

# 1st MONDAY 3rd MONDAY

Prepared for employees by the  
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March 15, 1982

To All Milwaukee Road Employees:

Based on an analysis of current and potential freight traffic levels, the Milwaukee Road will continue to provide service on certain branch lines that have been under study, but will soon file applications to abandon other light-density lines in southern Wisconsin.

Since the publication last July of a map omitting certain lines from a proposed scaled-down rail system, the Road, in cooperation with various shipper groups, community leaders, and transportation experts has been engaged in a review program aimed at seeking solutions to the problem of little-used line segments.

Working with an outside traffic consultant, various alternatives were considered, including operational changes, rehabilitation assistance and the application of freight rate surcharges.

With the completion of those studies, meetings have been held with interested users and they have been notified that the railroad will proceed with abandonment applications consistent with a revised plan of reorganization filed with the Interstate Commerce Commission and the Reorganization Court last September. During the meetings with shipper groups, discussions centered on the development of acceptable programs designed to provide assistance which could modify the abandonment proposals.

A decision has been made to retain service on the line segments between Watertown, Madison, and Portage.

It is expected an application to abandon the line between Waxdale and Racine will be filed this month. By mid-April, abandonment proceedings will begin on the lines between Beloit and Burlington, and Janesville - Madison.

It is anticipated that an application will be filed in late May to abandon trackage between Walworth, Wisconsin, and Fox Lake, Illinois.

A decision on the line segment between North Beloit and Janesville is expected in June.

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Last week, Special Master Milton Gray issued his report to Judge McMillen recommending that the Trustee be authorized to abandon

the Miles City, Sisseton, and New England lines and discontinue trackage rights authority to Billings, to terminate service on the New England and Sisseton lines 10 days after giving notice, and to terminate service on the Miles City line (including Billings) 10 days after giving such notice, or April 1, whichever is later.

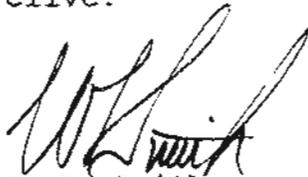
Judge McMillen today issued an order adopting the Master's recommendations. The Trustee will terminate all service west of Ortonville as of midnight, March 31, except for "clean up" operations through Saturday, April 3.

Current plans call for resumption of service by the Burlington Northern between Ortonville, Minnesota and Terry, Montana on April 18 under a lease from the Trustee to South Dakota Railroad Authority.

The Trustee is engaged in negotiations with a shipper group on the Sisseton line with an eye toward their reopening that line some time in April. There aren't any plans currently for operating the New England line or between Terry and Miles City.

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The sale to the Chicago & North Western Transportation Company of the line segments between Perry-Herndon-Waukee, Iowa was closed March 12. Sold for \$4,546,500 were 12.8 miles of the Council Bluffs main line and 38.7 miles of the branch to Des Moines via Clive.



W. L. Smith  
President