

# NEW JERSEY SHORT LINE RAILROAD ASSOCIATION

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*MEETING MINUTES DECEMBER 10, 2014*



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](http://WWW.NJSHORTLINE.COM)**

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For one final time in 2014, we thank Ron Batory and Karen Rosella of Conrail for hosting this meeting and providing lunch. We also thank Conrail's Zachary Maras for his help with the audiovisual presentation.

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**Next Meeting:** Wednesday, January 28, 2015 at 11:00 a.m.  
**Location:** The Cranbury Inn, 21 South Main Street, Cranbury, NJ  
08512

### **UPCOMING EVENTS**

<b>March 1-3, 2015</b>	<b>CSXT Short Line Workshop, Amelia Island, FL</b>
<b>March 28-31, 2015</b>	<b>ASLRRA Annual Convention, Orlando, FL</b>
<b>April 21-23, 2015</b>	<b>TransAction 2015, Atlantic City, NJ</b>
<b>June 4, 2015</b>	<b>Railroad Day on Capitol Hill, Washington, DC</b>
<b>June 9-11, 2015</b>	<b>Norfolk Southern Short Line Meeting, Roanoke, VA</b>

## MEETING ATTENDEES

<u>NAME</u>	<u>COMPANY/ORGANIZATION</u>	<u>TELEPHONE NUMBER</u>
Kelvin MacKavanagh	MacKavanagh RR Consulting	609-704-1270
Bob Bailey	NYNJR-Port Jersey Div.	201-434-8373
Arthur C. Ivins, Jr.	Hatch & Kirk	215-499-3275
Michael Fesen	Norfolk Southern	717-319-6870
Michael Prunty	ANA Laboratories	856-931-0011
Jim Blaze	Independent	856-230-8248
Ordell Koch	Harsco Rail	803-730-0618
Bob Robie	ANA Laboratories	856-931-0011
Jennifer Cox	Norfolk Southern	347-580-0287
Bob Ryan	Independent RR Contractor	073-220-8963
Harold Neil	HDS	609-638-3731
Joseph Bober	HDS	973-477-3487
James Badgley	Eastman Linnett Assoc.	609-314-3678
Steve Sampson	RelTEK	609-387-4357
John K. Fiorilla	Capehart & Scatchard	856-914-2054
Paul Catania	RelTEK	609-387-4357
Dave Luvara	Railroad Construction of SJ	856-423-2220
Lee Onyx	R.L. Banks	609-313-7394
Taimur Shamal	NJDOT	609-530-3715
Jeff Sutch	SMS Rail	856-467-4800
Miki Krakauer	NJDOT	609-530-4574
Michael Allen	NJ Operation Lifesaver	609-929-6421
Kaz Tabrizi	AID, Inc.	732-648-9003
John Ward	PS Technology/UP	610-212-3670
Joe Bowen	NJDOT	609-847-9409
John B. Fenton	NYSW Railway	607-592-2816
Andrew Smith	NJ OHSP	609-954-3305
Donald B. Hutton	NYNJR	201-433-0360
Nathan Fenno	NYSW Railway	607-547-2555

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## MEETING MINUTES

NJSLRRA President Bob Bailey began the meeting at 10:39 a.m. There was a safety briefing which called attention to tripping hazards. This was followed by a round of introductions.

### **1. Report on the 2014 ASLRRA Eastern Region meeting which was held in Hershey, PA on September 13-16.**

This was considered to be an excellent meeting which covered a wide range of topics and training. The movement of crude oil by rail was one of the featured topics.

### **2. Presentation on truck costs (Lee Onyx).**

Lee Onyx, now a consultant with R.L. Banks & Associates, but formerly with Conrail, Rail America, and two trucking companies, made the attached presentation about truck costs.

Lee said that trucking companies are now going to more use of intermodal than just running trucks long distances over the road.

Owner/operators of trucks are paid \$1.40-\$1.50 per mile. Trucking companies who hire drivers as employees continue to be faced with high turnover rates.

The NJ tax on diesel fuel is 17.5 cents per gallon.

Railroads should use \$1.80 per mile as an estimate of truck costs.

Lee's presentation generated a number of questions from the members.

### **3. Update on NJ Office of Homeland Security and Preparedness (Andy Smith).**

Andy Smith is a state critical infrastructure coordinator for NJ OHSP; he is responsible for freight rail. He spent 23 years in the armed forces.

Andy says that NJ OHSP is about collaboration; it wants to partner with the New Jersey railroads. OHSP is more of a facilitator than anything else. It has money for training exercises (e.g., Bakken crude).

