

NEW JERSEY SHORT LINE RAILROAD ASSOCIATION

MEETING MINUTES SEPTEMBER 14, 2011



THE NEW JERSEY SHORT LINE RAILROAD ASSOCIATION IS AN ORGANIZATION MADE UP OF RAILROADS SERVING THE GREAT STATE OF NEW JERSEY. THE PURPOSE OF THE ASSOCIATION IS TO ADDRESS CONCERNS AND PROBLEMS WHICH FACE SHORT LINE RAILROADS AND TO FIND MEANS OF MITIGATING PROBLEMS AND FINDING SOLUTIONS THROUGH COLLECTIVE EFFORT AND COOPERATION.

VISIT OUR WEBSITE: WWW.NJSHORTLINE.COM

ROBERT BAILEY—President
1764 Union Avenue
Hazlet NJ 07730
(732) 264-7264

JEFF SUTCH—
Vice President
PO Box 711
Bridgeport NJ 08014
(856) 467-4800

STEVEN FRIEDLAND—Treasurer
PO Box 2206
Morristown NJ 07962-2206
(973) 267-4300

KELVIN MacKAVANAGH -
Secretary
PO Box 294
Cedar Brook NJ 08018-0294
(609) 704-1270

At this meeting we finally had the opportunity to present the 2011 Friedland Award to retired NJDOT Commissioner Jack Lettiere and to hear from John Wisniewski, the chair of the NJ Assembly Transportation Committee.

Once again, we want to thank Karen Rosella and Ron Batory of Conrail for hosting the meeting and providing lunch. We also give our thanks to Ray Stahl of Conrail for assisting HDR in setting up their audiovisual presentation.

TABLE OF CONTENTS

List of Attendees	Page 3
Meeting Minutes	Page 4

Next Meeting: Wednesday November 16, 2011
Location: Conrail offices, 1000 Howard Blvd., Mount Laurel, NJ

UPCOMING EVENTS

October 1-4, 2011	ASLRRA Eastern Region Meeting, Cleveland, OH
October 20-21, 2011	FRA Safety Training Seminar, Raritan Center, Edison, NJ
April 11-13, 2012	TransAction 2012, Atlantic City, NJ
April 21-24, 2012	ASLRRA Annual Convention, Indianapolis, IN

MEETING ATTENDEES

NAME	COMPANY/ORGANIZATION	TELEPHONE NUMBER
Kel MacKavanagh	MacKavanagh RR Consulting	609-704-1270
Joe Zarriello	KS Engineers	609-613-8646
Steve Friedland	Morristown & Erie Ry.	973-267-4300
Rich Hopkins	NJDOT	609-530-8031
Todd Kropilak	NJDOT	609-530-8056
Gus Neimeister	Logistics NCL	610-724-4141
Jim Kerstein	Axion	908-542-0888
Ron Jackson	NCL	609-518-0033
Jack Lettiere	Jack Lettiere Consulting, LLC	609-213-5266
Jeff Sutch	SMS	856-467-4800
Denise Bailey	Norfolk Southern	215-756-1497
Bob Dedow	FRA	732-422-4876
Bob Bailey	NYNJ	201-232-0389
John Fiorilla	Capehart & Scatchard	856-914-2054
Jim Purcell	Consultant.	609-498-5753
Thomas Noon	FRA	732-329-3025
Tony Macrie	Seashore Lines	609-602-1264
Dominick Critelli	NJDOT	609-530-2847
Jim Turcich	Philadelphia Belt Line.	215-592-7775
Gordon Fuller		908-213-4366
Patrick McWilliams	River LINE/Bombardier	856-580-5637
Bill Sheffield	River LINE	856-580-5629
Richard Semenick	HDR	212-542-2028
Ron Weening	ASW Inc.	908-686-8491
Joe Bowen	NJDOT	609-947-9409
Fred Winkler	Winchester & Western	856-451-6400
Miki Krakauer	NJDOT	609-530-4574
John Scullin	Conrail	856-231-2010
Neil Ferrone	Conrail	856-231-2007
John S. Wisniewski	NJ Assembly	732-525-1400
Paul Mulligan	CMSL	732-770-7186
Tom Egan	Egan Consulting	781-771-7759
John McCreavy	SMS	609-868-1342
Gary Brennfleck	NJDOT	609-530-2912
David Morgan	NJDOT	609-530-2551
Steve Lorek	HDR	513-984-7557
Tom Young	HDR Engineering	617-357-7721
Ted Matthews	NJTPA	973-639-8404
John McLaughlin	R.L. Banks & Associates	856-938-4246
Scott Muir	Norfolk Southern	202-675-8200
Mike Fesen	Norfolk Southern	717-319-6870

MEETING MINUTES

The meeting was called to order by NJSLRRA President Bob Bailey at 10:33 a.m. This was followed by a safety briefing and a round of introductions.

