uring the period covered by the first annual report from July

23, 1916 to December 31, 1917, there was considerable expense for new cars, electric locomotives, substations, power equipment, rails, ties, ballast, right of way, bridges, stations, crossing gates, warning signal bells and for a general rehabilitation of the system to bring the property to a higher standard of operating efficiency and safety, and to provide for the growing passenger and merchandise business of the Company. The total amount so expended was \$1,146,996.25, to provide which, the Company issued -

\$940,000 par value of its First Mortgage 5% Bonds

\$170,000.of its 6% Equipment Notes

in addition to the earnings resulting from operation of the property. Because of market conditions created by the war, it was found impossible to sell long term bonds on a reasonable interest basis and consequently the Company issued its One, Two and Three-Year Six Per Cent Serial Notes, amounting to \$885,000 divided as follows -

\$180,000 due July 1,1918-without collateral \$345,000 due July 1,1919-with \$460,000 First Mortgage Bonds as collateral \$360,000 due July 1,1920-with \$480,000 First Mortgage Bonds as collateral

During the year, 10%, or \$17,000 of the Equipment Notes were paid and canceled. The remaining notes matured at the rate of \$8,500 every six months.

Bonds and Equipment Notes



Interior of Dining Cars - 1917



69

Arrangements were made, in 1917, to acquire property for terminal facilities in Milwaukee. Until money conditions would improve, the Company found it necessary to advance funds for this terminal.

The Waukegan City Lines were largely rebuilt and new tracks laid on North Avenue and Glen Flora Avenue from Sheridan Road to West Line tracks.

The office building, at Highwood, was thoroughly overhauled, repainted, an employes lunchroom installed in the basement, and a commissary for use in connection with the dining car service.

The car shops, at Highwood and North Chicago, were modernized; new concrete and steel bridges built (1) over the crossing of the St. Francis cut-off tracks of the Chicago and North Western Railway just south of Milwaukee (2) on the north side at the Madison Division crossing of the Chicago and North Western Railway (3) over Kinnikinnic River south of Milwaukee.

Milwaukee Terminal

Waukegan City Lines

Highwood Office

Bridge abutment, 65 feet high, over North Western RR tracks.



Starting excavation for culvert at Kinnickinnick River over Madison Division of the Chicago and Northwestern Railway tracks.



Completed Reinforced Concrete Culvert over Kinnickinnic River.

In the change from receivership operation to private operation, a large expenditure of money was required to bring the Road to the standard of maintenance and operation expected and demanded by the public and by Government Authorities.

A Safety Bureau was organized and many changes made to safeguard the public and the Company's employes.

The Road serves the United States
Naval Training Station at Great Lakes, as well as
the United States Army Post, at Fort Sheridan. The
war had caused the traffic to and from the Great
Lakes Station to be very heavy. Approximately
25,000 men were stationed at those two locations.

Safety Bureau

War Activities Traffic





Bathing Beach at Ft. Sheridan



Entrance to Great Lakes Naval Train ing Station



Administration Building, Great Lakes

Sailors Being Reviewed by Secretary of the Navy Wilbur





Arrangements were made for a close connection at Central Street, Evanston, between the trains of this Company and those of the Northwestern Elevated Railroad Company, by which passengers are carried into the center of the business district of Chicago, where transfers may be made to all parts of the city.

In Waukegan a new franchise was obtained, running for thirty years from May 11,1917. As this franchise provides for the operation of city cars, it was necessary for the Company to acquire and surrender to the City of Waukegan the franchise formerly held by the Waukegan, Fox Lake and Western Railway Company, under which franchise a small part of the city lines was formerly operated.

The merchandise despatch service commenced operation August 1, 1917.

On September 8, 1917, the Public Utilities Commission of Illinois granted permission to the Company to increase the rate of fare in Illinois to two cents per mile, which is the same rate authorized in Wisconsin by the Railroad Commission of Wisconsin and also by the Interstate Commerce Commission.