#### **4. Status of NJDOT rail grants.**

The NJDOT representatives advised us that FY 2014 candidate projects are under review by the department's senior leadership. Fourteen new projects which total \$20,147,801.75, have been added to the FY 2014 State Rail Assistance Program. A public hearing on these projects was held at the NJDOT headquarters on September 25, 2014. Staff has recommended expenditure of all of the funds.

The 2015 program will open in January 2015 for new projects.

Jamie Fox, a former NJDOT commissioner, is now the new commissioner.

#### **5. Current status of federal and state rail-related legislation.**

Kel MacKavanagh reported that Congress has not passed any rail-related bills. **(NOTE: On December 17, as part of the 'extenders' bill, Congress approved the extension of the 45G tax credit through 2014. It had expired on December 31, 2013.**

**Also, subsequent to the date of the NJSLRRA meeting, Congress approved \$2M to support the short line safety initiative in the Short Line Railroad Safety Enhancement Act of 2014 (S. 2478).**

Bills which have seen no action include the Metal Theft Prevention Act of 2013 (H.R. 867), and Toxics by Rail Accountability and Community Knowledge (TRACK) Act of 2014 (S. 2858). Bills which were not voted into law will have to be reintroduced in the new 114<sup>th</sup> Congress which convenes in January 2015.

In the New Jersey Legislature, resolutions (A. Resolution 171 and S. Resolution 95) have been introduced urging the US DOT to promulgate regulations concerning transport of crude oil by rail that ensures safety of NJ residents who live along railroads.

#### **6. Nominations for the 2015 Benjamin J. Friedland Award.**

Arthur Erdman, a retired NJ TRANSIT and FRA employee, was nominated for the Friedland Award. Art, now a railroad book author, was the first secretary/treasurer of the New Jersey Short Line Railroad Association when he was employed by NJ TRANSIT.

Other nominations may be submitted before a final vote at the NJSLRRA meeting on January 28, 2015.

#### **7. TransAction 2015 sessions. Final selections will be made by the TransAction Steering Committee on December 11, 2014.**

Kel MacKavanagh said that the Steering Committee would meet in New Brunswick, NJ on December 11 and make the session topic cuts to determine most of final selections for the TransAction 2015 Conference. This will be held at the Tropicana in Atlantic City on April 21-23, 2015.

**8. Implementation dates for FRA Final Rule 243.**

FRA Final Rule 49 CFR Part 243-Training, Qualification, and Oversight for Safety-Related Railroad Employees, was published in the *Federal Register* on November 7, 2014. Employer programs will be required by January 1, 2018 for larger railroads and January 1, 2019 for smaller railroads.

Each model training program submitted to the FRA prior to May 1, 2017 will be considered to be approved (243.105).

**9. 2015 NJSLRRA dues.**

Dues notices will be sent out later in December. There are no changes in the dues. Class I railroad members remain at \$500; NJ short lines and regionals are \$250; others (suppliers, consultants, etc.) are \$125.00 annually.

**10. Member reports.**

**a. Norfolk Southern.**

Mike Fesen stated that NS is handling a lot of crude oil; this is causing some delays for trains; getting service back to normal will take some time.

Norfolk Southern's revenue on traffic interchanged with short lines was up eight percent in the third quarter of 2014.

**b. Tony Giobbie accident.**

John Fenton reported that Tony Giobbie, who retired from CSXT last year, is recovering from a motorized scooter accident; he is getting out of rehabilitation; Tony has a 12 to 16 inch rod in his leg.

**c. Railroads of New York.**

Don Hutton said that Mike Fesen was re-elected as president of the Railroads of New York (RONY) at a recent meeting of this state railroad association. Don stated that the meeting was very productive; fracking continues to be an issue in New York State.

**d. Hatch & Kirk.**

Art Ivins told the group that Hatch & Kirk is now the largest supplier of EMD power assemblies to short lines. The firm is also opening a new facility in the St. Louis, MO area.

**11. New business.**

A luncheon to honor Bob Bailey, the president of the NJSLRRA since its founding, and a former regional vice president of the ASLRRRA, will be held at the Cranbury Inn in Cranbury, NJ on January 28, 2015. Bob is retiring as general manager of the Port Jersey Railroad and will begin a new career as a consultant.

Further details about the luncheon will be emailed in the near future. Anyone with questions can contact Kel MacKavanagh ([kelmack@verizon.net](mailto:kelmack@verizon.net)) or call him at 609-704-1270.

**Next Meeting:**

The next meeting of the Association will be on **Wednesday, January 28, 2014 at 11:00 a.m. at the Cranbury Inn at 21 South Main Street in Cranbury, NJ. This will be followed by a luncheon at 12:00 noon to honor Bob Bailey on his retirement from the Port Jersey Railroad.**

The meeting was adjourned at 12:06 p.m.

Kel MacKavanagh  
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