

THE MILWAUKEE ROAD MAGAZINE

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CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD

Engine carries Bicentennial message

The Milwaukee Road's Bicentennial Locomotive departed Chicago on Dec. 6 at the head of freight train number 201, bound for Tacoma, Wash. In addition to its standard train orders, the red, white and blue diesel locomotive is carrying out another assignment—to help spread awareness of the approaching 200th birthday of the United States.

During the coming two years the Bicentennial Locomotive will be seen by residents of most communities along the Milwaukee Road's major lines in the Midwest and the Pacific Northwest. Initially the loco-

motive will serve as the lead power unit on the railroad's transcontinental freight trains between Bensenville, Ill., and Seattle-Tacoma. Later the engine will be operated on other major freight routes.

The idea for the Bicentennial Locomotive was first suggested by Arthur Danz, a brakeman on the Chicago Division. He wrote to President Worthington L. Smith after he had read magazine stories about the Bicentennial activities of other railroads.

"I'm not a railroad buff," Danz says, but he admits he was excited

about the prospect of the Milwaukee Road being the first line in its part of the country to have a Bicentennial engine.

The 24-year-old brakeman got to see the newly-painted engine shortly before it left Bensenville Freight Yard near Chicago on its first assignment. Danz acknowledges that he wasn't at all sure that his suggestion would be followed. "It sure was a surprise when they did it and they really did it up right," he remarked when he saw the locomotive.

Once Danz's idea had been approved, selection of a design for the



Painters at the Milwaukee Road's shops in Milwaukee, Wis., pose on the "front porch" of the railroad's Bicentennial Locomotive. Shown here, left to right, are Painters Bert Grund,

LeRoy Adler, Joe Sykes and Robert Walton, and Paint Shop Foreman Harold Biscoe. The locomotive received its red, white and blue paint design at the shops during the week of Nov. 18.



Above: The job of getting the Bicentennial design onto engine 156 was accomplished at the Milwaukee, Wis., Shops. General Foreman Ed Werner (left) and Draftsman Dennis Graham compare painting progress with a set of locomotive blueprints showing the special paint scheme.

Right: Lettering for the sides of the locomotive was drawn to scale in the locomotive engineering section of the Mechanical Department. Stencils were then cut in the sign shop by Lead Painter Jack Schweitzer.

Below: Once the basic design had been painted onto the model SD40-2 locomotive, stencils were attached and Painter LeRoy Adler painted the red Bicentennial slogan. The locomotive is more than 68 feet long.



Shop painters Give engine 156 Its Bicentennial colors





(continued from front page)
special locomotive was made at railroad headquarters in Chicago. Engine number 156, a 3,000-horsepower model SD40-2 unit, was chosen as the Bicentennial Locomotive because it was one of the newest and largest engines in the Milwaukee Road's fleet of 814 diesels.

Work of transferring the selected Bicentennial design from paper onto the side of the 180-ton locomotive was the job of the railroad's Mechanical Department at the Milwaukee, Wis., Shops.

Draftsmen in the mechanical engineering section at the Shops first transferred an artist's conception of the finished unit to a set of locomotive blueprints. The prints were then turned over to personnel in the locomotive paint shop where engine 156, which had carried the standard Mil-

waukee Road colors of orange and black, was being sanded, primed, and prepared for the Bicentennial colors.

Lettering followed the painting of the locomotive. Stencils were hand cut at the sign shop. Largest of the stencils were two that bore the inscription "1776 AMERICA'S BICENTENNIAL 1976". Each was 27 feet long.

The completed locomotive was put on public display at the Milwaukee, Wis., Amtrak passenger depot and was then returned to regular service.

Engine 156 has powered trains more than 300,000 miles on the Milwaukee system since it was built two years ago, and the big engine will probably log as many miles during the next two years in its dual role as a working locomotive and a symbol of the nation's Bicentennial.

Upper left: The idea for the Bicentennial Locomotive was suggested by Arthur Danz, a brakeman at Bensenville, Ill. Here Danz admires the unit as it is readied for its first run.

Above: Painter Robert Walton puts finishing touches on the red, white and blue unit just before it rolls from the locomotive paint shop.



Color Photo Available

8" by 10" color photographs of the Milwaukee's Bicentennial Locomotive (shown reduced at left) are available for \$2.00 each from the Public Relations and Advertising Department. Orders should be mailed before Feb. 28. Please allow six weeks for delivery. Fill out this coupon and mail to: Bicentennial Locomotive, Room 824, Union Station, Chicago, IL 60606.

Enclosed is \$ _____ (\$2.00 per photo) for _____ (quantity) color photos of the Bicentennial Locomotive (make checks payable to the Milwaukee Road).

