Iowa Interstate willing to host passenger trains, its chairman says
"If Iowa's interested, we can work it out."

By Steve Gravelle, Reporter
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SOUTH AMANA, Iowa - The Iowa Interstate Railroad remains willing to host new passenger rail service across Iowa if the state and Amtrak can reach an agreement to develop and fund it, a top executive of the Cedar Rapids-based railroad said today.

"The railroad is more than willing to work with Amtrak, the states, or anybody else that's involved in passenger service," said Henry Posner III, chairman of the Iowa Interstate's board and of its parent company Railroad Development Corp. "Our main business is freight, but one of the benefits of being a railroad is you can do more than one thing at once."

A feasibility study on new rail service between Chicago and Omaha picked the Iowa Interstate's route across the state from Davenport through Iowa City and Des Moines. Public meetings on the study will be held next month in cities along the line.

Iowa Interstate is already working with Amtrak and Illinois to restore passenger service between Chicago and Moline by 2015. Former Gov. Chet Culver was an enthusiastic supporter of extending that service to Iowa City, but current Gov. Terry Branstad and state House Republicans oppose the $3 million annual subsidy that would require.

"We're back to, does Iowa want to be a part of it?" said Posner. "If Iowa's interested, we can work it out."

Posner, who's based in Pittsburgh, was in Iowa to dedicate the railroad's new Dennis H. Miller Locomotive Works near Homestead in Iowa County. The railroad held an open house at the $24 million facility for employees and shippers.

"It's quite a testament to you that we're in a position to be able to do this," Posner told Miller.

Miller, 60, of Cedar Rapids, joined Iowa Interstate in 1985, the year after it took over about 600 miles of track from the bankrupt Rock Island Railroad. He was Iowa Interstate's president and CEO from 2002 until March, when he stepped down.

"This is a long time coming, and hopefully it isn't the end of things happening at the Iowa Interstate," said Miller, who remains vice chairman of the railroad's board.

Miller said he picked Homestead for the new facility because it's about halfway along the railroad's Chicago-Omaha main line. The 30,000-square-foot shop building was designed around the railroad's 14 General Electric GEVO 4,400-horsepower locomotives purchased in 2009 and 2010.

"They wouldn't fit in the shop in Iowa City," forcing crews to work outdoors, Miller said. Work formerly done in Iowa City and Council Bluffs will be shifted to the new facility.

The new shop has a wash bay - Iowa Interstate washes its locomotives monthly - overhead cranes to allow workers to remove heavy engine components, and pits for working underneath locomotives. The fueling facility can pump 440 gallons a minute into the GEVOs' 5,000-gallon tanks.
"The Iowa Interstate wouldn't be the company it is without Denny," Posner said. "He's all business, but he's a railroader at heart. You really have to be both to succeed in this business."

Jerome Lipka, Iowa Interstate's president and CEO, said about 40 people will work out of the Homestead facility, about half of them operating crews.


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