60
61-70
71-80
81-90
91-96
Years

Figure 26
Kansas Rail Density Map 1995



Notes: All GT<0.00 are rounded up to 0.01 unless the line is not in use

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KANSAS CURRENT ABANDONMENTS

In Kansas there has been significant interest in abandonment and preservation of railroad right of ways.

The STB identifies three abandonment categories. Kansas has only abandonment track in category I. Following is a table noting the Kansas rail miles in category I.

Table 12 – KANSAS RAIL MILES DESIGNATED FOR ABANDONMENT

OWNER RAIL LINE SEGMENT	ABANDONMENT CATEGORY	RAIL MILES
Union Pacific/Missouri Pacific		
(1) Vliets to Frankfort	I	5.00
Kansas Southwestern/Union Pacific		
(2) Conway Springs to Radium	I	94.11
(3) Olcott to Iuka	I	20.16
		119.27

Category I = Abandonment application is expected to be filed within three years.

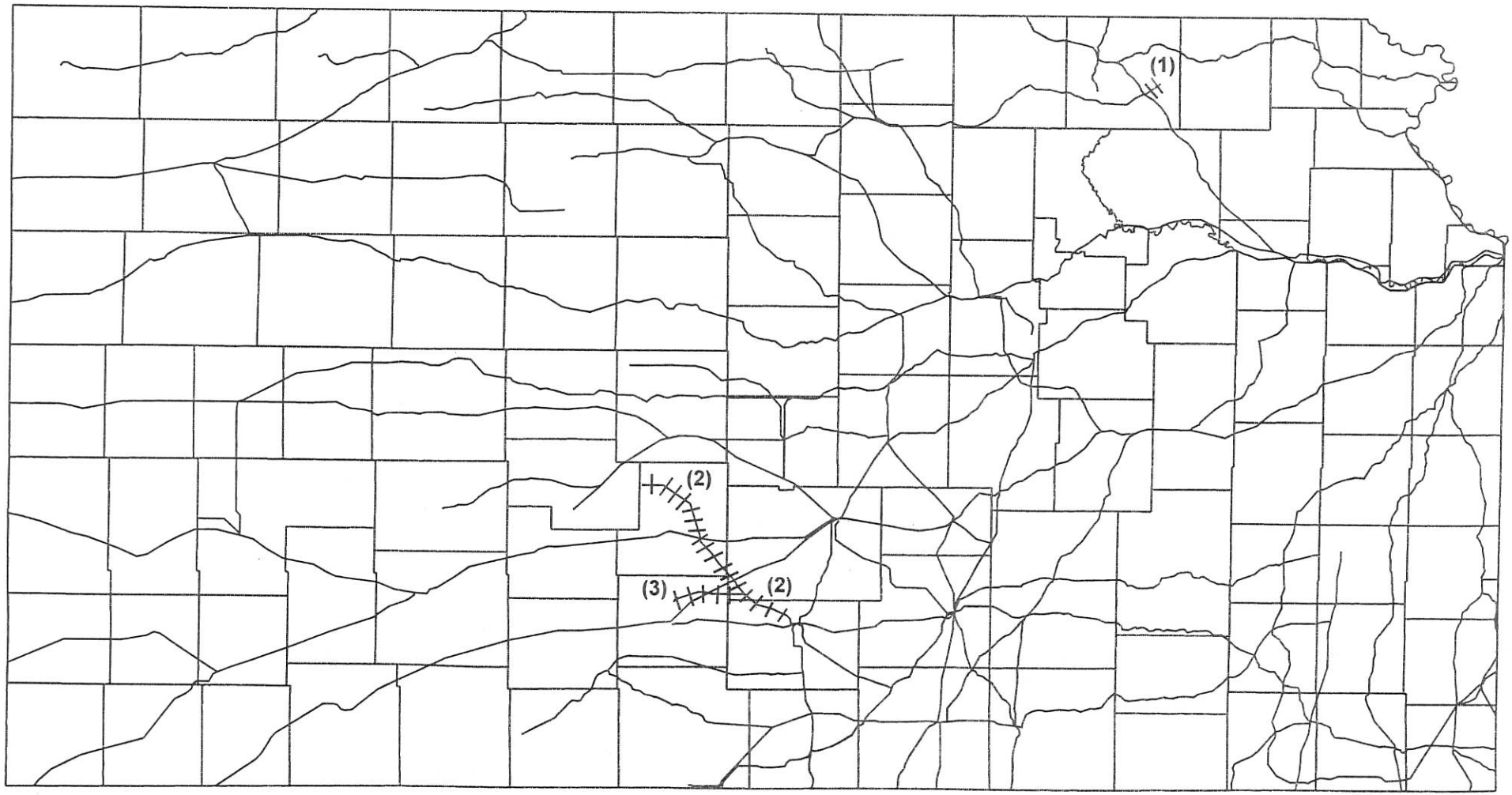
Category II = Abandonment under study.

Category III = Abandonment application filed with the STB.

These lines are presented graphically in figure 27.

Figure 27

Kansas Current Abandoment Railroad Map



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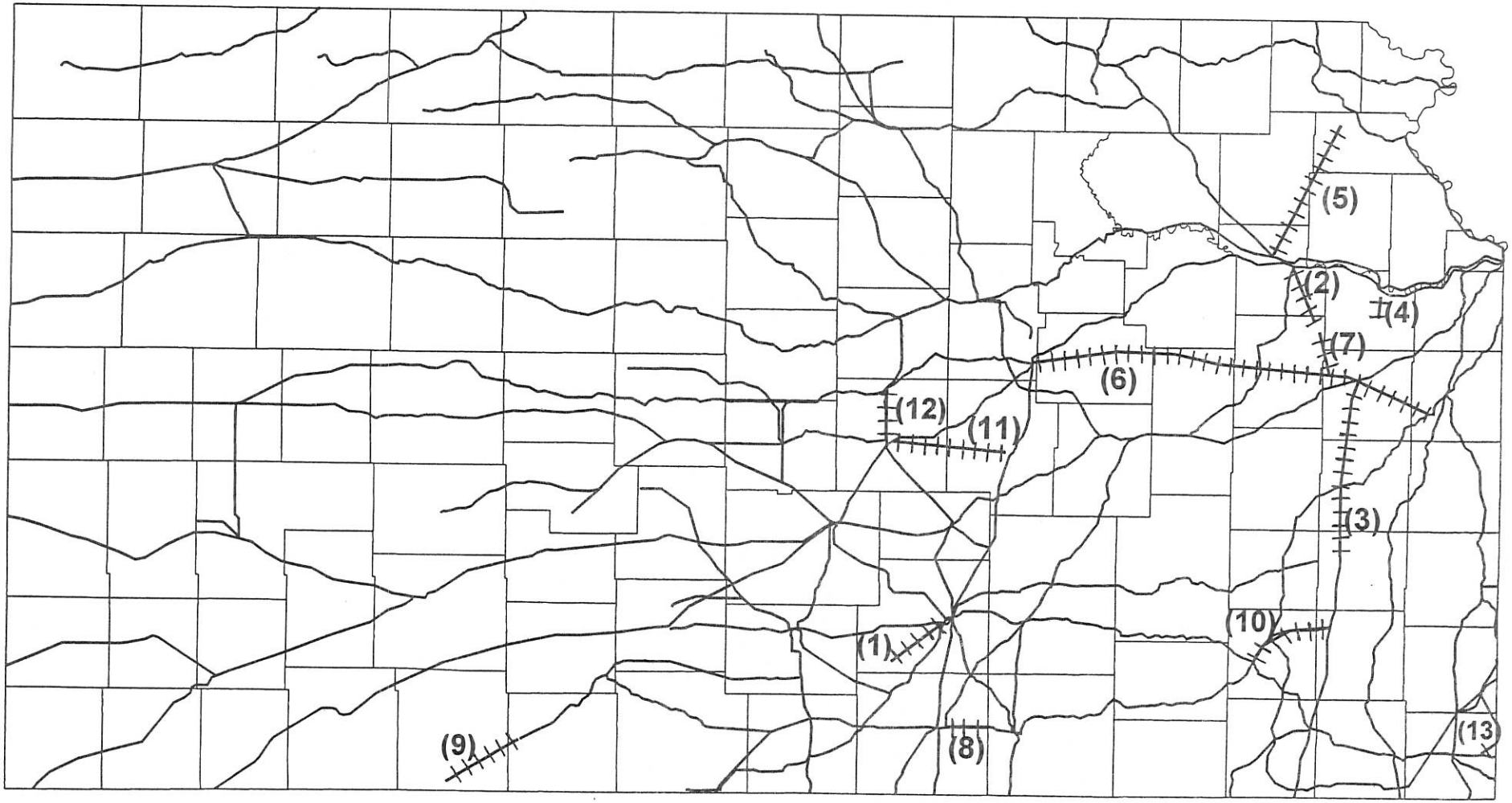
Kansas currently has 293.9 miles of railroad rail banked for future use. Presented below are the segments and approximate miles preserved for future use.

Table 13 – KANSAS LINE SEGMENTS AND MILES PRESERVED

	RAIL LINE SEGMENT	MILES PERSERVED
(1)	Wichita to Clommel	11.0
(2)	Topeka to Overbrook	40.0
(3)	Ottawa to Iola	50.0
(4)	Lawrence	.5
(5)	Topeka to Parnell (overturned on appeal)	40.0
(6)	Herrington to Osawatomie	120.0
(7)	Lomax to Overbrook	13.5
(8)	Oxford to Wellington (pending)	9.2
(9)	Protection to Englewood	30.3
(10)	Chanute to Fredonia (pending)	23.6
(11)	McPherson to Marion (pending)	37.1
(12)	McPherson to Lindsborg	12.6
(13)	Crestline to Waco (Mo.)	16.0
	Total	403.8

Figure 28
Kansas Railbanked Miles



Scale
0 20 40 60
Miles

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SURFACE TRANSPORTATION BOARD

ABANDONMENTS & ALTERNATIVES TO ABANDONMENTS

I. OVERVIEW

By the mid-1970s, our nation's rail transportation system was in dire financial condition. Rail carriers were faced with increased competition from other modes of transportation especially trucking, rising labor cost, fuel and maintenance expenses, and pervasive regulation that made it difficult for rail carriers to liquidate rid of unprofitable lines. These conditions had contributed to the bankruptcy of several prominent rail carriers.

Against this background, Congress enacted a series of new laws, most notably the Staggers Rail Act of 1980 (Staggers Act). Together with the implementing regulations issued by the Interstate Commerce Commission, the Surface Transportation Board's (STB) predecessor, this legislation sought to increase the role of the marketplace, rather than government regulation, in shaping rail transportation. In essence, the Staggers Act gave railroads more flexibility to set prices, adjust service as the market requires and become more competitive. At the same time, the necessity for some regulatory protection was recognized because rail carriers still have significant market power and rail transportation has a vital public interest. The current regulatory scheme governing abandonments and acquisitions to preserve service seeks to balance these competing considerations.

Under the more detailed abandonment application process for active lines, the STB balances the economic burden of continued operation against the public's need for the service. Authority usually will be granted to abandon lines on which there are significant operating losses. On the other hand, the railroad's ability to earn more money by divesting from a line and reinvesting its assets elsewhere usually is not sufficient evidence to allow abandonment in the face of a strong public need for service. Although it may be easier for carriers to abandon unprofitable rail lines, it is also now much easier for States and private parties to preserve rail service. Once an abandonment application is filed for a line, financially responsible parties can offer to subsidize the carrier's service or force the railroad to sell them the line for continued rail service.

In addition to this general background, specific types of abandonments will be discussed in the following parts that pertain to standards and procedures that govern formal applications to abandon a line. Other parts to be discussed are exemptions, a widely used alternative to the more detailed abandonment application process; and alternative ways of preserving rail service, including the purchase or subsidy of lines slated for abandonment. The role of labor will be examined and finally, alternative means of preserving rail rights-of-way through rail banking.

II. ABANDONMENTS

Under the ICC Termination Act of 1995, a railroad may abandon a line only with the STB's permission. The STB must determine whether the present or future public convenience and necessity require or permit the abandonment. In making this determination, the STB balances two competing factors. The first is the need of local communities and shippers for continued service. That need is balanced against the second factor of freeing railroads from financial burdens of unprofitable rail lines that are a drain on their overall financial condition.

To support its abandonment the railroad first must show how continued operation of the line would be a financial burden to it. If the railroad cannot establish this, the abandonment will be denied. However, the railroad does not have to show an actual operating loss. It may also calculate its opportunity costs for the line. These are the costs of the railroad's assets in the line.

If the railroad does demonstrate a financial burden, then evidence of the public's need for continued service is examined. The effect on local businesses, surrounding communities, the local economy, and the environment may be

considered. Parties opposing abandonment should present public need evidence and should also challenge the railroad's financial data.

With this general introduction, the following will address in more detail the steps in the abandonment process and the kinds of factors and evidence the STB considers in deciding these cases.

A. Steps in the Abandonment Process

The 49 U.S.C. 10904 establishes strict filing and procedural requirements for abandonment applications. The STB has adopted regulations to implement these requirements. These regulations are found at 49 CFR 1152.

Once an abandonment application is filed, interested parties have 45 days to file protests. Yet, an effective opposition to abandonment requires substantial preparation. The Act, therefore, also gives communities and shippers advance notice of a railroad's abandonment plans.

1. System Diagram Map

The earliest indication that a railroad intends to abandon a line comes from the railroad's system diagram map. (49 C.F.R. 1152.10-13) This regulation requires a rail carrier to maintain a map of all its rail lines. A Class III carrier may choose to prepare a narrative description of its lines instead of a map. On this system diagram map or in its narrative report, the carrier must identify separately (1) any line for which it expects to file an abandonment application within the next three years and (2) any line that it considers to be a potential candidate for abandonment. The Board will reject an abandonment application if any part includes a line that has not been identified as a Category I line (abandonment application planned within 3 years) for at least 60 days before the carrier filed the abandonment application. A carrier must publish its system diagram map or narrative in a newspaper of general circulation in each county containing a rail line in Category I, and publish all subsequent changes to its system diagram map. (The system diagram map rules are found at 49 U.S.C. 10903(c)(2) and 49 CFR 1152.10-13.)

2. Notice of Intent

In addition to the system diagram map requirement, the STB requires the railroad to file a Notice of Intent to abandon. The railroad must publish this notice once a week for three consecutive weeks in general circulation newspapers in each county where the line is located. They must also send it to each of the significant shippers on the line and send it to the State agency responsible for rail transportation planning, and post it at each agency station and terminal on the line. All these notice requirements must be fulfilled 30 days before the application is filed at the STB

The complete form and all the information this notice must contain are set out in 49 C.F.R. Section 1152.21 of the regulations. The notice describes when and how to file a protest to the proposed abandonment. It also explains how to obtain information on possible subsidy or purchase of the line. Once the Notice of Intent to abandon is received, shippers, communities, and interested citizens should organize their activities concerning the abandonment and prepare to present their position to the STB and the railroad. For help in preparing a Notice of Intent or preparing an opposition to an abandonment, contact the STB's Office of Public Services (OPS) at (202) 565-1592.

3. Abandonment Application

The abandonment application must contain detailed information about the costs and revenues on the line to be abandoned and the overall financial condition of the railroad. (A complete recitation of what must be in the application is found at 49 CFR 1152.22.) Any interested person may request a copy of the application from the railroad, and persons planning to protest should obtain a copy as soon as the application is filed and immediately begin to examine the information carefully.

Abandonment applications may contain pages of figures, tables, charts, and graphs, some of which may be less important than other parts. Opponents should make an effort to verify and, if appropriate, recalculate and reconcile key

figures and totals. Shippers and small communities often lack the expertise to analyze out rail financial data or the money to hire experts to do it for them. State rail officials can help in this area and should be contacted for assistance.