1. Passing of Geraldine Winkler, the wife of Fred Winkler.

Bob Bailey paid tribute to Geraldine Winkler, Fred's wife for 56 years; a moment of silence was observed in her memory. Mrs. Winkler passed away on August 7, 2011.

2. Presentation of the 2011 Benjamin J. Friedland Award to Jack Lettiere.

Steve Friedland, the son of Ben Friedland, presented the award named for his late father to retired NJDOT Commissioner Jack Lettiere. Jack was honored for his service to the NJ short line railroad industry.

John Wisniewski, deputy speaker of the NJ Assembly and chair of the NJ Assembly Transportation Committee, presented Jack Lettiere with an Assembly resolution honoring Jack for his reception of the Friedland Award.

Jack Lettiere offered his profound thanks for the award and for the resolution. He said that John Wisniewski is a "great champion of transportation."

Jack said that the short lines are important to the state and region. In answer to his rhetorical question, "How do you move the last mile?", Jack replied that the short lines have this pretty well worked out.

Jack Lettiere stated that the 286K (gross weight on rail) issue is very important; it means a lot to the industry. Transportation is essential to the economy of the state.

Jack said that folks should look at the movement of **goods and people together**. We are not solving this problem; think of customers first. The folks in the rail industry need to solve this problem; we need capacity!

Scott Muir of NS thanked Jack for his help with building Conrail Shared Assets. Scott went on to mention that Lt. Gov. Kim Guadagno was brought into the 286K issue; Bay State Milling, a long time rail customer located on a NJ TRANSIT line in Clifton, explained its need to receive 286K cars to her; NJDOT has undertaken a study.

Jack responded. “Whining is not a strategy. We are still trying to solve the same issues with the same tools.....the rail doesn’t know the difference (between freight and passenger).....You just have to want to do it!”

3. Remarks by the Honorable John Wisniewski, deputy speaker of the NJ Assembly and chair of the Transportation, Public Works and Independent Authorities Committee.

Chairman Wisniewski opened his remarks by saying we need a longer term vision for transportation. He cited as examples the building of the Hoover Dam and the Hudson River rail tunnels over a century ago. He said that the new mindset is entirely different, using Governor Christie’s veto of the new Hudson River rail tunnels as an example of this.

He stated, “It all comes down to money..... Unfortunately, we can’t seem to agree on how to raise money. Governor Tom Kean raised the gas tax and created the Transportation Trust Fund; this was Tom Kean’s greatest legacy.”

John Wisniewski continued, “ The Transportation Trust Fund went to \$400M; then \$600M; then \$800M; it is now \$1.6B.”

Chairman Wisniewski said that we have to agree to invest; China is cleaning our clock every day with its investment in high speed rail and infrastructure.

He stated that New Jersey’s economy is almost entirely based on transportation. Although he favors an increase an increase in the gasoline tax, he said that we should not be afraid to debate where the Transportation Trust Fund money comes from.

4. Federal and state legislative update.

Kel MacKavanagh said that there had been no further action thus far on any of the rail or truck bills in the current Congress. The extension of the 45G tax credit was the only rail bill which was passed in the last Congress.

Kel also said that at a recent DVRPC Regional Safety Task Force meeting, Jim Lardear, director- public and government affairs for AAA Mid-Atlantic, reported about AAA’s opposition to increases in truck sizes and weights.

Scott Muir said that we should watch for Senator Kohl’s (D.-WI) bill, S. 49, The Railroad Antitrust Enforcement Act of 2011. The Senate Judiciary Committee issued a report on this bill on July 18, 2011 (Senate Report 112-038). Senator Kohl is trying to find another bill.

Scott said that there is concern about a potential railroad strike. The UTU has ratified the new labor agreement; the BLET has not.

There has been no action on the two railroad-related bills in the NJ Legislature (A1584 and S860). A1584 criminalizes certain actions on railroad property; S860 increases railroad franchise and property taxes to support improvements to railroad capital facilities.

5. Status of NJDOT rail program grants.

Dominick Critelli advised the group that there has been no forward movement on the FY 2011 grants; the FY 2012 projects will be advanced through the SAGE program. He hopes to get this done in time for the 2012 construction season. Dominick wants all agreements executed by January 2012. NJDOT will not help railroads to put their applications together. Applications have a three-year cycle; the whole program goes in as a package.

Dom also requested that railroads make him aware of any emergency grants; funds for emergency repairs may be available through the FEMA process.

He also introduced Dave Morgan from NJDOT; Dave may appear on job sites.

