

New York & Lake Erie Grov Dingman Poised To Pick Up Co

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By MATTHEW SPINA

DAYTON — One might think that seeing a freight train would no longer be a novelty for residents whose homes overlook the New York & Lake Erie Railroad tracks here.

Not so. When an engine and caboose chugged along these tracks earlier this week, dogs barked, children ran to watch and parents fumbled with cameras. There hadn't been a train on the track from Dayton to South Dayton since 1974.

That section once allowed the now defunct Erie-Lackawanna Railroad to join Jamestown and Buffalo, but on its road to bankruptcy the railroad stopped using the small section.

And Conrail, the system created by Congress in 1976 to acquire and develop the remains of six bankrupt northeast railroads, took the stretch but really didn't want it.

So a creative entrepreneur from Gowanda in 1978 took the small section to supplement a network he operates from Buffalo to Salamanca.

Now, with the Reagan administration and Conrail itself trying to cast off its least useful track, Robert Dingman, president of the New York & Lake Erie Railroad, is artfully poised to catch those pieces and acquire and upgrade others to construct a profitable rail-

road.

With cooperation from two nearby counties, Erie and Cattaraugus, — co-operation from Chautauqua County is also expected — Dingman is crafting a 60- to 85-mile rail system, a vanguard of what much of northeast rail service is likely to become as Conrail's future becomes more uncertain.

It was an old caboose and a 1946 locomotive he bought second hand for \$25,000 that changed its way in a pioneering run earlier this week in a trek from Dayton to South Dayton. Dingman is certain those rails will be traveled much more frequently.

The next piece of track he hopes to acquire is a little-used section from South Dayton to Waterboro that Conrail is slated to unload as part of efforts to streamline operations.

Cattaraugus County's Industrial Development Agency will be the owner and Dingman will lease it, but a nine-mile section of the line curls into Chautauqua County. A legislature committee is debating whether to let the Cattaraugus County IDA own property in Chautauqua County and be given tax exempt status.

Conrail pays taxes on the land to the town of Cherry Creek, Dingman explained, but if it drops the line as has been indicated, the town may no longer



receive tax revenue anyway.

Virtually all committee members, however, see no problem with giving tax exempt status to the thin strip of land, and although there are some legal questions to clarify, Dingman is close to striking a deal with a third Western New York county.

Conrail is looking to downgrade the status of the former Erie-Lackawanna main line which enters the Southern Tier at Binghamton, runs through Jamestown, twists southwest through Pennsylvania and eventually meets Youngstown, Ohio.

The financially ailing railroad says