A railroad may ask the STB to waive certain informational requirements. For example, a railroad is normally allowed to exclude data concerning overhead or bridge traffic (shipments not actually originated or terminated on the line sought to be abandoned) if it would retain that traffic by rerouting it over other routes. However, an opponent who believes relevant information has been left out, should appeal the waiver explaining why the information is necessary. If the Board agrees, it will rescind the waiver and require the information.

4. Protests or Comments to the Proposed Abandonment

Once an application is filed, protestants have only 45 days to submit protests. 49 CFR 1152.25(a) of the regulations lists all the information that should be in the protest. Protests should quantify the harm to shippers and the community and explain each protestant's interest in continued service. If possible, they should also try to critically evaluate the railroad's financial evidence. Section 1151 .25(a) of the regulations lists all the information that should be in the protest.

All larger shippers and every community on the line should submit statements describing in detail their use of the line and the impact a loss of rail service will have on their operations. Opposition from elected officials from both the local and national level is also very helpful.

Shippers should submit car loading data and estimates of future use, showings of projected increased traffic. They should also point out any defects in the carrier's cost data. Communities and shippers should make every effort to quantify the harm from abandonment.

Protestants should describe their interest in the proceeding in as much detail as possible. If the line sought to be abandoned is used for grain shipments and the protestant is a grain producer, the statement should at least specify the number of years in farming, the farm's size, the amount of grain produced and shipped by rail, the number of people employed directly on the farm. Also the availability of alternative (whether rail, truck or barge) transportation, the cost of alternative transportation compared to the cost of using this line, and any other factors believed to be relevant should be included. In addition, protestants should present any evidence they may have developed that contradicts the revenue and cost evidence the railroad has submitted. Always use specific numbers, facts and figures when possible, and explain where the information was derived and how it was developed. Cost and revenue information is usually critical. Remember: If it is shown that the line is not a financial burden to the railroad, abandonment will be denied.

Again, protests and comments to the proposed abandonment must be received at the STB within 45 days after the filing of the application. An original and 10 copies of each comment or protest must be filed with the Board. A copy must be mailed to the applicant railroad, and each copy must contain a Certificate of Service (a statement that the railroad was mailed a copy of the comment or protest). No set form exists for protest and many letter protests are received. However, the more detailed a protest is, the more weight it will receive.

5. Modified Procedure and Oral Hearings

The STB will either set the proceeding for an oral hearing or, more often, for what is called modified procedure. Modified procedure means that no oral hearing is held, and all evidence is filed in writing. Oral hearings are for the primary purpose of cross-examining witnesses who have filed verified statements in the proceeding. See 49 CFR 1152.25(a). With this in mind, requests for oral hearing should specify any factual matters, which are likely to be disputed and require cross-examination.

Regardless of whether modified procedure or oral hearing is used, the core of both the railroad and protestant's case will come in the form of written evidence.

After receiving the protests and the railroad's reply, the STB must issue its decision within 110 days after the application is filed.

6. Appeals

If a party is dissatisfied with the STB's Director of the Office of Proceedings decision, it may ask the STB to reconsider the matter. Director's decisions are made during certain stages of the proceeding. For example, the Director makes the determination whether or not an Offer of Financial Assistance is bona fide, pursuant to 49 CFR 11 52.25(e).

A party that is dissatisfied with a decision of the full STB may seek judicial review of the STB's decision by filing a petition for review in the appropriate United States Court of Appeals.

In situations where the abandonment application was protested but approved, a dissatisfied party may ask the STB to reopen the case if it can show material error, new evidence, or substantially changed circumstances. In an unprotested case, the only recourse for a dissatisfied party is if it can show that the railroad's abandonment application was defective (for failure to provide the required notices, for example) in which case it can ask the STB to vacate the abandonment certificate.

B. Issues in Abandonments

Important issues in rail abandonments and the factors the Board weighs in deciding these cases will now be discussed.

As explained earlier, the standard used in deciding abandonment cases is whether the railroad's financial burden of continued service outweighs the public's current and future need for the service.

The railroad first must establish that it is indeed suffering a financial loss or burden from the line. If it fails to prove this, the abandonment will be denied. However, the railroad does not have to demonstrate an operating loss. The Board also considers the annual opportunity costs of owning and operating the line. This is the cost of the railroad's assets in track, land, and materials on the line. It is calculated by multiplying the carrier's investment in the line (including the net liquidation value of the track and land) by an appropriate annual rate of return. Where there is evidence of public need, the Board may refuse to grant abandonment based only on opportunity cost losses. If the railroad does show a financial loss or burden, then the protestants' evidence of public need is examined.

The statute specifically directs the STB to consider whether the abandonment will have a serious, adverse impact on rural and community developments 49 U.S.C. 10903(d). Protestants can address this factor through evidence showing the economic impact abandonment would have on the area. This can be done by computing (1) markets that would be lost without rail service, (2) the number of business failures or relocations and lost jobs that would result from abandonment, and (3) the number of current or future ventures (such as industrial parks) that depend upon continued rail service. Likely sponsors of this type of testimony would be shippers (using data from their own business), development experts from local or state governments, elected or appointed officials, and Chamber of Commerce representatives. In sparsely populated areas, for example, discontinuance of rail service may cause a significant loss of jobs and reduce the tax base upon which the community depends to support its local school system and other important public services.

A critical factor in assessing the impact of abandonment on a rail shipper's farm or business is the possible transportation alternatives available after abandonment. If shippers have already switched to truck transportation for part of their traffic, then truck transportation may be a suitable alternative for all their traffic. Yet, truck rates may be higher than rail rates, bringing into question whether businesses can survive with higher transportation costs. Also, sufficient trucks may not be available in the area to handle the increased traffic, or the local road system may not be capable of handling the increased wear and tear of truck transportation. These issues need to be fully explored and developed by protestants. This is another area where State transportation specialists can provide shippers and local communities with invaluable assistance.

Local shippers also should be able to present testimony concerning past and future use of the rail line. Reasons for the low levels of past rail shipments, such as sporadic business fluctuations, drought or other local disaster, should be explained. If shippers are expecting increased rail shipments, based on sound and defensible business forecasts, this should be documented.

Besides the economic impact of the proposed abandonment, protestants may also point out any effect that the abandonment would have on the environment. For example, increased use of alternative modes of transportation, such as

trucks, might adversely affect noise levels in congested areas or pose safety problems. The environmental consequences of abandonment are assessed by the STB's Section of Energy and Environment (SEE). For more information about environmental issues you can contact SEE at (202) 565-1538. Also see the STB's regulations at 49CFR1105.

The balancing test the STB employs to decide abandonments has factors on both sides of the equation. To be successful, protestants should not only present the harm that they will suffer from abandonment, but they should also attempt to discredit the railroad's evidence of losses or burden from operating the line.

C. Evaluating Railroad Financial Data

Opponents of an abandonment should clearly examine the railroad's financial data. The railroad must show it is incurring financial losses or a burden. The railroad will attempt to show that (1) it is not receiving, and cannot reasonably expect in the future to earn, sufficient revenues from the line; and/or (2) it expects to face significant costs on the line in the future that it will not be able to recover. Normally, the past revenue generated by the line can be determined fairly accurately based on carrier and shipper records. Other data are subject to interpretation by the parties, however. These include: (1) projecting the revenues for the line; (2) isolating the historical expenses of operating and maintaining the line, and projecting future operating, maintenance and rehabilitation expenses; and (3) calculating the opportunity costs of operating the line.

Protestants who can critically evaluate this data will have a better chance of success. The assistance of a CPA or rail cost analyst is useful and can be critical. Even if there is insufficient time or money to analyze the financial data thoroughly, there are a number of key issues that should be examined.

Railroads are required to include in their abandonment applications projections of their revenues and costs on the line for a forecast year the 12-month period beginning the first day of the month the application is filed. To project future revenues and costs, the railroad must necessarily make assumptions. Those assumptions should be evaluated critically. Nobody can predict the future with certainty, and in many instances the protestants may be in as good or better position than the railroad to make accurate predictions. For example, a substantial component of revenues usually consists of the number of shipments originating or terminating on the line. Shippers on the line presumably know their own businesses and future transportation needs and may be able to dispute the railroad's projections of future traffic. Wherever possible, protestants should provide specific facts and figures to support their own projections.

Of course, projections as to the future usually are based upon prior experience. Thus, the railroad's historical data should also be examined. Again, there are some issues that can be explored even if a rail cost analyst or other expert is not available.

First, confirm that all the data are from the relevant periods. Historical cost and revenue data must be submitted for a so-called base year. The base year is the most recent 12 month period for which data has been collected at the branch level, ending no earlier than 6 months prior to the filing of the application.

Second, be alert to circumstances that may make the historical data unrepresentative. For example, was the carrier's ability to meet requests for service impaired by a shortage of rail cars? Or was there a recession or drought that resulted in lower, unrepresentative traffic volumes and revenues?

Third, confirm that actual costs and revenues are used where required by the regulations. Maintenance-of-way expenses usually cannot be estimated by prorating expenses from a larger section of track; actual expenses incurred on the line sought to be abandoned are normally required. Similarly, depreciation of equipment, the return on investment for locomotives, and fuel costs must be based upon the type of locomotive and freight cars actually used on the line. The use of summary data based upon Road and Yard categories is generally unacceptable, because it tends to overstate costs when, as is often the case, a local or way train serves the branch line.

Fourth, if there are high rehabilitation or deferred maintenance costs, a qualified individual should examine the railroad's work papers and physically inspect the properties. It may be possible to further defer maintenance-of-way expenses for yet another year, taking those costs out of the forecast year. Usually only those rehabilitation costs necessary to meet Federal Railroad Administration minimum class I standards are allowed. As a rule of thumb, rehabilitation costs and maintenance-of-way expenses vary inversely. That is, if rehabilitation costs are high, then maintenance-of-way costs should be low.

Fifth, as with the actual and projected revenue and cost information, the railroad's claimed opportunity costs should also be examined thoroughly by an analyst. Even if this is not possible, several key components of opportunity costs can be examined.

For example, land values are usually an important factor in calculating opportunity costs. Protestants should check with the Register of Deeds to make sure the land included in the railroad's calculations is and would still be owned by the railroad in the event of an abandonment. In some cases, ownership of the land reverts automatically to adjoining landholders. In addition, local bankers and real estate agents can supply accurate information on land values that may contradict the railroad's estimate of the value of its land holdings. Protestants should also (1) verify the tons of track material that will result from salvaging the line; (2) obtain an estimate of the scrap value in dollars per ton, and (3) see whether the cost of dismantling the track was deducted from the railroad's estimated sales proceeds.

It should be noted that a carrier may either calculate its own (pre-tax) cost of capital or use the industry-wide (pre-tax) cost of capital figure that is determined annually by the STB. To obtain the STB's latest cost of capital determination call the STB's Section of Costing and Financial Information at (202) 565-1533.

Finally, the railroad's projected gains or losses on its rail assets should be examined. Local real estate agents or brokers can check projections of changes in value for land, and the railroad's projections can also be compared to the index price series for historical sales of rail assets maintained by the STB. The railroad must justify departures from these trends.

III. EXEMPTIONS TO THE ABANDONMENT PROCESS UNDER 49 CFR 1152.50

The STB's power to exempt rail lines from the normal abandonment procedures is found in the ICC Termination Act, 49 U.S.C. 10502. Section 10502 gives the Board a broad grant of authority to exempt carriers, services and transactions from almost any and all kinds of STB regulation. The STB must exempt a carrier, service or transaction from regulation if it finds (1) that continued regulation is unnecessary to carry out the national rail transportation policy of 49 U.S.C. 10101, and (2) that either the transaction or service is of limited scope or application of the regulatory scheme is unnecessary to protect shippers from an abuse of market power. Congress clearly contemplated that the STB would use this general exemption power broadly. The legislative history reflects Congress' desire that the STB actively exempt railroads from unnecessary regulation, particularly regulations restricting changes in rates and services. But Congress also provided the STB with authority to revoke exemptions that it has issued if and when the Board finds that its regulation is indeed necessary.

The STB and the ICC before it have both used broad exemption authority to facilitate the abandonment of lines where it believes that closer regulatory scrutiny is unnecessary, through both class exemptions and individual line exemptions. As a class, the STB has exempted the abandonment of lines over which no local traffic has moved for at least 2 years without formal complaint about a lack of service. Where a line has generated traffic within the last 2 years, the railroad may seek to persuade the STB that an exemption is nevertheless appropriate for that individual line. These exemptions are widely used.

A. Class Exemption: Out-of-Service Lines

To invoke the class exemption for out-of-service lines, a carrier must file a notice at the STB certifying that (1) no local traffic has moved on the line for the past 2 years; (2) any overhead traffic that has moved over the line can be rerouted over other lines; and (3) no formal complaint about a lack of service is pending or has been decided in favor of the shipper.

Unlike the traditional application process, no Notice of Intent to abandon or system diagram map or narrative notice is required. However, 10 days before filing the exemption notice with the STB, the railroad must notify the affected State's Public Service Board or equivalent agency of its intention to do so. The railroad must also send an advance environmental notice to the State, in accordance with STB regulation 49 CFR1105.11.

The STB will publish the exemption notice in the Federal Register within 20 days after it is filed. Thirty (30) days after the Federal Register notice, the railroad may abandon the line, unless the Board stays the exemption.

Stay requests that raised transportation concerns must be filed within 10 days after the exemption notice is published in the Federal Register. Stay requests based on environmental or historic preservation concerns may be filed at any time but must be file sufficiently in advance of the effective date for the STB to consider and act on the petition before the notice becomes effective. Offers to subsidize or purchase the line must be filed within 30 days after the Federal Register publication.

In addition, parties may ask the STB to reject the notice or reconsider the exemption as it applies to a particular line. Petitions to reject or reconsider may be filed within 20 days after the Federal Register notice. After the exemption takes effect, parties may ask the STB to revoke the exemption. Petitions to revoke may be filed at any time.

The STB will reject the notice if the information contained in the request is false or misleading. Therefore, if local traffic has moved on the line within the last 2 years, the exemption will be rejected. Although environmental concerns, public need for continued service, and other issues can be raised in a petition to reconsider or revoke, the STB will disallow the exemption only in extraordinary cases.

If use of the class exemption is disallowed for a line, the railroad is still free to apply for abandonment of the line under the regular application procedures discussed previously (or seek an individual exemption under the procedures discussed later). The complete regulations applying to this class exemption are found at 49 CFR1152.50. Also see the attached STB Timetable for class exemption proceedings at Appendix II.

B. Individual Exemptions under 49 CFR 1152.60

As with the out-of-service line exemption, no Notice of Intent to abandon or system diagram map or narrative notice is required when a request for an individual exemption is filed. The only notice a railroad must give before filing an individual exemption request is an environmental notice to the designated State agency in each state where abandonment is proposed. To obtain the name and address of the designated agency in your State call the STB's Section of Energy and Environment at (202) 565-1538.

The STB must publish notice of the proposed exemption in the Federal Register 20 days after it is filed. No further public notice is given even if the petition is denied. Carriers frequently will serve a copy of their petition on any shippers on the line but are not required to give notice when the petition is granted or denied. Interested persons can be notified individually by the STB, if they ask that their names be placed on the STB's service list in a particular case. Parties of record (applicants and protestants) are placed on the service list automatically, but other interested persons should notify the Board's Office of the Secretary, 1925 K Street, NW, Washington, DC 20423 of their desire to be served with copies of all decisions in a particular case.

A petition for an exemption generally will include only a brief description of the relevant facts. It need not be, and typically is not, accompanied by detailed financial or other information.

