

# Railroad

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# Granted

# Extension

By MARK SPANG

New York & Lake Erie Railroad has been granted a three-month extension to continue freight service on the track from Salamanca to Cattaraugus.

The new contract was on its way to New York & Lake Erie operator Robert O. Dingman Jr. this week, Louis Rossi of the state Department of Transportation Rail Division said.

It was to run out Oct. 15. After Dingman's bid to operate on both the Gowanda-to-Buffalo and Salamanca-to-Cattaraugus lines was rejected by the state in June, Dingman applied for the extension of his current contract.

The Cattaraugus-to-Salamanca line is leased from the trustees of the defunct Erie-Lackawanna Railroad by the state. The DOT designated Dingman as the operator of the line and granted him a one-year demonstration contract in October 1978.

While Dingman's operation cannot operate without government subsidy now, he said that if he is allowed to expand his service to include the Buffalo-to-Gowanda line and the South Dayton-to-Waterboro line, the venture could be a profitable one. Those two lines are currently operated at a financial loss by Conrail.

Rossi noted that \$40,000 slated for track rehabilitation on the Salamanca-to-Cattaraugus track will be used to pay for the lease of the tracks. Rehabilitation will be stalled. Dingman contends the aged tracks are in need of repair.

Rossi said, "Our engineers have surveyed the track and rehabilitation is not urgently needed." He added that he believes it will be more efficient to use that money to continue the lease.

If the contract were not approved, or if Dingman should decide not to sign the contract, then the only options would be to give the operation of the line back to Conrail or terminate service.

The trail makes deliveries of supplies to several businesses on the line. Some have said that if the rail were not operating would be forced to move or close.

Rossi said Thursday that a meeting with himself, Lt. Gov. Mario Cuomo, Dingman and the other local people involved will be scheduled in the coming months to find a solution to save the Gowanda-to-Buffalo line.

Dingman proposed in the spring to operate both Gowanda-to-Buffalo and Cattaraugus-to-Salamanca at a deficit of about \$200,000.

The bid was rejected. Rossi said that the DOT is looking for a rail line operator who can operate without a deficit.

The state is again preparing bids for that line and expects to make a decision concerning the Gowanda-to-Buffalo line before Dingman's contract extension runs out in mid-January.