Send my photo(s) to:

Name: _____ first _____ middle initial _____ last _____

Street address _____ Apt. number _____

City _____ State _____ zip code _____

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Member,
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Editors



Stauffacher elected Director of CMC, Milwaukee Road

Charles B. Stauffacher, president of Field Enterprises, Inc., has been elected a director of the Milwaukee Road and its parent company, the Chicago Milwaukee Corporation (CMC). The decision was announced on Nov. 21 by William J. Quinn, chairman of the board of CMC and the Milwaukee Road.

Mr. Stauffacher, who is chief executive officer of Field Enterprises, fills a vacancy created by the death on Aug. 12 of Russ Stewart, senior vice president of Field Enterprises and vice president of *The Chicago Sun-Times* and *The Chicago Daily News*.

Mr. Stauffacher was in U. S. government service from 1941 to 1952, principally with the U. S. Bureau of the Budget. During the Korean War he was assistant to the late Charles E. Wilson, director of the Office of Defense Mobilization. He joined Continental Can Company in 1952 where he held various executive positions. He advanced to vice chairman of the board and chief financial and administrative officer in 1971. He joined Field Enterprises in February, 1974.

Milwaukee Road sponsors Two 4-H scholarships

Valerie Ott, 19, of Ritzville, Wash., and Charles W. Fritz, 18, of Wisconsin Dells, Wis., were selected as the 1974 winners of 4-H scholarship awards presented by the Milwaukee Road.

Each will receive a \$400 educational scholarship for their winning entries in the annual 4-H grain marketing-transportation scholarship competition. Applications for the Milwaukee Road-sponsored scholarships are limited to past and present 4-H members in a 12-state area.

Valerie Ott is the daughter of Mr. and Mrs. Robert A. Ott of Rt. 1, Ritzville, Wash. She is a sophomore at Eastern Washington State College in Cheney, Wash., and she plans to major either in mathematics-economics or business administration. Her father is a wheat rancher in eastern Washington.

Charles W. Fritz is the son of Mr.



Earle Adamson (right), newly-appointed director of organization and personnel planning, discusses Personnel Department policies with Lawrence W. Harrington, vice president-labor relations and personnel. Mr. Adamson was appointed to the new position on Sept. 1 and will implement Personnel Department programs throughout the railroad. He has worked for Amtrak and the Burlington Northern, Penn Central and Indiana Harbor Belt railroads in the field of personnel research and development. Mr. Adamson makes his headquarters in Chicago, Ill.

Major track improvements start on Iowa line

Work has begun on a \$2 million project to improve the Milwaukee Road's 101-mile Spencer-Herndon line in Iowa. Funds for the work are being provided by the railroad, the State of Iowa and shippers along the line.

Initial work includes relaying of 20 miles of rail, renewal of ties and ballasting. This work is being done between Spencer and Albert City and

and Mrs. Wilbur Fritz of Rt. 2, Wisconsin Dells, Wis. He is a freshman at the University of Wisconsin-Madison and is majoring in dairy science.

Both winners submitted studies of grain marketing and transportation factors affecting agriculture in their communities.

Scholarship applications are administered by county extension agents and state 4-H offices in the states of Idaho, Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Montana, North Dakota, South Dakota, Washington and Wisconsin. Winning entries are determined by a committee of state and U. S. Department of Agriculture Extension workers.

The Milwaukee Road is one of many companies supporting 4-H scholarships and was recently recognized by the National 4-H Service

is expected to be completed early this year.

New ties and ballast will be laid from Albert City to Knoke this year, from Knoke to Lohrville in 1976, and from Lohrville to Herndon in 1977. Work will be done by the Milwaukee's track maintenance crews.

Heavier rail and other improvements will enable the line to handle freight cars of larger capacity.

A contract formalizing the track improvement assistance was signed by Iowa Governor Robert D. Ray, Milwaukee Road President Worthington L. Smith and participating shippers on the line. Iowa's Energy Policy Council and the Milwaukee Road are each contributing \$807,500 towards the project and shippers are providing the remaining \$385,000.

Money advanced to the railroad by shippers will be paid back, interest-free, on the basis of the kinds and number of freight cars shipped on the Milwaukee Road. The twelve participating shippers are involved in corn and grain distribution. Similar state-assisted projects are underway with other railroads operating in Iowa.

Committee and the Cooperative Extension Service for its 50th consecutive year of active support for 4-H programs.

Senior citizens' fares reduced; Eight suburban trains added

The Milwaukee Road has introduced a reduced fare for senior citizens on non-rush hour commuter trains in the Chicago, Ill., area and has added eight new trains per day to weekday commuter service.