Persons opposing an exemption must file an opposition within 20 days after publication of the Federal Register notice. Offers to purchase or subsidize the line must be filed 10 days after the filing of the petition or exemption or 10 days after the service of the STB's decision granting the exemption, whichever occurs sooner. To receive a copy of that decision, you must have notified the Office of the Secretary of your interest in the case and have asked to be put on the service list as instructed, supra.

Petitions to stay the effective date of the decision may be filed in either Petition (Individual exemption) or Notice (class exemption cases). It should be noted that administrative agencies, like the Courts, have developed firm criteria for staying administrative action. To justify a stay, a petitioner must demonstrate that:

(1) there is a strong likelihood that petitioner will prevail on the merits;

(2) petitioner will suffer irreparable harm in the absence of a stay;

(3) other interested parties will not be substantially harmed by the issuance of a stay; and

(4) the public interest supports the granting of the stay.

The STB, as do the Courts, gives very careful consideration to each of the above criteria and has required a strong substantive showing on all of the four factors. While the showing of irreparable injury may vary from case to case, the key consideration is irreparable. Injuries that can be corrected later (however substantial in terms of money, time and energy) may not be enough to justify a stay. Similarly, in determining the public interest factor, the interests of private litigants must give way to the realization of public purposes. The burden of making a strong showing on all four of the above factors rest with the petitioner to convince the Courts or the STB that such extraordinary relief is warranted.

Where possible, parties opposed to the exemption should file an opposition or a protest with the STB before it acts on the exemption request. Even in the absence of a formal notice requirement, community leaders and shippers often are aware of a railroad's plan to seek an exemption before the carrier files its petition.

Protests and petitions for reconsideration of individual exemptions should include essentially the same kind of facts that would be included in a regular abandonment case. For instance, shippers should explain their business operations, quantify their use of the involved rail line, discuss the availability and any additional cost of alternative transportation services, and explain the impact loss of the rail service would have on their businesses and the community. To the extent possible, protestants also should try to critically evaluate any financial information and traffic projections submitted by the railroad.

If the Board denies a carrier's request for an exemption, the carrier is free to file for authority to abandon under the regular application procedures discussed earlier.

IV. ALTERNATIVES TO ABANDONMENT

Users and interested parties should consider alternatives to abandonment at the first sign a carrier may be contemplating abandonment. The fact that the existing railroad believes the line is no longer economically viable does not necessarily mean the line cannot continue operations under other arrangements. There are many examples of small short line railroads operating on lines that the main line railroad sought to abandon. Congress and the STB have made it easier to preserve rail service by acquiring or subsidizing rail lines. These options will be briefly outlined below.

A. Forced Sales and Subsidies

To encourage continued service, Congress and the STB have adopted procedures that make it possible to force the sale or subsidy of lines slated for abandonment where the parties cannot agree on the price or terms of a subsidy.

1. Lines Approved for Abandonment

Under the "Offer of Financial Assistance" (OFA) procedures, any financially responsible party seeking to continue service on a line approved for abandonment (or exempted) may compel the railroad to sell or conduct subsidized operations over the line. The statutory requirements and STB regulations concerning offers of financial assistance are contained at 49 U.S.C. 10904 and 49 CFR 1152.27, respectively.

Parties may request data on subsidy and acquisition costs from applicants in abandonment proceedings as soon as the Notice of Intent to abandon is filed. This includes (1) an estimate of the minimum purchase price or annual subsidy needed to keep the line in operation, (2) reports on the physical condition of the line, and (3) traffic and other data necessary to determine the amount of annual financial assistance needed to continue service. Any one who believes subsidy or acquisition is a possibility should request this information immediately and begin a thorough feasibility study. Often the State will assist the railroad by providing substantial money for rehabilitation of the line.

In class exemption cases, where the railroad files a Notice of Exemption, Offers of Financial Assistance must be filed within 10 days of the publication of the Notice of Exemption in the Federal Register. In individual exemption cases where the carrier files a Petition for Exemption and in cases where the carrier files a full abandonment application, an OFA must be filed within 10 days of the service date of the Board's order granting the exemption or abandonment application or within 120 days after the application or petition for exemption is filed, whichever is sooner. It is very important for a potential offeror to be aware of both the filing date and the date of the Board's decision. To do this, the potential offeror should ask to be placed on the Board's service list for the relevant abandonment proceeding, so that the offeror will be advised as soon as any decision is in the case is served.

Each OFA is reviewed by the STB to determine whether the offeror is financially responsible and whether the offer itself is reasonable. A copy of the offeror's annual report or other financial statements should be submitted with the offer to show its financial responsibility. The STB assumes a State or local government entity to be financially responsible.

As to the reasonableness of the offer, a subsidy should cover the railroad's avoidable operating losses on the line, plus a reasonable return on the value of the line. An offer to purchase should equal the acquisition cost of the line (the net liquidation or going concern value of the line, whichever is higher). The offeror should explain how its offer was calculated and explain any disparity between its offer and the railroad's estimate. If the Board finds that the offeror is financially responsible and the offer is reasonable, it will postpone the abandonment and give the parties an opportunity to negotiate.

If negotiations are successful and the parties voluntarily enter into a purchase (or subsidy) agreement, which will result in continued rail service, the STB is required to approve the transaction and dismiss the abandonment application.

Should the parties fail to agree on the amount or terms of subsidy or purchase, either party may ask the STB (within 30 days after the offer is filed) to establish terms and conditions. The Board must issue a decision setting the terms and conditions, within 30 days after the request is made. The offeror then has 10 days to accept or reject the STB's terms and conditions. If the offeror chooses to accept them, then the railroad by law is forced to comply with them.

When a railroad receives more than one OFA, it can select the offeror with whom it wishes to transact business. Moreover, if the STB establishes terms and conditions at the request of an offeror who subsequently withdraws, then any other qualified offeror may take its place, forcing the railroad to go through with the subsidy or sale under those terms and conditions. Certain conditions apply to sales under Section 10904(f)(4)(A). A purchaser may not transfer the line or discontinue service over the line for at least 2 years after consummation. After that time period, the purchaser may transfer the line back to the selling carrier, but it must wait at least 5 years before it can sell the line to others.

The financial assistance provisions of Section 10904 also apply where the STB exempts an abandonment from the formal application process. There are some differences however, particularly as to timing. For example, in exemption proceedings, persons interested in purchasing or subsidizing the line must first submit to the STB and the railroad a written expression of their intent to make such an offer. This expression of intent must be received within 10 days after notice of the exemption is published in the Federal Register. Once the expression of intent is received, the exemption will be automatically stayed for 40 days. The offer itself is due 30 days after the Federal Register notice. For more information on these procedures see the STB's regulations at 49 CFR 1152.27.

2. Purchase of Lines Potentially Subject to Abandonment

The feeder railroad development program was designed as an alternative to abandonment. Congress envisioned it as a method of allowing shippers, communities, or other interested parties to acquire rail lines before an abandonment application is filed. If a rail line has been listed on a carrier's system diagram map as potentially subject to abandonment, a financially responsible person can compel the STB to require a railroad to sell it the line. The price for such a sale is either agreed to by the parties or set by the Board. The statutory procedures for this program are found at 49 U.S.C. 10907 and the STB's regulations are detailed at 49 CFR 1151.

In short, a proceeding commences upon the filing of a feeder line application with the Board. The applicant must show, among other things, that it can (1) pay the net liquidation value of the line or its going concern value, whichever is higher, and (2) provide adequate service for at least 3 years. The Board has 15 days to reject the application if it does not contain the prescribed information or to accept it by filing a Notice in the Federal Register no later than 30 days after the application is filed. Within 30 days after the application is accepted, any other interested party may file a competing application to acquire all or any portion of the same line. The owning railroad and other interested parties may submit verified statements containing their evidence and arguments within 60 days after the initial application are accepted. Within 80 days after the initial application is accepted, offerors may file verified replies. The STB must publish its decision in the Federal Register within 10 days of the service date of the decision, the offeror must file a notice with the STB and the owning railroad either accepting or rejecting the Board's terms. If two or more offerors accept the STB's terms, the owning railroad has 15 days from the service date of the Board's decision to select the offeror with whom it wishes to transact business and to notify the STB and offerors. If the parties agree on a price then that price will be the final sale price.

In theory, this program has two major advantages. It allows the parties to save the time and expense involved in the abandonment process, and it allows the new owners to take over operation of a line before further downgrading occurs. The program however, has not lived up to its potential, in part because it places the railroad and new short line owner in an adversarial relationship from the outset. It forces the railroad to sell at a price it may not agree upon and requires the newly created shortline to then develop a relationship with the railroad (with whom it must interchange traffic to reach the main line) in order to function in its new venture.

B. Voluntary Sales and Operations

Parties interested in preserving rail service need not wait until abandonment is approved to negotiate a voluntary purchase of a line proposed for abandonment or for that matter any active rail line. To make purchases of lines that might otherwise be abandoned more attractive to potential buyers, the STB has exempted these purchases from regulation. Special provisions have also been adopted to encourage continued service on abandoned lines acquired by States.

1. Class Exemptions

The statutory standards for voluntary acquisitions are found in 49 U.S.C. 10901, 10902, and 11323. Section 10901 applies only when (l) a non-carrier acquires a rail line and (2) an existing carrier acquires an inactive line (a line that is already lawfully abandoned). Acquisitions of active rail lines by existing carriers fall under Section 10902 or 1 1323. These formal application procedures are seldom used to preserve rail service on lines threatened with abandonment. Instead, voluntary purchases of lines subject to abandonment are almost always consummated under exemptions to the formal acquisition procedures. These exemptions are discussed below.

a. Section 10901 Acquisitions

Following the Staggers Act and deregulation of the railroads, large Class I carriers began to sell or abandon unprofitable or marginally profitable lines. Requests to acquire and continue service over these lines were usually unopposed and were almost always approved because they were in the public interest. This led the ICC to promulgate broad class exemption procedures in 1986. The current rules are found in 49 CFR 1150 Subpart D. Most non-carrier acquisitions and operations are now exempt from formal regulation under Section 10901, as are all carrier acquisitions of abandoned lines. When a Class II or Class III carrier acquires a line, it is governed by 49 U.S.C. 10902.

To invoke the class exemption, the acquiring party must file a verified notice including general information about the transaction, and a caption summary, which will be used to provide public notice of the transaction. The exemption procedures differ depending on the carrier's size (in terms of gross revenue). If the transaction will create a Class III (smallest size) railroad, the exemption will be effective 7 days after the notice is filed.

b. Section 11323 Transactions

Class exemptions have also been established for seven kinds of transactions that would otherwise require approval under 49 U.S.C. 11323 -- the statute applicable to carrier acquisitions of active rail lines. The most important for our discussion here are; (1) acquisition of a line which has already been approved for abandonment and would not constitute a major market extension, (2) acquisition of nonconnecting lines, and (3) acquisition of trackage rights. (The last two categories do have some qualifications not relevant here.) See 49 CFR 1180.2(d).

To invoke these exemptions, the carrier must file a verified notice, at least one-week before the transaction is to be consummated, containing the information listed in the Board's regulations at 49 CFR 1180.4(g)(1). To qualify for an exemption for acquisition or renewal of trackage rights agreements, a caption summary must be filed as well. See 49 CFR 1180.4(g)(2)(i).

2. Individual Exemptions

Where no class exemption applies, an individual exemption may be sought for almost any small rail acquisition or operation, under the Board's general exemption authority at 49 U.S.C. 10502. Such requests for individual exemptions should be tailored to the particular situation involved.

The statute itself exempts some types of rail operations and transactions from STB regulation. The acquisition or use of spur, industrial, team, switching or sidetracks is exempt under 49 U.S.C. 10906. These statutory exemptions are defined narrowly and the facts of each situation must be carefully examined to determine if the exemption applies.

V. LABOR ISSUES

No discussion of the acquisition and abandonment of rail lines would be complete without recognizing the increased importance rail labor plays in many of these cases. Labor witnesses often take an active role in opposing abandonment applications and other proceedings. In addition, the ICC Termination Act provides certain protection for employees of railroads engaging in some major changes in operations. It requires railroads to protect their employees from financial loss for a period of up to 6 years and to provide other protection relating to benefits and seniority.

Labor issues may arise in any rail transaction. The STB imposes labor protective conditions (LPC) in most abandonments.

The conditions have been crafted differently for each situation. Generally there are the Oregon Short Line conditions imposed in abandonment cases, the Mendocino Coast conditions imposed in lease transactions, and the New York Dock conditions imposed in line sales to existing carriers. When imposed, these conditions obligate the selling or abandoning railroad and, in some cases, can also be imposed on the acquiring railroad. When the acquiring entity is an established railroad or is a wholly owned subsidiary that is not independent from its rail parent, conditions may be imposed on both the acquiring and selling carriers. But where there is an acquisition of a line by a non-carrier or a Class III carrier, the employees are not entitled to any labor protection. Moreover, LPC are not imposed for forced sales under the offer of financial assistance provisions of Section 10904 and are imposed only on the seller when there is a forced sale under the Feeder Railroad Development Program.

The STB is not allowed to use its exemption powers under 49 U.S.C. 10502 to excuse carriers from providing employees with the LPC they are due.

It is important at the beginning of any abandonment or acquisition proceeding to determine what position, if any, rail labor intends to take. There are some abandonments which will have minimal or no effect on rail jobs. In those cases, rail labor often decides not to participate. There are other situations in which labor play an active role, challenging railroad costing testimony and providing convincing data in such areas as labor costs, track maintenance, and the current condition of the track and rolling stock.

VI. ALTERNATIVE USES FOR RAIL RIGHTS-OF-WAY

The ICC Termination Act and the National Rails to Trails Act, along with the STB's regulations give interested parties the opportunity to negotiate voluntary agreements to use a railroad right-of-way that otherwise would be abandoned for recreational trail or other public use, such as a commuter rail service or a highway. These methods of preserving a railroad corridor are known as rail banking meaning that the right-of-way is preserved for potential future use as a railroad. Many railroads do not own the land on which their tracks lie. Rather, they have easements over the land of adjoining property owners. Unless those easements are rail-banked by converting them to a trail or other public use, they are extinguished. Some rights-of-way, which were banked, have been reactivated. The rules for filing a request for a public use condition are slightly different from those, which apply to the filing of a trails use request. Proponents often ask for both conditions in the same request in order to take advantage of the benefits of each type of condition. This disadvantage of this approach is that the request for a trails use condition has a filing fee, while a request for public use condition does not. Since filing fees change at least once a year, it is advisable to contact the Board's Office of Public Services at (202) 565-1592 to determine the current fee, if any, before filing any pleading.

A. Public Use Conditions

Under the terms of the ICC Termination Act in 49 U.S.C. 10905, when the STB approves or exempts an abandonment it must determine whether the rail line is suitable for alternative public use, such as highways, other forms of mass transit, conservation, energy production or transmission, or recreation. If it is, the STB may prohibit the railroad from selling or otherwise disposing of the rail corridor for up to 180 days after the effective date of the decision or notice authorizing abandonment. During the 180-day period, interested persons may negotiate with the railroad to acquire the property for public use. The railroad's consent is unnecessary for the imposition of this negotiating period. If the parties fail to reach an agreement within the 180 day period, the Board must allow the railroad to fully abandon the line and dispose of its property. It cannot require the railroad to sell its property for public use.

The Board will only impose a public use condition when it has received a request to do so pursuant to 49 CFR 1152.28. The request must:

1. state the condition sought;
2. explain the public importance of the condition;
3. state the period of time for the condition (which cannot exceed 180 days);
4. provide justification for the requested period of time.
5. Certificate of Service indicating that a copy of the public use request has been served on the carrier seeking abandonment at its address of record.

An original and 10 copies must be submitted to the Board.