6. Presentation on bridge management by Richard Semenick of HDR.

Rich Semenick introduced Steve Lorek, associate vice president of HDR Engineering in Cincinnati, OH. Steve, who is a professional engineer (P.E), gave an excellent and very comprehensive presentation on the FRA's new rules and timelines for bridge management. A copy of his PowerPoint presentation is attached to these minutes.

The new regulations apply to bridges as short as **10 feet**. Compliance is the responsibility of the **bridge owner**, not the operator.

Dominick Critelli told the group that the Transportation Trust Fund precludes NJDOT from funding routine maintenance on bridges.

7. FRA Training Seminar on October 20-21.

Since the majority of the people attending the FRA training seminar are from Central and North Jersey, the seminar will be held at the Hilton Garden Inn in Raritan Center in Edison, NJ. This is near Exit 10 of the NJ Turnpike.

The NJSLRRA is grateful to Eyal Shapira and the Raritan Central Railway for hosting the meeting. Eyal will cover the expenses for the meeting rooms and the continental breakfast.

Kel MacKavanagh said that Eyal was literally the answer to prayer. He happened to walk into the Hilton Garden Inn while Kel and Rich Green were sitting in the lobby and wondering if we could get enough meeting rooms for the seminar. Eyal then facilitated the arrangements with the Hilton Garden Inn.

Detailed information about the seminar schedule was sent out to NJ short lines and others on September 12. If anyone desires this information, please email Kel MacKavanagh at kelmack@verizon.net.

8. Review of Railroad Day on Capitol Hill.

Railroad Day on Capitol Hill took place on July 14, 2011. We had an excellent representation from New Jersey. Included in the busy schedule were meetings directly with Representatives Chris Smith and Albio Sires and Senator Frank Lautenberg.

Congressmen Pascrell, Sires, and Smith have signed on as co-sponsors of the bill (H.R. 721) to extend the 45G tax credit; Congressmen Andrews and LoBiondo are not yet on board, nor is Rep. John Runyan. NJSLRRA representatives plan to meet with Rep. Runyan in his home district in October or November.

9. Review of Norfolk Southern Annual Short Line Meeting in July 2011.

Steve Friedland said the meeting offered a lot of face time with the NS people; attendance was relatively good.

10. ASLRRRA Eastern Region meeting in Cleveland on October 1-4, 2011.

Information about this meeting just became available on the ASLRRRA website (www.aslrra.org). John Fiorilla said that the meeting conflicts with the annual meeting of railroad lawyers with the Surface Transportation Board commissioners on October 3.

11. Conrail monthly safety meetings.

Kel MacKavanagh reported that Mike Kraft is new chair of Conrail's South Jersey Safety Committee. Kel also showed the members the new Conrail key chains with a seven point safety message and safety decals with critical safety messages for application to lanterns carried by the train crews.

12. Discussion of NJSLRRA becoming a member of the ASLRRRA Legislative Policy Committee.

This was not discussed because the NJSLRRA itself is not a member of the ASLRRRA.

13. Member reports.

a. HDR.

Tom Young briefly described an 11-month study of the freight capacity requirements in the year 2040 in North Jersey. The study is being done for the North Jersey Transportation Planning Authority; Egan Consulting is working with HDR. The study is in the information gathering phase. DVRPC and SJTPO, the other two NJ MPOs, have been invited to serve on the advisory committee.

b. Norfolk Southern.

Scott Muir introduced Mike Fesen; Mike is the new resident vice president-government relations for NS in New Jersey and New York. He has moved to NJ from Harrisburg, PA.

c. FRA.

Tom Noon advised the railroads to be on the watch for individuals pretending to be FRA employees; TSA representatives are also out on the railroads.

FRA employees will also now be out in the yards; people are being run over in the yards.

Hazmat training questions should be brought up to Bob Dedow at today's meeting. Other training questions should be sent to Richie Green; his email address is richard.green@dot.gov.

d. NJDOT.

Miki Krakauer said that NJDOT is working with Rutgers University on the 286K issue. They are looking at three clusters; Amtrak should be a partner; NJ TRANSIT is cooperating on the study.

14. New Business.

Kel MacKavanagh brought up TransAction 2012; it will be held at the Tropicana in Atlantic City on April 11-13, 2012. Since the TransAction Steering Committee is starting to work on topics for next year's sessions, he asked the members to send him suggested topics. One he suggested was The Future of Private Rail Sidings.

Next meeting:

The next meeting will be on **Wednesday, November 16, 2011 at 10:30 a.m.** at the Conrail offices at 1000 Howard Blvd. in Mount Laurel, NJ.

The meeting was adjourned at 12:18 p.m.

Kel MacKavanagh
Secretary, NJSLRRA
609-704-1270