The new one-way fare of \$1 for senior citizens started on Dec. 1 on an experimental basis to boost ridership on Saturdays, Sundays, holidays and during non-rush hour times on weekdays. Special fares for persons 65 and older are good between any stations on either of the railroad's two commuter lines and Chicago's Union Station. Weekday trains arriving at Union Station after 9 a.m. or departing from Union Station before 4 p.m. or after 6 p.m. qualify for the reduced fare.

Using new commuter coaches and locomotives financed by federal and state funds through two mass transit districts, the Milwaukee Road has increased the number of weekday

trains operating on its lines to 81.

Ridership on the Milwaukee's two commuter lines between Chicago and suburbs to the northwest and north of the city was up 10 per cent during the first nine months of 1974. Total ridership is about 30,000 on weekdays.

Participating districts are the North Suburban Mass Transit District and the Northwest Suburban Mass Transit District, which lease a total of 22 locomotives and 103 bi-level commuter coaches to the Milwaukee Road.

Suspend increase proposal

A proposal by the Milwaukee Road to increase commuter fares by 15 per cent on Dec. 1 was suspended by the Illinois Commerce Commission until March 30, 1975, pending a public hearing.

The increase is needed to help offset an anticipated deficit of \$2.8 million for 1974 commuter operations,

Tons of tax forms

The IRS form 1040 income tax return you fill out this year will be brought to you in part by the Milwaukee Road.

Each year the huge task of distributing tax forms for the Internal Revenue Service is handled by the U. S. Postal Service. For the second year in a row the post office is using the Milwaukee Road to transport the forms from plants in Green Bay, Wis., and Montgomery, Minn., to central post offices for further sorting and shipping.

Approximately 300 trailerloads of pre-addressed tax forms will move by piggyback from Green Bay and about 50 trailerloads will originate from Montgomery via the Milwaukee's St. Paul terminal.

the Milwaukee Road announced. The proposed increase would generate an estimated \$1 million annually in additional revenue.

New passenger services department formed

Administration of all aspects of the Milwaukee Road's Amtrak, commuter and other passenger operations has been combined in one office since Jan. 1. The new office, located in Chicago's Union Station, is known as the passenger services department. The office is part of the Operating Department and is headed by William R. Jones, director-passenger services and NRPC operations officer.

Prior to Jan. 1 Mr. Jones held the position of NRPC operations officer which coordinated Milwaukee Road operations for the National Railroad Passenger Corp. (NRPC), known as Amtrak.

He will continue to act as liaison between the Milwaukee Road and Amtrak in his new position, in addition to supervising all matters related to commuter train operation, commuter ticket sales and employee pass applications.

Commuter services and ticket sales were formerly handled by the commuter and passenger services department of the Traffic Department. C. C. Dilley, general manager-passenger services, has been in



K. W. Schoeneck



J. W. Burcham



W. R. Jones

charge of the commuter and passenger services department since 1963. Mr. Dilley, who also holds the position of director of public relations and advertising, is retiring on Feb. 1 under the rules of the company's pension plan.

In addition, James W. Burcham, formerly regional manager-public relations for the Milwaukee Road in Chicago, was appointed manager-passenger services in the newly-created passenger services department on Jan. 1. He takes over the duties of Orren R. Anderson who retired under the company pension plan on Jan. 3 as manager-passenger services and director-mass transit services.

Mr. Burcham will assist Mr. Jones in the supervision of Chicago area commuter services and Amtrak matters.

Kenneth W. Schoeneck, formerly director-mass transit operations, was appointed manager-passenger operations in the new passenger services department. William J. Kohl, formerly sales representative in the commuter and passenger services department, is now administrative assistant in the new office. Both appointments were effective Jan. 1.

Reorganization of offices which administer the railroad's Amtrak and commuter operations will place responsibility for all passenger-related matters in one office.

Q. & A.

How did railroad retirement benefits change on Jan. 1?

The Railroad Retirement Act of 1974 became effective on Jan. 1. This new law brings with it many important changes in the way that Railroad Retirement benefits are to be administered. Some of these changes were explained last month. Here are some more questions and answers explaining some aspects of the new rules:

Q: My husband and I are both career railroad workers. Under the old law, I was qualified for a railroad retirement spouse annuity based on my husband's railroad work as well as an annuity based on my own railroad work. Where do I stand under the new law?

A: A female railroad worker may still qualify for a railroad retirement spouse's annuity as well as an employee annuity if either she or her husband had some railroad service prior to 1975. Neither have to be vested as of Dec. 31, 1974, for both benefits to be payable.