Timing is important. In an application for abandonment, the public use proponent must file the request within 45 days of the filing of the application, i.e. 25 days after the notice of the application appears in the Federal Register. In exemption cases, whether the exemption is a class exemption (notice) or an individually sought exemption (petition), the public use condition request must be filed within 20 days after the Federal Register publication appears.

B. Request for Trail Use Conditions

To begin the trail use process, a trail proponent must file a trail use request in the proceeding initiated by the railroad to abandon the line. A trail use request has no effect on the STB's decision whether to give a railroad permission to abandon. It is considered only after the STB has decided to permit the abandonment.

Under 49 CFR 1152.29, the trail use request must include:

1. A map which clearly identifies the rail corridor (including mileposts) which is proposed for trail use;

2. A statement of willingness to accept financial responsibility which indicates the proponent's willingness to manage the trail, pay property taxes on the trail and accept responsibility for any liability arising from the use of the rail corridor as a trail;

3. An acknowledgment that trail use is subject to the user's continuing to meet the above obligations, and the possibility of future reactivation of rail service on the corridor; and

4. A Certificate of Service indicating that a copy of the trails use request has been served on the carrier seeking abandonment at its address of record.

An original and 10 copies of the request must be filed with the STB and a copy served on the railroad.

Unlike the public use condition, the trail use condition will only be imposed if the railroad consents. If the railroad does agree, then a condition is imposed which prohibits the rail carrier from otherwise disposing of the rail corridor for 180 days while the parties negotiate an agreement. The Board has granted an extension of that 180-day period in cases where the parties jointly request it indicating that they are close to agreement.

As with the public use condition request, timing is very important. In an abandonment application, trail use requests must be filed within 45 days of the filing of the application i.e., 25 days after the publication of the application in the Federal Register. The rail carrier seeking abandonment authority then has 15 days to notify the STB whether and with whom (if more than one proponent has submitted a request) it intends to negotiate a trail use agreement. In class exemption cases, a trails use request must be filed within 10 days of the appearance of the notice in the Federal Register. Note that this is 10 days earlier than a public use condition request is due. In an individual exemption case (petition), a trail use request must be filed with 20 days of the appearance of the Federal Register notice. In both types of exemption cases the carrier has 10 days after the trails use request is received to notify the STB whether and with whom if intends to negotiate a trails use agreement.

Appendix I

SYNOPSIS OF NEW ABANDONMENT REGULATIONS

1. Effective Date: Regulations effective on 1/23/97

2. New Uniform Schedule:

Day –60 Deadline for identifying line as Category I on SDM.

Day –30 Opportunity to file Notice of Intent.

Day –20 Due date for railroad to file environmental and/or historic reports on required agencies

Day O Application filed, including applicant's case in chief.

Day +10 Due date for oral hearing requests.

Day +15 Due date for STB decision on oral hearing requests.

Day +20 Due date for Notice of Application to be published in the Federal Register.

Day +45 Due date for protests and comments, including opposition case in chief, and for public use and trail use requests.

Day +60 Due date for applicant's reply to opposition case and for applicant's response to trail use requests

Day +110 Due date for service of decision on the merits.

Day +120 Due date for offers of financial assistance, except that if an application has been granted by decision issued sooner than

Day 110, the offer of financial assistance shall be due 10 days after service of the decision granting the application.

Important Changes from the Old Regulations:

a. The STB will publish a notice of an abandonment application or a petition for an individual exemption in the Federal Register 20 days after the application or petition is filed.

The notice will: 1) Describe the proposal; and 2) Advise the public regarding due dates for OFAs and requests for public use and trail use conditions, and explain how to participate in the proceeding. The railroad must file a draft notice on a disk.

b. SDMs a one time filing unless extensive changes made. Class III carriers have option of only filing a narrative. The line must be identified on Category I for 60 days.

c. Summary application and special procedures for bankrupt carriers eliminated. However, special provision for bankrupt railroads: all pleadings and STB decisions must be filed with the court; and special processing schedules should be established to meet court deadlines, if possible.

d. Due dates for filing public use and trail use requests:

1. Abandonment applications: Both requests filed 45 days after the application is filed. Applicant must respond to trail use request within 15 days.

2. Petitions for individual exemptions: Both requests filed within 20 days after FR publication. Petitioner must respond to trail use request within 10 days after the request is filed.

3. Abandonments by class exemption remain the same. Trail use requests must be filed within 10 days after FR publication and public use requests must be filed within 20 days after FR publication. The railroad must respond to trail use request within 10 days after the request is filed.

e. A 1-year time limit by which a railroad must exercise the authority to abandon is established. The railroad must inform the Board and the proper state agencies by sending a consummation notice.

f. OFAs:

1. Initially, the Board need only find that the offeror is a financially responsible person.

2. Requesting party submits its case in chief at the time it makes its request and serves the other parties by overnight mail. 5 days allowed for reply.

3.Changes made regarding subsidies: STB imposed subsidy agreements only for 1 year, Subsidizer's final responsibility may be limited.

4. Since some abandonments may be finalized in less than a full 4 months, any party showing prejudice can petition the STB for the full time provided by statute.

Appendix II

STB TIMETABLE FOR CLASS EXEMPTION PROCEEDINGS

Abandonments and Discontinuances of Service and Trackage Rights

F-10 days	Notice of exemption procedure filed with State and other agencies..
F	Notice of exemption filed with STB. (Filing Date)
P (F up to 20days)	Notice of exemption proceeding published Federal Register.
P+10 days	Petition to stay effective date of exemption due. Request for Trails Use Condition Due
P+20 days	Petitions for reconsideration due. Comments due. Requests for Public Use Condition Due
P+30 days	Exemption effective/abandonment or discontinuance may occur (unless stayed for reconsideration).

SOURCE: 49 CFR, Section 1152.50

CHAPTER 3

RAILROAD ASSISTANCE PROGRAMS

RAIL FREIGHT SERVICE ASSISTANCE PROGRAMS

During 1991, the State of Kansas started a revolving loan program to assist railroads in their rehabilitation efforts. The revolving loan program works in the following manner: Federal funds from the Local Rail Freight Assistance Program are loaned out at a rate, which is below the prime interest rate. The payment on the loan (including principle and interest) are used to generate additional loans. Currently the State of Kansas has seven loans outstanding. Total number of dollars currently in this program is over three million. Table sixteen shows the details of the grant/loan program by year, Kansas Federal funds allocated, distribution of funds and entity receiving funds.

Presented in table 15 of this report is the "Railroad Abandonments in Kansas before the Transportation Act of 1920, Which placed regulatory control with the Interstate Commerce Commission". Please note the recent abandonment activity in many short line railroad operations. Many of these track sections were spun off from Class I operations in recent years.

Table 14 – KANSAS PARTICIPATION IN SECTION 803 FUNDING

KANSAS PARTICIPATION IN SECTION 803 FUNDING

Federal Fiscal Year	Federal Funds Allocated	Distribution of Funds	Entity Receiving Funds
1976	$122,990	$122,990	Planning
1977	$153,807	$153,807	Planning
1978	$120,894	$120,894	Planning
1979	$125,931	$125,931	Planning
1980	$100,000	$100,000	Planning
1981	$1,562,400	$100,000 1,462,400	Planning MKT Ry.
1982	$100,000	$100,000	Planning
1983	$1,692,279	$100,000 $1,003,193 $589,086	Planning Kyle Ry. OKT Ry
1984	$365,275	$100,000 $265,275	Planning Kyle Ry.
1985	$387,424	$87,424 $300,000	Kyle Ry. OKT Ry.
1986	$226,247	$86,647 $139,600	DCF&B Ry.(**) H&N Ry.
1987	$1,050,000	$50,000 $1,000,000	GCW Ry.(***) DCF&B Ry.
1989	$48,000	$48,000	Kyle Ry.
1990	$121,992	$35,892 $86,100	Kyle Ry. H&N Ry.
1991	$1,142,784	$36,000 $553,392 $553,392	NEK&M Ry. CK Ry. CK Ry.(*)
1992	$942,114	$36,000 $906,114	Kyle Ry. KSW Ry.(*)
1993	$299,000	$36,000 $263,000	GCW Ry. Kyle Ry.(*)
1994	$1,013,155	$36,000 $484,456 $203,000 $289,699	H&N Ry. SEK Ry. (*) SKO Fy. (*) Kyle Ry.(*)
1995	$421,405	$36,000 $385,405	GCW Ry. KSW Ry. (*)

Notes:
(*) Represents revolving loans to railroads.
(**) $43,564.51 was later deobligated and reprogrammed to the CKR Project.
(***) $788,660.51 was later deobligated and reprogrammed to the CKR Project.

Table 15 – RAILROAD ABANDONMENTS IN KANSAS BEFORE THE TRANSPORTATION OF 1920

Table 15

CURRENT TO SEPTEMBER 1, 1997

RAILROAD ABANDONMENTS IN KANSAS BEFORE THE TRANSPORTATION ACT OF 1920, WHICH PLACED REGULATORY CONTROL WITH THE INTERSTATE COMMERCE COMMISSION

Name of Carrier	Description of Track Abandoned	Kansas Mileage	Abandonment Year
St. Joseph & Topeka Ry.	Wathena to Doniphan	13.5	1878(1)
L&E Ry	Carbondale East to Carbon Hill	1.5	1879(1)
St. Louis & San Francisco Ry.	Hunnewell Jct. S.E. to Oklahoma	2.5	1891
Kansas City Northwestern Rr.	S. Leavenworth to Fort Leavenworth	4.4	1893
Lawrence & Emporia Ry.	North Lawrence to Carbondale	29.5	1894
Dodge City, Mont. & Trinidad Ry.	Dodge City to Montezuma	26.4	1894(1)
Kansas City, Clinton & Springfield Ry.	Cedar Jct.(Corliss) to Olathe	11.5	1894
Wichita & Southwestern Ry.	Sedgwick to Halstead	8.9	1895
The Wichita & Western Ry.	Pratt to West Line of Kiowa County	45.2	1895
The Chicago, Rock Island & Pacific Ry.	Missouri-Ft.Leavenworth-Leavenworth	1.8	1895
The Chicago, Kansas & Western Rr.	Scott City to Selkirk(Crosby)	35.7	1896
The Burlingame & Northwestern Ry.	Alma to Manhattan	22.6	1898
The Chicago, Kansas & Western Rr.	Holyrood to W. Line of Ellsworth Cty.	4.0	1899
The Chicago, Kansas & Western Rr.	Ellinor to North of Gladstone	3.3	1899
The Chicago, Kansas & Western Rr.	Strong City to Neva	5.9	1899
The Kansas Southwestern Ry.	Iuka to West Line of Iuka Township	4.8	1902
Marion Belt & Chingawasa Rr.	Marion North to Mud Creek	6.0	1902(1)
Marion Belt & Chingawasa Rr.	Marion Northeast to Quarry	2.5	1902(1)
St. Louis & San Francisco Rr.	Litchfield to Litchfield Junction	3.3	1906
The Missouri Pacific Ry.	Marmaton to Gilfillan Stone Quarry	2.4	1910(1)
Kansas City, Mexico & Orient Ry.	Wichita Station to Wichita South Jct.	0.7	1914
The Atchison, Topeka & Santa Fe Ry.	Wichita North Jct. to Wichita S. Jct.	1.5	1914
The Chicago, Rock Island & Pacific Ry.	Wichita North Jct. to Wichita S. Jct.	1.7	1914
The Atchison, Topeka & Santa Fe Ry.	W. of Solomon to A.B. Jct.(East Salina)	10.4	1915
Kansas Southern & Gulf Rr.	Westmoreland to Blaine	8.3	1915(1)
Missouri, Kansas & Texas Ry.	West Mineral East to Folsom	4.1	1915(1)
The Chicago, Rock Island & Pacific Ry.	Abilene to West of Solomon	9.8	1915
Colorado, Kansas & Oklahoma Rr.	Scott City to Winona	50.5	1917(1)
The Atchison, Topeka & Santa Fe Ry.	Frisco Jct. SW. to S. Olathe(S.F.)	1.6	1917(1)
St. Louis-San Francisco Ry.	P.&C. Jct.(N.W.Pittsburg) to Kramer	5.0	1918
The Atchison, Topeka & Santa Fe Ry.	N. Wellington-Caldwell-Oklahoma	21.8	1918
Kansas City Northwestern Ry.	Ks. City-M. Jct.-Summerfield-Neb.	129.4(2)	1919
Kansas City Northwestern Ry.	Menager Jct. to South Leavenworth	11.6	1919
Union Pacific Rr.	Detroit to Enterprise	2.0	1920(1)
Missouri Pacific Rr.	Yates Center to Yates Center Jct. N.	5.1	1920(1)
TOTAL MILEAGE ABANDONED BEFORE 1920		499.2	

Table 15 (Continued)

CURRENT TO SEPTEMBER 1, 1997

RAILROAD ABANDONMENTS IN KANSAS BEFORE THE TRANSPORTATION ACT OF 1920, WHICH PLACED REGULATORY CONTROL WITH THE INTERSTATE COMMERCE COMMISSION

Name of Carrier	Description of Track Abandoned	Kansas Mileage	Abandonment Year
St. L. - S. F. Ry.	Linton East to Missouri	4.5	1926
St. L. - S. F. Ry.	Stanley East to Missouri	3.4	1928
The A., T. & S. F. Ry.	S. Harper to Anthony(Old H. & S.)	8.9	1930
Leavenworth & Topeka Ry.	Leavenworth to Meriden Jct.	46.6	1931
C., B. & Q. Rr.	Atchison-White Cloud-Nebraska	37.2	1933
The A., T. & S. F. Ry.	Colony to Yates Center	24.7	1933
The A., T. & S. F. Ry.	Quenemo to Osage City	20.1	1933
Missouri Pacific Rr.	South Fredonia to Peru Jct.	39.8	1933
Union Pacific Rr.	Hunt Spur to Appleton	5.5	1934
The C., R. I. & P. Ry.	Missouri-Elwood-West of Hunt Spur	7.0	1934
St. L. - S. F. Ry.	Olathe to Stanley	8.2	1934
Missouri Pacific Rr.	Yates Center to Yates Center Jct. S.	5.6	1934
Missouri Pacific Rr.	Fort Scott to Lomax	90.5	1934
Missouri Pacific Ry.	Fort Scott (Wall Street NO to NO Jct.)	.5	1934
Missouri Pacific Rr.	Blue Mound to LeRoy Jct. S.	34.2	1934
St. L. - S. F. Ry.	Empire Jct.-North Galena-Missouri	2.2	1934
The A., T. & S. F. Ry.	Abilene to West of Solomon	9.8	1934
The C., R. I. & P. Ry.	West of Solomon to East Salina	10.6	1934
St. L. - S. F. Ry.	Weir City North to Weir Jct.	2.9	1934
St. L. - S. F. Ry.	Weir City West to Mackie	2.7	1934
Union Pacific Rr.	Knox-Holton-Clay Center	144.2	1934
Union Pacific Rr.	Clay Center-Lawrenceburg-Concordia	37.5	1934
Union Pacific Rr.	Lawrenceburg to Belleville	17.1	1934
The A., T. & S. F. Ry.	Medicine Lodge to Gerlane	7.6	1934
The A., T. & S. F. Ry.	Arkansas City to Geuda Springs	6.3	1934
Missouri Pacific Rr.	Mound City to Blue Mound	12.5	1934
The C., R. I. & P. Ry.	Anthony-Waldron-Oklahoma	14.7	1936
The A., T. & S. F. Ry.	Mulvane to Viola	22.5	1937
Kansas & Oklahoma Rr.	Oklahoma-Liberal-Woods	18.5	1937
The A., T. & S. F. Ry.	Southwest of Havana to Cedar Vale	38.3(2)	1938
Wichita Northwestern Ry.	Pratt-Tregallas Jct.-Iuka	6.0	1940
Wichita Northwestern Ry.	Tregallas Jct.-Trousdale-Kinsley	47.5	1940
Wichita Northwestern Ry.	Trousdale-Larned-Vaughn	46.5	1940
Missouri Pacific Rr.	LeRoy Jct. N.-LeRoy Jct. W.-Madison	30.1	1941
The A., T. & S. F. Ry.	Florence-Oil Hill-El Dor.(MOP Connection)	30.1(2)	1942
The A., T. & S. F. Ry.	El Dorado(MOP Con.) to South El Dor. Jct.	1.0(2)	1942
The A., T. & S. F. Ry.	Kiowa to Gerlane	9.9	1942
The A., T. & S. F. Ry.	Anthony-Waldron-Oklahoma	14.3	1943
The A., T. & S. F. Ry.	Virgil to Benedict Jct.	30.6	1944
The A., T. & S. F. Ry.	Cottonwood Falls to Gladstone	3.3	1947
	TOTAL MILEAGE THIS PAGE	903.4	