Connection
with
Northwestern
El RR at
Evanston

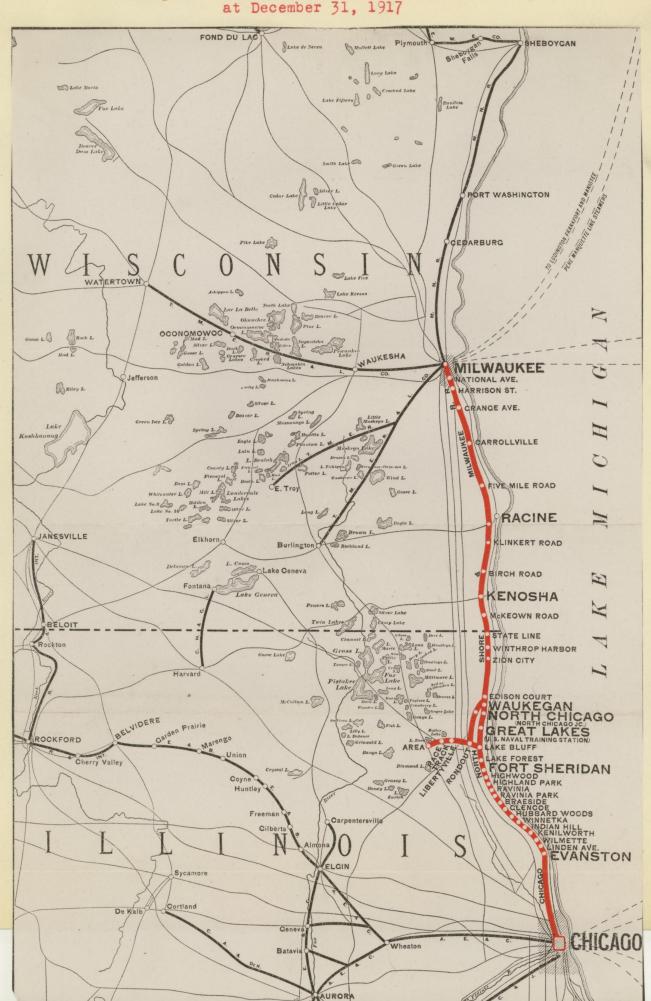
Waukegan Franchise

Waukegan For Lake & Western RR

Merchandise Despatch

Rates

Map of Chicago North Shore and Milwaukee Railroad at December 31, 1917





A southbound merchandise despatch train of five cars of the regulation type devoted to this service. These cars are of steel and wood construction, are 51 feet over all, weigh about 75,000 pounds each, are equipped with two motors having a total capacity of 200 horse power; are heated and ventilated; are fitted with M. C. B. standard radial automatic couplers, and having a loading capacity of 40,000 pounds. Trains of these cars are run as "extras" as often as the demands of the service require, and are equipped for multiple unit control.

The "M. D." North and South Poles

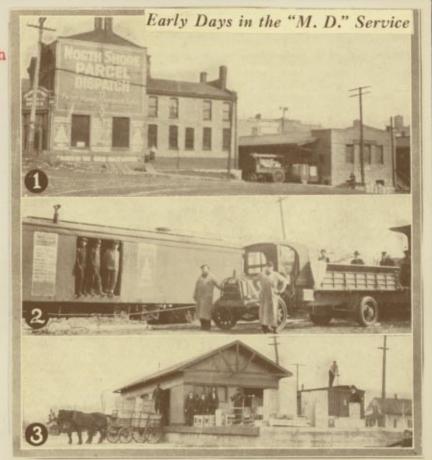




Warehouse at Sixth and Clybourn, Milwaukee-the northern terminal of this high-speed merchandise delivery service. The large number of trucks backed up at the loading platform prove that business is rushing at the "North Pole".

This picture shows the loading platform at the "South Pole" - 63rd and Calumet, Chicago

Old Parcel Despatch station in Milwaukee. There is some difference of opinion as to whether pictures number two and three show the early P.D. Station at Racine or Waukegan.

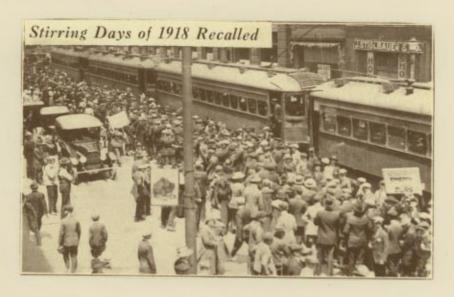




The Merchandise despatch station at Kenosha, Wisconsin erected in 1919

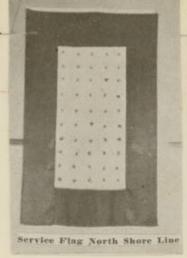
"Join the Navy's fighting fleet!" "We have met the enemy and he is ours!"

Do you remember these and other stirring slogans carried on placards by enthusiastic recruits as they flocked to Great Lakes Naval Training Station to "join up" in 1918? Almost every member of the North Shore Line family recalls the excitement, tenseness and fervid patriotism of the time, when war news was eagerly awaited, and the Naval Station at Great Lakes was a huge canvas city, housing at one time about 40,000 sailors.



On July 2, 1915, volunteers for the Navy from Milwaukee and Wisconsin communities, boarding one of the many special trains operated by the North Shore Line to Great Lakes Station. Over 500 of Wisconsin's "finest" enlisted on that day. Milwaukee gave them a tremendous "send-off."

Sixty-five employes of the North Shore served under the colors



The service flag holds sixty-five stars

Following are the names on the honor roll:

Transportation Dept.

V. N	laugebrauck lelson lillard	C. Berrong H.Augustine	H. Clow E. Williams
A. N L. D	ugent elong	F. Okey J. Schmidt Geo. Ehleiter	H. Riley W. Buderun A.Bourkland
A. R	hyner	E. Anderson T. Bacon W.H. Burke	*Gilbert O.Evans G. Watkins G. Theobold

Maintenance of Way Dept.

L. N. White	T. Berg	W. Stupey
F. Kramer	James Corse	E. Mundy
George Laurentz F. Kellner		D. Manay

Electrical Dept.

J. E. Brady Carl Redding E.J.Brown William Rettig William Skinner James Lund	Clarence Smith H. Amsden And.Alschlager John Lawther Lloyd Horton G. Smith	H. Anderson Leslie Smith E.V. Kaplan P. Gerharz E. Anderson
James Lund	G. Smith	H. Thomas

Mechanical Dept.

H.	V. Scott	Frank Rozales
K.	Melville	E. Meyers
H.	Dowden	H. Williams
R.	Betts	

F. N. Neal C.H.Holmes John H. Page N.J.Filitz

H. Miltimore Leslie K.Grant

^{*} Died in France