Q: I am retired and receiving a social security benefit in addition to a railroad retirement annuity. How am I affected by this new system?

A: Retirees such as yourself who received a social security benefit in addition to a railroad retirement annuity before changeover will continue to receive both benefits without any reduction in the pre-changeover amounts. In the future you will continue to receive social security cost-of-living increases in your social security check, but such increases in your tier I railroad retirement benefits will be reduced by the amount of any increase in your social security benefits. Since your cost-of-living increase is based on your railroad and social security earnings combined, the total increase is the same whether or not you are receiving social security benefits.

Q: I have not yet retired. In addition to working for a railroad for the last 10 years, I have already acquired sufficient quarters of coverage to be permanently insured under social security. Will I receive both benefits when I retire?

A: The answer is yes, even though any social security benefits you are entitled to will be deducted from your tier I benefit. While the Social Security Administration will still determine your entitlement to a social security benefit, payment will be made by the U.S. Railroad Retirement Board.

The equity accrued before 1975 by railroad employees vested under both systems on the basis of service through Dec. 31, 1974, is protected through provisions for the payment of an additional amount in their annuities referred to as a windfall. Employees retiring after Jan. 1, 1975, who worked for a railroad in 1974, are vested for purposes of a wind-

fall if they had both 10 years of railroad service and sufficient quarters of coverage to qualify for a social security retirement benefit as of Dec. 31, 1974.

Q: Why is the additional amount payable to employees vested for dual benefits referred to as a windfall, and how is it determined?

A: It is referred to as a windfall because it reflects the advantageous tax-benefit ratio provided under the previous law for individuals receiving separate railroad retirement and social security benefits. This is taken into account by computing the windfall as the amount by which the sum of two separately-computed social security benefits, one based on railroad credits only and one based on social security credits only, exceeds a single social security

The Railroad Retirement Board reports the Chicago District Office was moved to the 31st floor of the new Federal Building, 230 South Dearborn St., Chicago, Ill. 60604, on Dec. 2. The office was previously located in the Customs House, 610 South Canal St., Room 852, Chicago, Ill.

Telephone number for retirement information is 353-1970, and 353-1974 for unemployment and sickness information.

The new office location is adjacent to public transportation.

benefit based on combined railroad retirement and social security credits earned through 1974. For persons on the rolls, it cannot be used to exceed the total benefits from both systems that they were receiving on Dec. 31, 1974.

An employee's windfall amount may increase because of automatic cost-of-living increases effective in any interim between changeover and his retirement, but after his retirement, it will be frozen and not increased thereafter.

Q: I left the railroad industry some years ago after acquiring 10 years of service, and I also have become insured for social security benefits. Where do I stand under the new benefit structure?

A: Your benefits will be awarded and paid in the same way as outlined above for career railroad employees, except for the windfall amount.

Individuals with at least 10 years of railroad service at changeover, who left the industry before the changeover date, will receive the additional amount payable as the windfall component only if they were qualified for a social security retirement benefit in the year that they left the railroad industry. The earnings used to compute any windfall amount payable will be limited to those acquired before leaving railroad service. However, an employee not working in the industry in 1974 who has at least 25 years of rail service at changeover, or a current connection at changeover or at retirement, can qualify for a windfall component under the same terms as a 1974 railroad employee and his windfall would be based on earnings up through 1974.

Q: If my future annuity does not include this windfall, what did I gain from the social security credits I earned and the taxes I paid before 1975?

A: Your social security credits are taken into account in the determination of your tier I railroad retirement benefit. If your railroad retirement and social security taxes in any year from 1951 through 1974 exceed a certain maximum, you may be eligible for a refund of excess retirement taxes which will be paid by the U.S. Railroad Retirement Board upon your retirement.

Q: Is it to the advantage of an individual who qualifies for both railroad retirement and social security benefits in 1974 to have retired before the changeover date of Jan. 1, 1975?

A: It depends on a number of circumstances. Generally speaking, an employee working in the railroad industry in 1974 is better off in regard to the amounts payable if he continues his railroad work after Jan. 1, 1975. Of course, if this terminates the employee's right to a supplemental annuity, that should be taken into account.

For former employees without railroad service in 1974 or 25 years of service in 1974 or a current connection with the rail industry at changeover or retirement, it is probably to their advantage to be retired before Jan. 1, 1975, because this will protect their rights to a dual benefit. However, if such employees are a few years under age 65 and have wives who could qualify for annuities, they will, by retiring before 1975, lose the advantage of the liberalization in wives' annuity requirements provided for those retiring after 1974. Consequently, such persons should visit one of the Board's district offices for advice.