Table 15 (Continued)

CURRENT TO SEPTEMBER 1, 1997

RAILROAD ABANDONMENTS IN KANSAS BEFORE THE TRANSPORTATION ACT OF 1920, WHICH PLACED REGULATORY CONTROL WITH THE INTERSTATE COMMERCE COMMISSION

Name of Carrier	Description of Track Abandoned	Kansas Mileage	Abandonment Year
Missouri Pacific Rr.	Missouri-Pleasanton-Mound City	12.0	1949
The A., T. & S. F. Ry.	Pittsburg to Chicopee	3.6	1950
Frisco	Kramer to 2.1 Miles west	6.8	1952
Union Pacific Rr.	Stout to Highland	7.2	1952
C., B. & Q. Rr.	Southwest of Almena to Oronoque	17.3	1953
MIssouri-Kansas-Texas Rr.	Piqua to Junction City	112.6	1957
Union Pacific Rr.	Manhattan to Schroyer	49.9(2)	1958
Missouri-Kansas-Texas Rr.	Missouri-Louisburg-Paola	17.6	1958
Missouri Pacific Rr.	Winfield to Belle Plaine	20.7	1959
St. L. - S. F. Ry.	Girard to P. & C. Jct.(N.W. Pittsburg)	8.5	1959
St. L.- S. F. Ry.	Opolis to Missouri	0.2	1959
St. L. - S. F. Ry.	Dennis to Cherryvale	9.6	1960
The A., T. & S. F. Ry.	Leavenworth to Hawthorne	23.3	1960
Missouri-Kansas-Texas Rr.	Moran to Iola	13.2(2)	1962
Missouri-Kansas-Texas Rr.	East of Iola to Bassett	2.0	1962
Kansas, Oklahoma & Gulf Rr.	Baxter Junction to Oklahoma	0.8	1962
The A., T. & S. F. Ry.	Virgil to Madison Junction	10.0	1963
The A., T. & S. F. Ry.	Independence to Longton	24.4(2)	1963
Union Pacific Rr.	Junction City-Clay Center-Miltonvale	51.9(2)	1964
The A., T. & S. F. Ry.	India to Baldwin	13.0	1964
Missouri Pacific Rr.	Bronson-Fort Scott-Missouri	28.1	1965
Missouri Pacific Rr.	Fort Scott to Cornell	30.3	1965
Missouri Pacific Rr.	Roper to North Fredonia	10.1	1965
Midland Valley Rr.	Arkansas City to Adamsville	12.5	1965
Miissouri Pacific Rr.	Radium to Larned	11.3	1966
The A., T. & S. F. Ry.	Viola to East Harper(Old K.C.M.&O.)	25.0	1966
Missouri Pacific Rr.	Yaggy Junction to Sterling	12.9	1966
C., R. I. & P. Rr.	Horton-Bern-Nebraska	38.5	1967
St. L. - S. F. Ry.	Cravensville-Scammon-Carona(Old N.E.O.)	19.4	1967
St. L. - S. F. Ry.	Baxter Jct. SE. to Oklahoma(Old N.E.O.)	1.2	1967
The A., T. &S. F. Ry.	Frontenac to Pittsburg	3.9	1967
Texas & Pacific Ry.	Silverdale to Oklahoma	7.2	1968
Texas & Pacific Ry.	Wichita to Adamsville	39.4(2)	1969
The A., T. & S. F. Ry.	Florence to East Marion	10.1	1969
Missouri-Kansas-Texas Rr.	South Humboldt to Chanute	9.2	1969
The Kansas City Southern Ry.	Crestline Jct.-Military-Baxter Jct.	12.0	1970
St. L. - S. F. Ry.	Columbus Jct. to Cravensville(Old N.E.O.)	1.6	1971(1)
St. L. - S. F. Ry.	P. & C. Jct.(NW Pittsburg) toMOP Crossing	1.0	1972(1)
The A., T. & S. F. Ry.	B. N. Jct.(South Ottawa) to Gridley	52.0	1972
The A., T. & S. F. Ry.	Metcalf to Geuda Springs	36.8	1972
The A., T. & S. F. Ry.	Little River to Lorraine	20.5	1972
Missouri Pacific Rr.	Kanbrick to Great Bend	7.5	1973
The A., T. & S. F. Ry.	Burlingame to Alma	33.8	1973
Union Pacific Rr.	Appleton Spur to Troy	1.0	1973
Union Pacific Rr.	Leavenworth to Knox	3.1	1974
	TOTAL MILEAGE THIS PAGE	833.0	

Table 15 (Continued)

CURRENT TO SEPTEMBER 1, 1997

RAILROAD ABANDONMENTS IN KANSAS BEFORE THE TRANSPORTATION ACT OF 1920, WHICH PLACED REGULATORY CONTROL WITH THE INTERSTATE COMMERCE COMMISSION

Name of Carrier	Description of Track Abandoned	Kansas Mileage	Abandonment Year
The Kansas & Missouri Ry. & Term.	3rd & New Jersey to Matoon Yard(K.C.)	5.6(2)	1974
The A., T. & S. F. Ry.	South Emporia to Moline	82.3	1975
St. L. - S. F. Ry.	West Parsons to Dennis	6.8	1976
Union Pacific Rr.	Cochrane to Tonganoxie	16.5	1976
St. L. - S. F. Ry.	Missouri Line Southwest to Pittsburg	6.0	1976
St. L. - S. F. Ry.	Beaumont to Northeast Winfield	42.0	1977
Missouri Pacific Rr.	Bronson to Iola	17.2	1977
Union Pacific Rr.	Tonganoxie to Lawrence	13.8(2)	1977
Missouri-Kansas-Texas Rr.	Parsons to Coffeyville	30.7	1978
Missouri-Kansas-Texas Rr.	Labette Jct. to Columbus	24.6	1979
Missouri Pacific Rr.	Walnut River (S Ark City)-Dexter-Jct	23.2	1980
Missouri Pacific Rr	Dexter-Jct to 3.8 Mi E Winfield	15.8	1980
Burlington Northern Rr.	Westville-Treece-Okla.(Old N.E.O.)	2.8	1980
Missouri Pacific Rr.	Dearing to Dexter	69.0	1981
Burlington Northern Rr.	Concordia-Hanover-Nebraska	65.0	1982
The A., T. & S. F. Ry.	South Hutchinson to N.D. Jct.	0.6	1982
Burlington Northern Rr.	Kramer(Sinclair) SW. to Weir City	3.2	1982
Burlington Northern Rr.	East Pittsburg to Opolis	6.6	1982
The A., T. & S. F. Ry.	Clonmel-SF-Crossing (Viola-Anness)	7.7	1982
The A., T. & S. F. Ry.	Viola to Arness	4.6	1982
Burlington Northern Rr.	N. Winfield-Arkansas City-Oklahoma	20.2	1982
Union Pacific Rr.	Colby to West End of Track in Colby	0.3	1983
Missouri Pacific Rr.	Greenleaf to Washington	7.0	1983
Rock Island Trustee	Troy to S.J. Jct.(North Topeka)	75.3(2)	1983
Rock Island Trustee	McFarland to Clay Center	56.4	1983
Union Pacific Rr.	1.5 Miles W. of Bridgeport to Lindsborg	3.5	1983
Burlington Northern Rr.	Mertz-Mulberry-Missouri	1.0	1984
The A., T. & S. F. Ry.	Manchester to Barnard	43.1	1984
Missouri Pacific Rr.	Geneseo to Kanopolis	14.2	1984
Burlington Northern Rr.	Medora to Lyons	26.3	1985
Burlington Northern Rr.	Lorraine to Ellsworth	13.8	1985
Missouri Pacific Rr.	1.9 Miles North of Scandia to Nebraska	16.8	1985
Missouri Pacific Rr.	Hoisington to Kanbrick	2.5	1985
The A., T. & S. F. Ry.	Strong City to Cottonwood Falls	1.8	1985
Burlington Northern Rr.	Pittsburg to East Pittsburg	0.6	1985(1)
The A., T. & S. F. Ry.	Metcalf to Anthony	16.0	1986
Missouri Pacific Rr.	Trigo to Marquette	22.2	1986
Burlington Northern Rr.	Baxter Jct.W-SW to Okla.(Old M.M.B.)	2.6	1986(1)
Missouri-Kansas-Texas Rr.	Chanute to Parsons	26.2	1986
Chicago & North Western Tr. Co.	In Leavenworth	0.5	1986
Chicago & North Western Tr. Co.	In Kansas City	0.4	1986
Burlington Northern Rr.	Arcadia to Mertz	6.8	1987
Texas North Western Ry.	Liberal South to Oklahoma(Old R.I.)	2.6	1987
Burlington Northern Rr.	Baxter Spgs.-Empire-S. Galena-Missouri	9.7(2)	1987
Burlington Northern Rr.	Missouri to Leavenworth	0.9	1987
	TOTAL MILEAGE THIS PAGE	814.7	

Table 15 (Continued)

CURRENT TO SEPTEMBER 1, 1997

RAILROAD ABANDONMENTS IN KANSAS BEFORE THE TRANSPORTATION ACT OF 1920, WHICH PLACED REGULATORY CONTROL WITH THE INTERSTATE COMMERCE COMMISSION

Name of Carrier	Description of Track Abandoned	Kansas Mileage	Abandonment Year
Missouri Pacific Rr.	Iola to Piqua	8.4	1987
The A., T. & S. F. Ry.	South Lawrence to India	1.1	1987
The A., T. & S. F. Ry.	Lawrence to South Lawrence	1.5	1988
The A., T. & S. F. Ry.	A. U. Jct.(South Chanute) to Frontenac	49.1	1988
The A., T. & S. F. Ry.	Wilder to Leavenworth	22.0	1988
Missouri-Kansas-Texas Rr.	Griffith to Parsons	45.7(3)	1988
Oklahoma, Kansas & Texas Rr.	North Herington to Woodbine	7.5(3)	1988
Missouri-Kansas-Texas Rr.	Coffeyville to Oklahoma Line	2.8(3)	1988
Missouri Pacific Rr.	El Dorado to Whitewater	19.7(3)	1988
Missouri Pacific Rr.	Conway Springs to Riverdale	14.6(3)	1988
The A., T. & S. F. Ry.	KCM&O Jct(W. Wichita) to Clonmel	12.3	1989
Missouri Pacific Rr.	Overbrook to 0.6 Miles S. of Berryton	15.9	1989
Missouri Pacific Rr.	Pauline(50th St.) to S. Topeka (30th St)	2.9	1989
Missouri Pacific Rr.	Topeka(16th Street) North to End of Track	1.9	1989
Burlington Northern Rr.	Cherokee to West Parsons	26.8	1989
Missouri Pacific Rr.	East Salina to Salina(Old Rock Island)	1.6(2)	1989
Missouri Pacific Rr.	S.A. Jct.(W. Gypsum) to East Salina	11.5	1989
The A., T. & S. F. Ry.	Anness to Rago	19.7	1990
Missouri Pacific Rr.	Vliets to Parnell	66.7	1990
Burlington Northern Rr.	Baxter Jct.SW. to Okla.(Old N.E.O.)	1.5	1990
The A., T. & S. F. Ry.	North Ottawa Jct. to Ottawa	1.1(2)	1990
The A., T. & S. F. Ry.	Emporia to South Emporia	1.3	1991
KCT Ry.	Ottawa to North Iola	50.0	1991
Missouri Pacific Rr.	Belle Plaine to Riverdale	6.2	1992
Missouri Pacific Rr.	Piqua to Humboldt	9.8	1993
T & P Ry.	North Topeka to Parnell	41.0	1993
Missouri Pacific Rr	Kinsley to 1.7 Miles NE of Kinsley	1.7(2)	1993
South Kansas & Oklahoma Rr.	N. Iola to Iola	1.5	1993(1)
South Kansas & Oklahoma Rr.	Coffeyville to South Coffeyville	1.2	1993(1)
The A., T. & S. F. Ry.	E.. Harper to S. Harper(Old KCM&O)	1.9	1994
The A., T. & S. F. Ry.	West Atchison to Parnell	4.6	1994
Union Pacific Rr.	Salina to East of 1.5 E. of Plainville	102.0	1994
Burlington Northern Rr.	Valley Center to Medora	36.1	1994
Missouri Pacific Rr.	1.8 W. of Osage C. to 0.4 W. of Council Gr.	38.9	1994
Central Kansas Ry.	Spring to Oklahoma Line	3.8	1994
Central Kansas Ry.	Belvidere Jct. to 1.0 W. of Sun City	8.0	1994
Central Kansas Ry.	Garfield to Kinsley	12.0	1994
Missouri Pacific Rr.	Durand to Piqua	8.9	1994
Missouri Pacific Rr.	West Yates Center to East El Dorado	65.8	1994
The Kansas City Southern Ry.	Missouri SW. to Crestline Jct.	6.2	1994
The A., T. & S. F. Ry.	Atchison to West Atchison	2.0(2)	1994
The A., T. & S. F. Ry.	Topeka to North Topeka	3.0(2)	1994
Missouri Pacific Rr.	Salina to 0.8 Miles East of Salina	0.8	1994
Missouri Pacific Rr.	4.3 to 4.9 Miles East of Salina	0.6	1994
Missouri Pacific Rr.	3.9 to 4.3 Miles East of Salina	0.4	1995
	TOTAL MILEAGE THIS PAGE	742.0	

Table 15 (Continued)

CURRENT TO SEPTEMBER 1, 1997

RAILROAD ABANDONMENTS IN KANSAS BEFORE THE TRANSPORTATION ACT OF 1920, WHICH PLACED REGULATORY CONTROL WITH THE INTERSTATE COMMERCE COMMISSION

Name of Carrier	Description of Track Abandoned	Kansas Mileage	Abandonment Year
Missouri Pacific Rr.	W. Osawatomie Jct.-1.8 W. of Osage City	54.0(2)	1995
Missouri Pacific Rr.	Lomax to Overbrook	13.3	1995
Missouri Pacific Rr.	04 W. of Council Grove to W. Herington	26.4	1995
Missouri Pacific Rr.	In East Winfield	0.9	1995
Union Pacific Rr.	Lindsborg to McPherson	15.0(2)	1995
Kyle	Belleville to 1 mile So Clay Center	47.7(2)	1995
Central Kansas Ry.	Harper to Anthony	9.7(2)	1995
Burlington Northern Rr.	MOP Crossing East to Pittsburg	1.0	1995
Burlington Northern Rr.	Pittsburg to 2.4 Miles SW. of Pittsburg	2.4	1995
Central Kansas Ry.	Protection to Englewood	31.7(2)	1996
Central Kansas Ry.	Marion to McPherson	33.7(2)	1996
Topeka Lynn Creek & Berryton	So. Berryton to Pauline	4.2	1996
Missouri Pacific Rr	So. Topeka (30th Street) to 16th	1.8	1996
K & E	Kiowa South to Oklahoma Line	1.2	1996
South Kansas & Oklahoma	Oxford to Wellington	9.2	1997
Union Pacific Ry	E. of Plainville to E. Colby	99.0	1997
Kyle	Jamestown Jct to Burr Oak	33.7(2)	1997
Central Kansas Ry.	Lyons to Galatia	56.5(2)	1997
South Kansas & Oklahoma	AU Jct, to Fredonia	24.5(2)	1997
South East Kansas	Coffeyville to Faulkner	37.2(2)	1997
	TOTAL MILEAGE THIS PAGE	503.1	

TOTAL MILEAGE ABANDONED SUBSEQUENT TO THE TRANSPORTATION ACT OF 1920	3,796.2
TOTAL MILEAGE ABANDONED IN KANSAS BEFORE THE TRANSPORTATION ACT OF 1920	499.2
GRAND TOTAL OF ALL KANSAS MILEAGE ABANDONED FROM 1878 TO PRESENT DATE	4,295.4

EXPLANATION OF NOTES AND ABBREVIATION MARKS

(1)	Exact date not ascertainable. Approximate date used after viewing all available material.
(2)	Includes trackage not abandoned but reclassified as industrial track.
(3)	Abandoned as part of the M-K-T and the Union Pacific/Missouri Pacific merger.
I.C.C.	Interstate Commerce Commission
V.R.	Valuation Reports of the Interstate Commerce Commission
R.C.	Kansas Railroad Commission Annual Reports
P.U.C.	Public Utilities Commission Dockets
F.D.	Finance Dockets of the Interstate Commerce Commission
AB	Abandonment Dockets of the Interstate Commerce Commission

Source: "A History of Railroad Construction and Abandonment Within the State of Kansas" Published by the Kansas Corporation Commission produced by Vernon Wenger, Transportation Manager. Railbank information provided by the Bureau of Rail Affairs.

The original document is not filmable. A copy of the *Official Kansas State Railroad Map* dated 1998 is on file in Legislative Administrative Services in the paper copy of the *Task Force on Rail Passenger Services* in Kansas book of minutes for 1999.

HARD COPY
OF
OFFICIAL KANSAS STATE RAILROAD MAP - 1998

Task Force on Rail Passenger Service
November 10, 1999
Attachment 2-108

CAN BE FOUND IN

TASK FORCE ON RAIL PASSENGER SERVICE
1999 MINUTES

in

Division of Legislative Administrative Services

ATTACHMENT 2-108 IS THE OFFICIAL KS STATE RAILROAD MAP. DID NOT SCAN DUE TO SIZE.

SOURCE ESTIMATE BY ALL OTHER FUNDS -- DA 404c
DIVISION OF THE BUDGET
STATE OF KANSAS

AGENCY NAME Kansas Department of Transportation
Agency No. 276 Function No. 08

FUND/ACCOUNT NAME & NUMBER: Rail Service Improvement Fund - 2008 NSU Reportable	FY 1999 ACTUAL	FY 2000 ESTIMATE	DOB USE ONLY	FY 2001 CURRENT SERVICE	FY 2001 ENHANCEMENT PACKAGE	DOB USE ONLY
ADD: BALANCE FORWARD						
Uncommitted Cash	555,907	539,721		39,721		
Prior Year Obligations						
Carryover of Outstanding Loans	2,171,148	1,905,556		1,873,391		
Prior Year Loan Commitments	0	300,000		3,865,742		
Total Loans	2,171,148	2,205,556		5,739,133		
RECEIPTS NAME AND NUMBER						
Federal Rail - St RR Planning & Assist	0	0		0		
Interest	26,879	33,577		124,393		
Reduction of Outstanding Loans	265,592	332,165		628,271		
Transfer in	0	3,000,000		3,000,000		
SUBTOTAL-RECEIPTS	292,471	3,365,742		3,752,664		
Available Balance	848,378	3,905,463		3,792,385		
SUBTRACT:						
TRANSFER OUT	8,657					
BALANCE FORWARD	539,721	39,721		42,000		
LOAN COMMITMENTS	300,000	3,865,742		3,750,385		
TOTAL EXPENDITURES						

Task Force on Rail Passenger Service Attachment No: 3-1
November 10, 1999

number decreases it indicates that more needs are being identified than are being addressed. KDOT's target is to maintain, or increase this number.

OUTPUT MEASURES:

	Pre-CHP Average FY 1988-89	CHP Average FY 1990-97	Interim Average FY 1998-99	CTP Estimate FY 2000	Current Service FY 2001	CTP Average FY 2000-09
Percent of State Highway System with three-year current video profile*	20	37.4	90	95	98	98
Coverage counts made	10,193	9,464.8	12,010	11,500	13,000	11,250
Traffic forecasts prepared	N/A	114.5	73	400***	100	100
Supplemental vehicle classification locations	106	101.4	100	300	300	300
Percent of county maps that are updated and printed	19	9.5	9.5	10	10	10
Percent of city maps that are updated and printed	6	7.5	11.8	10.1	10.1	10
Number of rail projects funded	2	1.9**	9	15	21	35
Number of new rail loans for rehabilitation	0	1.4	1	6	6	7

* Digital videolog miles.
** Number of projects included Emergency Flood Relief Grants.
*** 300 System Enhancement Corridor, Bypass, and Interchange applications.

Explanation of Output Measures:

Coverage counts are short-term traffic counts where there are no permanent counters.

N/A denotes data is not available for these years.

EXPENDITURE JUSTIFICATION

Object Code 100: Salaries and Wages

Summary: The staff of this subprogram is responsible for data collecting and analysis, rail and public transportation policy development, and for selecting a set of highway improvement projects for the budget year. The staff makes numerous forecasts to support planning and programming activities. Further, staff monitors Federal legislation related to transportation programs and acts as liaison at the Federal level on behalf of the Department. The staff also monitors activities in non-highway forms of transportation, including railroads, ports and waterways, bikeways, and mass transit. Temporary employees are being used during the Summer as a supplement to permanent staff. Their work is primarily field activities involving data collection and verification, installation of traffic monitoring equipment and support of ongoing planning activities. The use of temporary help is a cost-effective way to obtain data since many field activities are heavily concentrated in the summer months.

Current Year FY 2000: $4,462,860. Eight new positions were added to provide support for the recently enacted CTP. These employees will provide for additional traffic data collection and analysis, traffic forecasting, decision mapping support, and administration of System Enhancement projects.

Current Service Budget FY 2001: $4,575,000. The request provides funds for continuation of current staffing including use of temporary hires.

Budget Year Step Movement	Cost
Base Salary	$69,934
Fringe (exclusive of Health Insurance)	9,623
Shrinkage	(2,506)
Total	$77,051

Object Code 200-290: Contractual Services

Summary: The budget request provides support for statewide planning activities, and research.

Current Year FY 2000: $914,871. The majority of these expenditures provide for travel, information processing, and for consultant services. Several initiations were authorized or directed by the 1999 Legislature. Among these are rail studies, transportation modeling in urban areas, and preparing for additional cities to become metropolitan areas. Project scopes and estimates have been revised.

Current Service Budget FY 2001: $1,181,777. The FY 2001 budget request would continue the established level of service plus provide an updated official State Highway Map (an every-other-year occurrence). Table 1 reflects the travel cost. The professional service contracts are:

	Actual FY 1998	Actual FY 1999	Estimate FY 2000	Current Service FY 2001
Passenger rail study			$150,000	
Rail Inspections by private contractor			10,000	10,000
Manhattan Planning Study for K-18			20,000	20,000
Leavenworth-Lansing area planning study for CTP projects			0	20,000
Corridor improvement studies			50,000	175,000
Contract for transportation modeling			40,000	40,000
Manhattan transit study			0	80,000
Marysville planning study			70,000	0
Census Transportation Planning Package			30,000	
Other	11,337	19,980	0	0
TOTAL	$11,337	$19,980	$370,000	$345,000

Passenger Rail Study: KDOT committed to perform a passenger rail study during discussions with legislators prior to passage of the CTP. A consultant will be hired to study the preservation, enhancement or establishment of additional rail passenger service in the State of Kansas.

Rail Inspections: KDOT will contract for the services of a track inspector to inspect rail rehabilitation projects for the state rail loan program. Inspections would occur before, during and upon completion of rail rehabilitation projects. This service is required to supplement the work of existing staff due to the significant increase in funding made available for railroad rehabilitation by the CTP.

Manhattan, Leavenworth-Lansing studies for future CTP projects: These studies will be used to collect information on demographics, land use, streets, which will be needed for developing a transportation model for the area. Transportation modeling is used to evaluate the impact of proposed transportation projects and estimate future travel demand which will be used in the design of the project. Examples of proposed projects that will be evaluated for the CTP are K-18 and the west bypass of Lansing and Leavenworth.

KDOT's Shortline Railroad Program On Track

September 13, 1999 (Release 99-192)
FOR IMMEDIATE RELEASE
News Contact: Marty Matthews, (785) 296-3585

KDOT's Shortline Railroad Program on Track

The Kansas Department of Transportation (KDOT) has another component of the Comprehensive Transportation Program up and running at full steam. The department's rail affairs section has approved $2.7 million in low-interest loans to six shortline railroads for six track rehabilitation projects.

The Comprehensive Transportation Program, approved by the 1999 Kansas Legislature, created the Rail Service Improvement Fund and authorized its funding at $3 million for eight years. This fund makes available to shortline railroads operating in Kansas low-interest loans (1 to 3 percent) to be used primarily for track rehabilitation projects. The loans are for a ten-year term and are available for up to 70 percent of project costs, with the railroad providing the remaining 30 percent.

"This loan program is good for everybody concerned. It not only benefits the shortline railroad operators, but many of the state's farmers who are the primary shippers on these lines," said E. Dean Carlson, Kansas Secretary of Transportation. "It pays off for everybody in the state in a different way as well. By making sure rail shipping is available, it reduces the need for further truck usage of our highway system and the ensuing wear and tear."

The loans do come with strings attached. The railroad operator must guarantee that it will not abandon the line for at least ten years and that it will maintain certain standards on the line during that time period.

The projects that received loans were chosen from 11 projects that were submitted by shortline railroads and cover a diverse area of the state. KDOT staff did a cost-benefit analysis of each request in determining which projects to approve. The operators given the loans and the amount of the loan are listed below.

South Kansas and Oklahoma Railroad $586,190.50
Kansas Southwestern Railyway (OmniTrax) $452,270.70
Central Kansas Railway (OmniTrax): $646,100.00
Nebraska Kansas Colorado RailNet $442,361.50
Kyle Railroad Company $386,002.40
Johnson County Industrial Railroad (Johnson Co. Airport) Commission)
CCountyAirport)JOCOIndustriaCommission)

$210,000.00

Approximately $2.2 million in project requests could not be met this fiscal year. They will be considered for funding next year. Interest earned on the loans remains with the fund and will be used to make further loans. KDOT anticipates that the Rail Service Improvement Fund will become self-sustaining at the end of the eight-year funding period specified in the legislation.

Task Force on Rail
Passenger Service
November 10,
1999 3-6

This page last updated 9/21/99

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Airports	Daily Flights	Carriers
Airports within Kansas		
Wichita	10	U.S. Airway Express
Great Bend	2	Flash Air Midwest U.S. Airway Express
Dodge City	2	Flash Air Midwest U.S. Airway Express
Manhattan	7	Flash Air Midwest U.S. Airway Express
Salina	2	Flash Air Midwest U.S. Airway Express
Topeka (Forbes Field)	4	Flash Air Midwest U.S. Airway Express
Airports outside of Kansas		
Denver	16	United Airlines Vanguard Airlines
Chicago - O'Hare	22	American Airlines United Airlines
Chicago - Midway	10	Southwest Airlines Vanguard Airlines
Oklahoma City	6	Southwest Airlines
Dallas/Fort Worth	16	American Airlines Vanguard Airlines

*Information provided by Tara Smith, Kansas City International Airport Authority

THE CHAMBER

Testimony of Bernie Koch
VP/Government Relations
Wichita Area Chamber of Commerce

Task Force on Rail Passenger Service
November 10, 1999

Mr. Chairman, members of the Task Force, welcome to Wichita and Welcome to the Wichita Area Chamber of Commerce. We are pleased to host your meeting today.

The Wichita Area Chamber of Commerce is very interested in the state pursuing the idea of additional rail passenger service.

One of the biggest complaints we hear from our business travelers in recent years concerns airfares. As you might be aware, the U.S. Justice Department has filed suit in U.S. District Court in Wichita against American Airlines concerning high airfares. Wichita Mayor Bob Knight, who you will hear from later, has formed a group to look at the feasibility of subsidizing a low fare carrier.

This is an issue that comes up frequently.

If rail passenger service can provide a competitive alternative to air travel in the Wichita area, I believe it will be feasible. If past history is any indicator, the competition would likely result in lower air fares as well.

Thus, in looking for information to help you in your deliberations on who might be interested in passenger rail service, the place to start is the information we have on air travel from Wichita. I think that will help you identify the rail passenger market.

Destinations

According to Airport Traffic Quarterly, the most popular destination for travelers out of Wichita's Mid-Continent Airport in 1998 was Dallas/Fort Worth. However, that was only 7.6 percent of the passengers who flew out of Wichita.

Kansas City was the 7th most popular destination and that was 3.1 percent of the 1998 total. I've attached the information on these destination rankings to my testimony.

Here is our problem: we have a lot of people traveling by air, but they are flying a lot of different places. If we had more people going to the same place, we could attract a discount airline such as Southwest. That competition would drive down prices. However, we've been unable to attract Southwest despite many attempts over the years.

Wichita Area Chamber of Commerce
350 West Douglas Avenue
Wichita, Kansas 67202-2970
316 265-7771 Fax 316 265-7502

Airfares

To illustrate my point, I got on the Internet yesterday and pulled up some airfares for Wichita and for Tulsa. Tulsa is served by Southwest Airlines.

- The lowest roundtrip fare from Tulsa to Kansas City on Southwest is $78.
- On U.S. Airways, the lowest roundtrip fare from Wichita to Kansas City is $128, or 64 percent higher.
- On Southwest Airlines, the lowest roundtrip fare from Tulsa to Dallas is $78.
- On American Airlines, the lowest round-trip fare of any kind I could find was $206, or 164 percent higher.

I'm no expert, but on that basis it would appear that a competitive alternative such as rail would have a stronger attraction to Wichita's travelers than to Tulsa's.

Would that be enough? I think the answer will be difficult to find, but not impossible. Here are some clues.

1999 Air Travel Service Survey

This Spring, the Wichita Area Chamber and the Wichita Airport Authority worked with a Baker University graduate student to survey our chamber members concerning air travel service. Here are some of the survey's findings:

- 12 percent of those responding ranked fares out of Wichita below average while 83 percent rated fares as poor.
- Asked if you could make one improvement to Wichita air service, what would that improvement be, 90 percent said lower fares.
- There was a clear indication that business travelers would increase the frequency of their trips if fares were reduced significantly.
- Those surveyed indicated they had taken a total of 4,512 air trips.
  Of those:
  - 69 percent were flights out of Wichita.
  - Almost 19 percent flew out of Kansas City
  - 8 percent flew out of Oklahoma City
  - 3 percent flew out of Salina
  - Less than one percent flew out of Tulsa

The same survey showed even more dramatic results when we asked our members about their leisure trips.
Out of 1,496 leisure trips identified:

- Over half, 51 percent, were flights out of Wichita
- 32 percent were flights out of Kansas City
- 12 percent were flights out of Oklahoma City
- The rest were out of Salina or Tulsa

1990 Drive Away Study

A 1990 scientific study done for The Chamber attempted to determine how many people are driving to other airport like Kansas City or Oklahoma City, rather than leave from Wichita. These people are called "drive aways." The study surveyed a 19-county market. The executive summary of that study is attached to my testimony.