Q: I retired several years ago. My wife is old enough to receive a wife's annuity, but hasn't stopped working. Is she better off to wait until after 1974 to retire?

A: In terms of changes in the new law, there are probably no new advantages or disadvantages for your wife whether she files before or after Jan. 1, 1975. If she was qualified for social security benefits in 1974, her equity in a social security benefit based on her earnings through Dec. 31, 1974, will be retained, regardless of when she retires. But you should contact the nearest Board office for more information.

Q: If I start moonlighting on a job covered by social security after 1974, but can't ever qualify for a social security benefit, what do I get in return for the social security taxes I pay?

A: If your earnings from your railroad job are less than the maximum amount creditable for retirement benefits, the social security credits earned from your moonlighting job will increase your retirement credits for tier I railroad retirement benefits.

If your earnings from both jobs exceed the maximum creditable for retirement benefits in any year after 1974, your excess social security taxes for the year will be refunded if you apply for them on your income tax return in the same way that nonrailroad employees who work for more than one employer apply for excess social security tax refunds.

Q: Have the amounts of supplemental annuities changed?

A: Not really. Previously, a retiree's regular annuity was reduced when he received a supplemental annuity. Though the supplemental annuities ranged from \$45 to \$70, the reduction in the regular annuity generally meant that the retiree had a net gain of only about \$23 to \$43. Under the new system, supplemental annuities awarded after changeover range from \$23 to \$43, but there is no offset in the regular annuity. Thus, there is no real change in the net amount.

Q: Have the work restrictions for regular railroad retirement annuities changed?

A: Retired employees whose earnings exceed a specified annual limit may be subject to a new work restriction. A reduction of \$1 for each \$2 earned over the annual limit (\$2,520 in 1975) applies first to that portion of the employee's tier I benefit based on all his social security earnings plus only his rail earnings after 1974. Additional reductions may be made against the windfall. These reductions do not start to apply until the employee would have been insured under social security on those earnings.

FULL STEAM AHEAD!



A railroad locomotive is good for more than hauling a train of cars, as is evident from this unusual picture of a Milwaukee Road engine pumping steam into the Birk Brothers Brewery to speed the plant's output of beer.



Fred J. Snyder is one railroad engineer who is a stationary engineer. He doesn't have to worry about block signals, washouts and derailments as he mans the locomotive that supplies steam to a Chicago brewery. (Chicago American photos.)

The Chicago Milwaukee, St. Paul & Pacific Railroad is helping the Birk Brothers Brewery, Northbrook, and Worden, to make beer. One of the most powerful locomotives has been standing on a siding near the brewery for more than a week, pumping steam into the plant. F. J. Snyder, stationary engineer, explained that the much of business has been so good the brewery now forced to rent the loco-

motive to supplement its steam plant. Those firemen in eight-hour shifts man the locomotive. The brewery has a capacity of about 300,000 barrels of beer annually, but approximately half of it is taken up in the manufacture of mill extract and so. It is operating twenty-four hours a day with 100 men and turning out beer at the rate of over 100,000 barrels a day.

Steam days Recalled

The Milwaukee Road Magazine's two-part series about the days of steam locomotives stirred up quite a few old memories among employees and retirees.

Fred J. Snyder, retired engineer, writes: "I'm enclosing an old newspaper picture of (a locomotive) I was firing on July 24th 1933. I thought perhaps some old friends would like to see it."

Fred's article was clipped from an old edition of *The Chicago American* and shows him firing a locomotive rented by the Milwaukee Road to the Birk Brothers Brewery, which needed additional steam to increase its brewing capacity. Three firemen worked eight hour shifts on the locomotive, which sat on a siding next to the Chicago brewery and generated steam which was piped into the plant.

Wade Stevenson, machinist at the Othello, Wash., roundhouse, sent a photo depicting the end of steam power on the old Idaho Division in 1954. His photo shows engine 267 on its last trip, with a new GP9 diesel standing nearby to take its place on train number 264. Retired Roundhouse Foreman Charlie Davidson is third from left in the photo, which is reproduced here. "I hurriedly made the sign and got men together for this historic shot," Wade recalls.

Left: Fred Snyder's 1933 newspaper clipping.

Below: Wade Stevenson's 1954 photo.



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Montana rail relay

Laying rail is a specialized job, and the Milwaukee Road's rail crew, known as the steel gang, travels the railroad building track and replacing rail. The crew is shown here as it replaces rail on a 10.6-mile stretch of track between Willow Creek and Jefferson Island, Mont., using new and

larger rail. A project like this is only one phase of a continuous rail relay program. Older rail removed from this location will be inspected and reconditioned at railroad shops and used to improve track at other locations that receive lighter traffic.