Here are some of what I think are the important findings for you to think about.

- ⇨ Over 26 percent, or 79,500 households, had traveled by air for pleasure or leisure purposes in the previous year. Fifteen percent of the households had made at least one round trip by air for business purposes.
- ⇨ One out of twenty-four households (or 4.2 percent) had begun a business trip from an airport other than Wichita Mid-Continent during the past year. Kansas City drew nearly a half while Oklahoma City was second.
- ⇨ More than half of the out of market business departures cited price as their primary reason for leaving from another airport.
- ⇨ 6.1 percent of households had begun a trip for pleasure or leisure from a major airport other than Wichita Mid-Continent. More than half of those began at Kansas City. Chicago most often was the destination. Half the households that drove away cited price as the reason.
- ⇨ Those more likely to drive to another airport were different from those pleasure travelers as a whole who flew out of Wichita. The drive aways tended to be people employed in precision production or craft, or farming and agriculture.

1992 Midwestern Travel Study

I've also attached the executive summary from a 1992 study on travel to Midwestern cities from the Wichita MSA. This study looks at overall travel patterns.

For example:

- ⇨ 35.5 percent of respondents reported traveling to Kansas City within the previous year.
- ⇨ Oklahoma City was the second favorite destination at 23.8 percent.
- ⇨ Dallas was third at 15.2 percent.
- ⇨ About a third going to Kansas City drive, 4.8 percent drive to fly, 3.6 percent fly, and the average traveling party size is 3.1 persons.

This tells me there could be a strong market here for passenger rail.

There's also some interesting information about who these travelers are, their age, their income levels and some differences between men and women travelers.

Summary

Although these last two studies are dated, I believe a lot of what they tell is still valid. In fact, I believe the same studies done today would have stronger indications that our region of the state is looking for lower priced travel alternatives.

Obviously, more study is needed. There needs to be a specific look at the demand for rail passenger service and under what conditions it would be used.

I hope this information is helpful and I urge you to include our area of the state in your future deliberations on this matter.

Thank you for the opportunity to appear.

Top 100 Domestic Origin & Destination Passenger Markets at Wichita

Ranked By 12 Months Ended December 1998

Approximates 100% Sample - Directional Journeyed Passengers

Rank	City	12 Months Ended Dec-96	12 Months Ended Dec-97	12 Months Ended Dec-98	Percent of 1998 Total	Avg. Ann. Change 96-98	Avg. Ann. Change 97-98
1	Dallas/Fort Worth, TX	146,850	100,590	88,590	7.6%	-22.3%	-11.9%
2	Chicago, IL	72,230	73,670	49,090	4.2%	-17.6%	-33.4%
3	Las Vegas, NV	48,180	58,180	48,420	4.1%	0.2%	-16.8%
4	Phoenix, AZ	41,470	46,120	43,110	3.7%	2.0%	-6.5%
5	Houston, TX	29,410	39,560	39,750	3.4%	16.3%	0.5%
6	Seattle/Tacoma, WA	42,610	44,750	39,670	3.4%	-3.5%	-11.4%
7	Kansas City, MO	58,770	49,610	36,220	3.1%	-21.5%	-27.0%
8	Denver, CO	90,750	62,080	35,350	3.0%	-37.6%	-43.1%
9	San Francisco, CA	23,720	27,230	35,280	3.0%	22.0%	29.6%
10	St Louis, MO	33,370	34,030	33,910	2.9%	0.8%	-0.4%
11	Orlando, FL	32,820	33,640	32,800	2.8%	0.0%	-2.5%
12	New York, NY	32,360	33,010	32,760	2.8%	0.6%	-0.8%
13	Los Angeles, CA	34,720	31,310	31,790	2.7%	-4.3%	1.5%
14	Atlanta, GA	27,680	32,080	28,120	2.4%	0.8%	-12.3%
15	Washington, DC	24,890	27,870	26,620	2.3%	3.4%	-4.5%
16	San Diego, CA	16,560	19,020	18,430	1.6%	5.5%	-3.1%
17	Minneapolis, MN	22,800	22,830	17,730	1.5%	-11.8%	-22.3%
18	Philadelphia, PA	16,560	16,720	15,860	1.4%	-2.1%	-5.1%
19	San Antonio, TX	14,280	13,680	14,910	1.3%	2.2%	9.0%
20	Boston, MA	16,370	15,810	14,770	1.3%	-5.0%	-6.6%
21	Tampa, FL	11,370	13,010	14,050	1.2%	11.2%	8.0%
22	Santa Ana, CA	12,680	13,730	13,330	1.1%	2.5%	-2.9%
23	Cincinnati, OH	20,590	17,900	12,690	1.1%	-21.5%	-29.1%
24	Detroit, MI	10,480	12,090	11,930	1.0%	6.7%	-1.3%
25	Miami, FL	11,760	11,700	11,680	1.0%	-0.3%	-0.2%
26	Memphis, TN	11,430	10,290	11,080	0.9%	-1.5%	7.7%
27	New Orleans, LA	9,230	9,360	10,450	0.9%	6.4%	11.6%
28	Nashville, TN	8,870	9,240	10,180	0.9%	7.1%	10.2%
29	Charlotte, NC	6,070	8,400	10,050	0.9%	28.7%	19.6%
30	Fort Lauderdale, FL	7,980	8,730	9,920	0.8%	11.5%	13.6%
31	Indianapolis , IN	8,670	9,510	9,800	0.8%	6.3%	3.0%
32	Portland, OR	14,130	13,430	9,680	0.8%	-17.2%	-27.9%
33	Ontario, CA	10,190	11,080	9,510	0.8%	-3.4%	-14.2%
34	Baltimore, MD	8,040	8,450	9,030	0.8%	6.0%	6.9%
35	Milwaukee, WI	6,160	6,860	8,640	0.7%	18.4%	25.9%
36	Tucson, AZ	8,680	7,890	8,590	0.7%	-0.5%	8.9%
37	Salt Lake City, UT	15,560	9,690	8,520	0.7%	-26.0%	-12.1%
38	Austin, TX	7,820	7,760	8,030	0.7%	1.3%	3.5%
39	Columbus, OH	7,290	7,250	7,910	0.7%	4.2%	9.1%
40	Cleveland, OH	6,970	9,020	7,720	0.7%	5.2%	-14.4%
41	Little Rock, AR	4,460	4,740	7,680	0.7%	31.2%	62.0%
42	Louisville, KY	4,550	4,290	7,090	0.6%	24.8%	65.3%
43	Pittsburgh, PA	5,880	7,040	6,870	0.6%	8.1%	-2.4%
44	Reno, NV	6,790	7,470	6,520	0.6%	-2.0%	-12.7%
45	Sacramento, CA	8,720	7,810	6,510	0.6%	-13.6%	-16.6%
46	Honolulu, HI	5,830	6,870	6,270	0.5%	3.7%	-8.7%
47	Albuquerque, NM	6,580	7,090	5,950	0.5%	-4.9%	-16.1%
48	San Jose, CA	7,730	7,400	5,870	0.5%	-12.9%	-20.7%
49	Raleigh/Durham, NC	4,500	6,120	5,810	0.5%	13.6%	-5.1%
50	Hartford, CT	5,920	6,270	5,710	0.5%	-1.8%	-8.9%

continued on next page

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Southwest Airlines Fares

The following is a general listing of fares offered for the Tulsa-Kansas City market.
Some lower priced fares may be available.
Limited seating, advance purchase, and other restrictions may apply.
Fares do not include Passenger Facility Charges of up to $6 each way. See the PFC section of the Home Gate's General Index for details.
All fares are subject to change until tickets are purchased. Some fares may be available for a limited time only.
Fares do not include a federal excise tax of up to $2.50 that will be imposed on each flight segment of your itinerary. A flight segment is defined as a take off and a landing.
Fares listed are for general information only and are not a reflection of current seat availability.

Tulsa to Kansas City

Fare Type	Price	Round Trip
Advance Purchase Fare	61.00	
Refundable Fare	88.00	
Child Fare	80.00	
Youth Fare	80.00	
Infant Fare	48.00	
Senior Citizen Fare	49.00	
Roundtrip Mon-Fri 7PM-5:59AM, Sat & Sun	152.00	X
Roundtrip Mon-Fri 6AM-6:59PM	152.00	X
Promotional Roundtrip Fare	78.00	X

Display Schedule

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U·S AIRWAYS Flights & Reservations CLICK HERE

US Airways Fares

Originating in: *ICT (WICHITA, KS)*
Traveling to: *MCI (KANSAS CITY INTL, MO)*
Fares quoted on: *Tuesday November 09, 1999, 11:21:12 (EST)*
For departure on: *December 17, 1999*

Class of Service	One Way Fare	Round Trip Fare	First Travel Date	Last Travel Date	Last Purchase Date	Min/Max Stay Required	Advance Purchase Required	Fare Code and Rules
Coach	-	$ 128.00	-	-	-	Yes/ -	Y	VE21N
Coach	-	$ 178.00	-	-	-	Yes/ 30	Y	VE14N
Coach	-	$ 198.00	-	-	-	Yes/ -	Y	KE7N
Coach	-	$ 248.00	-	-	-	Yes/ -	Y	ME7N
Coach	$ 180.00	$ 360.00	-	-	-	-	-	B8
Coach	$ 230.00	$ 460.00	-	-	-	-	-	Y8

Click on the fare code in the "Fare Code and Rules" column above for restrictions and detailed fare rules. For a description of each column heading above, click here.

Check for any special fare offers through US Airways Internet-only sales and E-Savers.

- Fares shown do not include a $1 federal excise tax which will be imposed on each flight segment of your itinerary. For travel on or after October 1, 1998, a $2 federal excise tax will be imposed on each segment of your itinerary. A flight segment is defined as one takeoff and one landing.
- Fares are subject to change without notice and are not guaranteed until purchased.
- One way and round trip fares are shown separately. A "-" in the One Way Fare column indicates that a one way fare is not available under the given fare code and a round trip fare is required.
- Fares do not include up to $12.00 in Passenger Facility Charges.
- *Fuel, Terminal, and Security Surcharges have been included where applicable.*
- Fares to destinations outside the United States do not include up to $88.00 in international taxes and fees.
- Limited seating, advance purchase requirements and other restrictions may apply.
- Most advance purchase fares are nonrefundable but may be changed for a fee.
- Other fares may apply in this market.
- Fare listings are for general information only and not a reflection of

Task Force on Rail Passenger Service November 10, 1999
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Southwest Airlines Fares

The following is a general listing of fares offered for the Tulsa-Dallas Love market.
Some lower priced fares may be available.
Limited seating, advance purchase, and other restrictions may apply.
Fares do not include Passenger Facility Charges of up to $6 each way. See the PFC section of the Home Gate's General Index for details.
All fares are subject to change until tickets are purchased. Some fares may be available for a limited time only.
Fares do not include a federal excise tax of up to $2.50 that will be imposed on each flight segment of your itinerary. A flight segment is defined as a take off and a landing.
Fares listed are for general information only and are not a reflection of current seat availability.

Tulsa to Dallas Love

Fare Type	Price	Round Trip
Advance Purchase Fare	61.00	
Special Mon-Fri 7PM-5:59AM, Sat & Sun	71.00	
Refundable Fare	88.00	
Child Fare	65.00	
Youth Fare	65.00	
Infant Fare	48.00	
Senior Citizen Fare	49.00	
Roundtrip Mon-Fri 7PM-5:59AM, Sat & Sun	132.00	X
Roundtrip Mon-Fri 6AM-6:59PM	162.00	X
Promotional Roundtrip Fare	78.00	X

Display Schedule

Task Force on Rail Passenger Service
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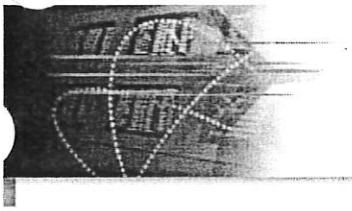

Schedules and Prices

American Airlines Price List
Between **Wichita, KS** and **Dallas/Fort Worth, TX**.
Departing on: Friday, 17 December 1999

All prices are in US Dollars

Fare	Class of Service	Fare	One Way or Round Trip	Last Day Purchase	Min/Max Stay	Advance Purchase Required
1	First	583.00	One Way	-	-	-
2	Coach	396.00	One Way	-	-	-
3	Coach	269.00	One Way	-	-	-
4	Coach	434.00	Round-Trip	-	*/ -	*
5	Coach	417.00	Round-Trip	-	*/ 30	*
6	Coach	382.00	Round-Trip	-	*/ 30	*
7	Coach	321.00	Round-Trip	-	*/ 30	*
8	Coach	154.00	One Way	-	-	*
9	Coach	154.00	One Way	-	-	*
10	Coach	300.00	Round-Trip	-	*/ 30	*
11	Coach	294.00	Round-Trip	-	*/ 30	*
12	Coach	144.00	One Way	-	-	*
13	Coach	142.00	One Way	-	-	*
14	Coach	137.00	One Way	-	-	*
15	Coach	129.00	One Way	-	-	*
16	Coach	129.00	One Way	-	-	*
17	Coach	246.00	Round-Trip	11/12/99	*/ 30	*
18	Coach	112.00	One Way	-	-	*
19	Coach	206.00	Round-Trip	11/12/99	*/ 30	*

* Restrictions may apply. Please click the fare number for detailed fare rules.
Prices quoted on: Tuesday, 09 November 1999 10:11:30 (CDT)

Make A Reservation

Only U.S., P.R., U.S.V.I, and U.K. billing addresses can be used to purchase tickets on AA.com; otherwise reservations can be made online and tickets purchased at an AA ticketing location.

Please provide us with the following information:

How many travelers are adults?
◉ 1 ○ 2 ○ 3 ○ 4

How many travelers are children (ages 2-11)?
◉ 0 ○ 1 ○ 2 ○ 3
(Maximum number of travelers is four per reservation)

Preferred class of service:
○ First ○ Business ◉ Coach

☐ Search for unrestricted fares

If you would like to continue the booking process for your flight(s), you must login below with your AAdvantage number

Task Force on Rail Passenger Service
November 10, 1999
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WICHITA COMMERCIAL AIR SERVICE CUSTOMER OUT-OF-MARKET DEPARTURES

Final Report

Submitted to
AIR SERVICE TASK FORCE
CHAMBER OF COMMERCE/WISE

The Research Center™

Task Force on Rail Passenger Service
November 10, 1999

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EXECUTIVE SUMMARY

The primary objective of the Wichita Commercial Air Service Customer Out-of-Market Departures Study, commissioned by the Air Service Task Force and Wichita/Sedgwick County Partnership for Growth, was to determine the proportion of households in Mid-Continent Airport's 19-county primary market lost to other major airports because of airfares or other reasons.

Major findings, based on telephone interviews conducted January 18-27, 1990, with 1,857 adults in households randomly selected from the primary market, are highlighted below:

OVERVIEW OF AIR TRAVEL

- Approximately one-third (35.3 percent) of the households -- 106,950 households -- in Mid-Continent Airport's 19-county primary market had traveled by commercial air service during the past twelve months.

- One in seven (15.0 percent) of the households, 45,750 households in all, had made at least one round trip by air for business purposes.

- More than one-fourth (26.3 percent) or 79,500 households had traveled by air for pleasure or leisure purposes.

- Air travel for personal or family emergency purposes affected fewer than one in twenty (4.2 percent) households.

- Households in the Wichita MSA had traveled by air for any purpose in greater proportions than households outside the MSA.

- One in ten households (10.3 percent) had begun its air travel for either business, pleasure or family emergency from a major airport other than Mid-Continent Airport.

- Out-of-market departures were more prevalent among households in Ellsworth, Saline, Lincoln, Barber, and Cowley counties.

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- Approximately one-third of the market had not traveled by air because the households had no need to travel; another one in ten had not used commercial air service because of the price of airfares.

- Travel agencies were the most useful information source for air travel to nearly one-half of the market (47.0 percent) and even more so to air travelers (66.2 percent) and to non-MSA households (61.0 percent).

BUSINESS TRAVEL

- Overall, 15.0 percent of the 19-county market's households had taken at least one business trip by air during the past twelve months.

- Business travelers had traveled by air for six round trips, on the average, during the past twelve months.

- Nine in ten business air travelers (88.1 percent) usually departed from Mid-Continent Airport.

- Business travelers preferred American Airlines more often than any other airline serving the Wichita area, followed by United Airlines, Trans World Airlines, and America West.

- Good connecting flights or schedule was the most important reason business travelers preferred a particular airline, followed by customer service and airfares.

- Two in five (39.7 percent) of the business travelers had included a Saturday night stay to take advantage of lower airfares.

- Business travelers were more likely to be married, to live in at least a three-member household, to be from age 25 to 49, to work in white collar occupations, to have an annual household income of at least $30,000, to be male, and to be a member of some frequent flyer program.

- One in twenty-four households (4.2 percent) had begun a business trip from an airport other than Mid-Continent during the past twelve months.

- Kansas City drew nearly one-half of these out-of-market business departures, followed by Oklahoma City.

- More than one-half of the out-of-market business departures cited price of the airfare as the primary reason for leaving from an airport other than Mid Continent.

- Out-of-market business travelers used American Airlines more often than any other airline, and in particular, when the destination was to a city in Texas.

- Either Los Angeles, Chicago, Atlanta or Houston was the destination for nearly half of the out-of-market departures.

- Demographics of out-of-market departure business travelers were similar to business travelers as a whole.

PLEASURE TRAVEL

- Overall, 26.3 percent of the 19-county market's households had taken at least one trip by air for pleasure purposes during the past twelve months.

- Pleasure or leisure air travelers had made, on the average, 2.2 trips during the past twelve months.

- The vast majority (87.4 percent) of pleasure air travelers usually had departed from Mid-Continent Airport.

- America West was preferred more often than any other airline for pleasure travel, followed by American Airlines, United Airlines, Trans World Airlines and Continental Airlines.

- Pleasure travelers regarded good connecting flights or schedule as their primary reason for preferring a particular airline, but price of airfares was the second most often mentioned reason.

- White collar workers and those with household incomes of at least $30,000 were more likely than any other demographic groups to travel by air for pleasure purposes.

- Nearly one-half (47.6 percent) of pleasure air travelers had included a Saturday night stay to take advantage of lower airfares, and the same proportion had compared air fares out of other cities with those out of Wichita.

- One in sixteen (6.1 percent) households had begun a trip for pleasure or leisure from a major airport other than Mid-Continent Airport.

- More than one-half of the out-of-market departures for pleasure purposes were begun from Kansas City and Chicago most often was the destination.

- Even though America West was the preferred airline for travel out of Mid-Continent Airport, more out-of-market departures for pleasure travel were made on American Airlines more than any other airline.

- More than one-half of the households departing out-of-market cited price of airfares as the reason.

- Demographics of respondents from households departing out-of-market differed from pleasure travelers as a whole; those in precision production or craft or farming and agriculture were more likely to depart out-of-market than other occupational groups.

- Households in Ellsworth, Lincoln and Saline counties tended to depart out-of-market in greater proportions than households in other counties.

TRAVEL TO MIDWESTERN CITIES
FROM WICHITA MSA
JUNE 1992

Submitted to

Susie Ahlstrand
Wichita/Sedgwick County
Partnership For Growth (WI/SE)

The Research Center™

EXECUTIVE SUMMARY

Wichita Air Service Committee and Wichita/Sedgwick County Partnership for Growth (WI/SE) officials expend considerable efforts in recruiting new air service to the Wichita Mid-Continent Airport, increasing the level of air service and competitive airfares available to area residents.

Because of the potential to attract Southwest Airlines to the Wichita market and the data required to support a proposal to Southwest Airlines, Air Service Committee and WI/SE officials commissioned The Research Center, Wichita, Kansas, to conduct a research study to determine the level of travel among Wichita MSA adults to other midwestern cities.

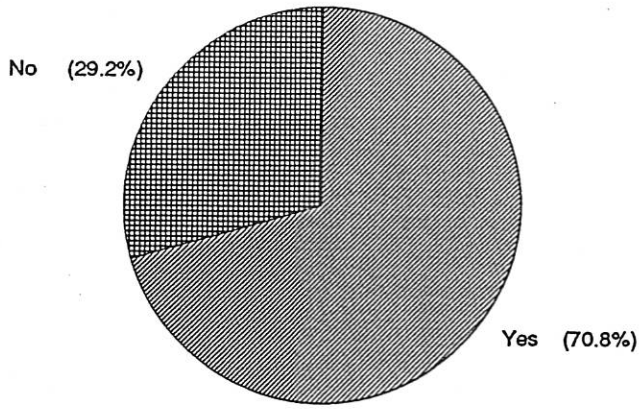
The primary objective of the research was to determine the level of travel from the Wichita MSA to several midwestern cities, specifically Kansas City, Oklahoma City, Dallas, St. Louis and Tulsa. The study measured the number of trips taken to each of these cities during the past 12 months, the number of trips taken by commercial airplane and by private vehicle, the party size, the number of trips made to each city to take a flight to another city and traveler demographics.

Major findings, based on telephone interviews conducted June 2 to June 6, 1992, with 507 adults randomly selected from the Wichita MSA, are highlighted below.

OVERALL TRAVEL

* Approximately seven in ten adults in the Wichita MSA have traveled outside of Kansas during the past 12 months:

Figure 1
Traveled Outside of Kansas During Past 12 Months



* Sedgwick County residents are somewhat more likely to travel outside Kansas than are residents of Butler and Harvey counties.

* Younger adults, from age 25 to 44, tend to travel outside Kansas in greater proportions than do older residents, those at least 65 years old.

* Men and women are equally represented among the travelers, but women are more frequent among non-travelers.

* Table Ia and Table Ib, in the Tabulated Results section of this report, provide demographic breakdowns of travelers and non-travelers

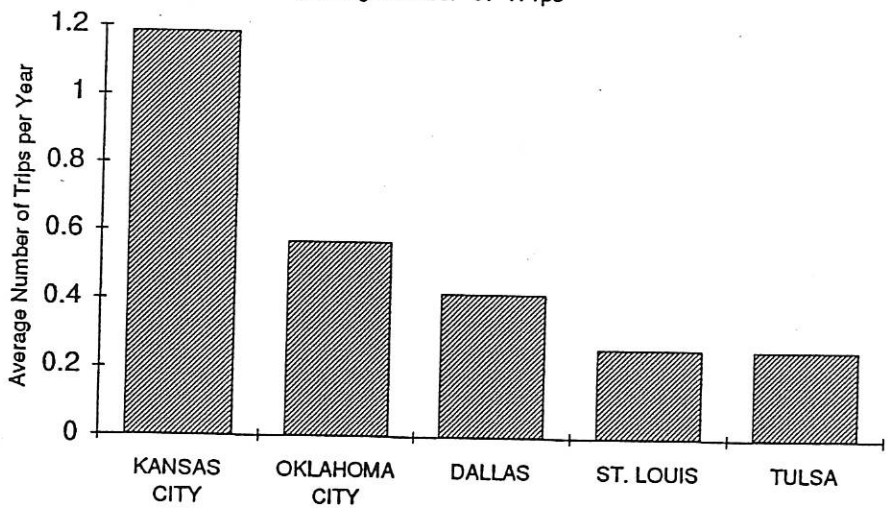
TRAVEL TO MIDWESTERN CITIES

* Wichita MSA adults travel in greater numbers to Kansas City than to any of the other midwestern cities addressed in the study:

City	Percent Traveling
Kansas City	35.5%
Oklahoma City	23.8%
Dallas	15.2%
Tulsa	10.5%
St. Louis	8.7%

* Based on the average travel habits of the entire Wichita MSA adult population, a typical adult travels to Kansas City at least once during a year's time:

Figure 2
Average Number of Trips



* On the average, Harvey and Butler county adults make more trips to Kansas City than do Sedgwick County residents.

* Sedgwick County residents travel more often, than other MSA adults, to Oklahoma City and Tulsa.

* Adults, under age 25 and those from age 35 to 54, travel more frequently than others to Kansas City.

* Those, from age 45 to 54, travel to Oklahoma City twice as often as do other MSA adults.

* Residents with annual household incomes of at least $35,000 visit Kansas City much more frequently than do residents with incomes less than $35,000.

* Those who have at least $50,000 in annual household income travel more often, than other income groups, to St. Louis, Oklahoma City and Dallas.

* Men travel more frequently than women to Kansas City, St. Louis, Oklahoma City and Dallas, while women tend to travel to Tulsa more often than men.

* Table IIa and Table IIb, in the Tabulated Results section of this report, provide the average number of trips to each of the midwestern cities by the various demographic segments.

MODE OF TRAVEL AND PARTY SIZE

* The majority of travelers drive in a private vehicle to the various midwestern cities and some drive there to take a flight to another city as the following shows:

Destination	Drive	Drive To Fly	Fly	Average Party Size
Kansas City	33.3%	4.8%	3.6%	3.1
Oklahoma City	22.6%	2.8%	1.6%	3.0
Dallas	11.1%	.6%	5.3%	2.9
Tulsa	9.3%	.2%	.8%	2.9
St. Louis	5.3%	.4%	4.0%	3.5

* Approximately one in ten traveling to Kansas City, flies to Kansas City; one in two traveling to Dallas flies to Dallas; and, three in four traveling to St. Louis travel by air rather than ground transportation.

* Pleasure travel to Kansas City and Oklahoma City is nearly three times greater than it is for business:

Destination	Pleasure	Business
Kansas City	30.0%	11.5%
Oklahoma City	19.7%	6.0%
Dallas	11.9%	4.6%
Tulsa	7.7%	3.9%
St. Louis	5.3%	4.1%

* Tables IIIa to IXb, in the Tabulated Results section of this report, provide the air and ground travel information, pleasure and business travel, ground travel party size and the percentage traveling to take a flight to another city for each of the midwestern cities.

AMTRAK RIDERSHIP FIGURES

AUGUST 1998 VS AUGUST 1999

	AUG 1998	AUG 1999	% CHANGE (UNFAV)
INTERCITY SBU			
SILVER STAR	21,841	23,064	5.6
SILVER METEOR	20,907	21,860	4.6
THREE RIVERS	11,526	12,444	8.0
CARDINAL	9,364	8,604	(8.1)
CHICAGO-ST.LOUIS	24,664	24,069	(2.4)
HIAWATHAS	34,378	38,330	11.5
CHICAGO-PONTIAC	32,708	30,468	(6.8)
ILLINI	8,060	8,247	2.3
ILLINOIS ZEPHYR	8,564	8,481	(1.0)
EMPIRE BUILDER	41,737	41,373	(.9)
CAPITOL LIMITED	20,661	16,283	(21.2)
CALIFORNIA ZEPHYR	37,188	36,902	(.8)
SOUTHWEST CHIEF	31,000	28,763	(7.2)
HEARTLAND FLYER		6,950	.0
CITY OF NEW ORLEANS	16,939	16,368	(3.4)
TEXAS EAGLE	11,918	9,630	(19.2)
SUNSET LIMITED	8,298	9,631	16.1
INTERNATIONAL	11,130	12,401	11.4
LAKE SHORE LIMITED	34,055	33,136	(2.7)
SILVER PALM	20,650	20,468	(.9)
CRESCENT	25,802	22,806	(11.6)
CHICAGO-INDIANAPOLIS	952	901	(5.4)
KANSAS CITY-ST LOUIS	18,203	18,672	2.6
PENNSYLVANIAN	13,876	9,724	(29.9)
AUTO TRAIN	27,332	24,255	(11.3)
PERE MARQUETTE	7,236	7,023	(2.9)
CAROLINIAN	20,574	22,017	7.0
PIEDMONT	6,230	4,597	(26.2)
SPECIAL TRAINS	396	1,020	157.6
TOTAL INTERCITY SBU	526,189	518,487	(1.5)
NORTHEAST CORRIDOR SBU			
METROLINERS	152,792	164,405	7.6
ETHAN ALLEN EXPRESS	5,162	4,544	(12.0)
VERMONTER	9,500	9,087	(4.3)
NORTHEAST DIRECT	501,398	497,018	(.9)
CLOCKERS	136,448	141,439	3.7
KEYSTONE	66,886	77,042	15.2
EMPIRE	110,986	119,727	7.9
ADIRONDACK	9,225	14,034	52.1
SPECIAL TRAINS	1,696	400	(76.4)
TOTAL NORTHEAST CORRIDOR SBU	994,093	1,027,696	3.4
WESTERN SBU			
COAST STARLIGHT	53,913	55,786	3.5
SAN DIEGANS	184,289	175,337	(4.9)
CASCADES	46,513	47,380	1.9
CAPITOLS	44,892	54,974	22.5
SAN JOAQUINS	71,756	69,342	(3.4)
SPECIAL TRAINS			.0
TOTAL WESTERN SBU	401,363	402,819	.4
SYSTEM TOTAL	1,921,645	1,949,002	1.4

Task Force on Rail Service
November 10, 1999 Attachment No. 5

Task Force on Rail
Passenger Service
November 10,
1999

5

CITY OF WICHITA

TESTIMONY

City of Wichita
Mike Taylor, Government Relations Director
455 N Main, Wichita, KS. 67202
Phone: 316-268-4351 Fax: 316-268-4519

Task Force on Rail Passenger Services in Kansas
November 10, 1999

Testimony By: Mayor Bob Knight

Safe, efficient and affordable transportation is not a luxury in Kansas today. It is a neccessity. The ability to get where we want to go is a cornerstone of personal freedom and it is a foundation for the success of business. A safe, efficient and affordable transportation network is vital to the continued growth and success of the City of Wichita. That is why I am here today to applaud your efforts to expand passenger rail service in Kansas. The City of Wichita endorses your study and I want to offer our support and assistance.

Passenger rail service would be a welcome option for citizens in Wichita and Central Kansas. More than 1.3-million people flew out of Wichita's Mid-Continent Airport last year, despite what I lieve to be punitively high airfares on many routes. We are aggressively working on ways to make r travel out of Wichita more affordable. Passenger rail service will offer more travel choices and create competition.

A new north-south route extending from Oklahoma City through Wichita to Newton, would make passenger rail service available to 650,000 Kansans living within a 60-mile corridor of the line. 450,000 of those people live in Wichita and Sedgwick County. By contrast, 270,000 Kansans would be served by a line running through eastern Kansas. Population figures and projected travel patterns provide convincing evidence that a new AmTrak route through Wichita and Newton serves the most people, saves the most time, and strengthens the link in the existing passenger rail network. The evidence clearly shows a route through Wichita and Newton makes sense.

That said, I want to also say I agree with Representative Ed McKechnie that turning this discussion into a partisan, geographic fight between South Central and South Eastern Kansas is not productive or beneficial and at this point, it is certainly premature. I will be a strong advocate for passenger rail service through Wichita. But I realize unless we work together as a team of local and state elected leaders, our chances of getting any kind of additional passenger rail service will not materialize.

Wichita is building partnerships and coalitions to solve a number of community problems and meet a number of community goals. We want to be an active partner in the effort to bring new passenger rail service to Kansas. I encourage you to develop a partnership with AmTrak, the State of lahoma and the City of Wichita to make the dream of additional passenger rail service a reality.

Task Force on Rail Passenger Service November 10, 1999
Attachment 6
NO: