

New Jersey Short Line Railroad Association

MEETING MINUTES JANUARY 15, 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 findina solutions through collective effort and cooperation.

Visit our website: www.njshortline.com

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As we begin 2014, we again thank Ron Batory and Karen Rosella of Conrail for hosting the meeting and providing lunch for the meeting attendees.

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Next Meeting: Wednesday, February 26, 2014 at 10:30 a.m.
Location: Conrail offices at 1000 Howard Blvd. in Mount Laurel, NJ

UPCOMING EVENTS

March 2-4, 2014	CSX Short Line Workshop, St. Augustine, FL
March 13, 2014	Railroad Day on Capitol Hill, Washington, DC
April 8-10, 2014	TransAction 2014, Atlantic City, NJ
April 22-25, 2014	ASLRRA Convention, San Diego, CA
June 18-20, 2014	NS Short Line Meeting, Roanoke, VA

MEETING ATTENDEES

<u>NAME</u>	<u>COMPANY/ORGANIZATION</u>	<u>TELEPHONE NUMBER</u>
Kelvin MacKavanagh	MacKavanagh RR Consulting	609-704-1270
Arthur Feygelson	CSXT	412-200-8802
Tony Giobbie	None	609-932-4520
John McCreavy	SMS Rail Lines	609-864-1342
Charles Barker	Norfolk Southern	610-832-1946
Steven Friedland	M&E	973-267-4300
Gordon Fuller	PTSI Transportation	908-313-4366
Arthur C. Ivins, Jr.	Hatch & Kirk	215-499-3275
James L. Badgley	Eastman Linnett Assoc.	609-314-4678
Jeff Sutch	SMS Rail	856-467-4800
Bob Robie	ANA Labs	856-931-0011
Denise Bailey	Norfolk Southern	215-796-1497
Todd Hirt	NJDOT	609-530-4944
John B. Fenton	NYSW	607-592-2816
Jim Turcich	Philadelphia Belt Line RR	856-914-2054
Harold Neil	HDS	609-638-3731
Joseph Bober	HDS	973-477-3487
Ronald S. Weening	AS-W Inc.	908-654-5144
Michael Fesen	Norfolk Southern	717-319-6870
Michael Allen	NJ OL	609-929-6421
Bob Dedow	USDOT/FRA	617-901-5851
Doug Long	Winchester & Western Railroad	301-268-8337
GeorgeAnne Tutunjian	Orgo-Thermit	732-657-5781
Mike Luczkiewicz	Winchester & Western Railroad	856-451-6400
Michael Weinman	PTSI Transportation	201-933-5530

MEETING MINUTES

Since Bob Bailey, the NJSLRRA president was unable to be present on account of a Port Authority track inspection, Jeff Sutch, the Association's vice president, conducted the meeting. He called the meeting to order at 10:30 a.m. This was followed by introductions and a safety briefing.

1. Discussion of recent crude oil unit train derailments.

There has been a rash of derailments. There has been a survey of single man crews; the MMA crude oil train which derailed in Lac Megantic, Quebec had a single man crew. Jeff Sutch said that he is opposed to single man crews.

The FRA is looking at crew sizes, although statistics say there are more accidents with two person crews. Norfolk Southern has two person crews about everywhere.

There is a big push on retrofitting and improving DOT-111 tank cars. New DOT-111 tank cars would be 286,000 lbs. gross weight on rail and have better steel composition. The DOT-112 and 105 tank cars hold up better in derailments.

Art Ivins of Hatch & Kirk said that the bottom valve is an issue; the ball valve can sheer off in a derailment. Its life is also shortened by corrosion.

There have also been a lot of problems with leaks in pipelines.

There are also concerns about cars being overweight; it is now difficult to get cars weighed en route.

The FRA and PHMSA are taking samples of the crude oil being shipped; some grades are more volatile than others. At present, Canada does not require shippers to properly certify the type of crude oil being shipped.

Ethanol and crude oil are going to be shipped to Albany, NY.

Buckeye and Phillips 66 are building terminals in North Jersey.

2. Discussion of U.S. Senator Richard Blumenthal's (D-Conn.) proposal to alert and local police every time a train hits something.

This bill was prompted by the killing of a woman trespasser walking on a bridge over the Saugatuck River in Westport, CT by a Metro-North train in poor weather. Although the

train crew searched the area for 20 minutes, they found nothing. Her body was found in the river the next day.

There was a similar incident near Princeton Jct. several months ago where a suicide trespasser's body was knocked into nearby woods by a train and not found until later as part of another search.

Members did not think this proposal will go anyplace although it will be monitored. Furthermore, there are not the local and railroad police resources available to respond whenever a train strikes an unknown object.

3. Discussion of the proposal for a 2014 Statehouse Railroad Day in Trenton.

Members believe this would be worthwhile. The late Alex De Croce, the Republican minority leader in the NJ Assembly, used to take the lead for the NJSLRRA in setting up a meeting in Trenton for us.

Pam Mann of GoRail is willing to take the lead on scheduling meetings in late spring for us. We would stress a positive message.

4. Update on federal rail-related legislation.

Kel MacKavanagh reported that Rep. Andrews' bill (H.R. 3551) requiring periodic independent inspections of bridges, signals, and switches does not yet have any co-sponsors.

The same is true of H.R. 2396, the *True Cost of Coal Act of 2013*, introduced by Rep. Jim McDermott of Washington State. This bill would impose a \$10.00 per ton excise tax on the extraction of coal.

H.R. 721, the bill which includes the renewal of the 45-G tax credit, will hopefully be passed as part of a larger bill in the near future. It now has 224 co-sponsors, including seven from New Jersey. Neither NJ senator is a co-sponsor of the companion bill in the Senate (S. 411), although it has 44 co-sponsors there.

There has been no action on any of the other railroad-related bills; they remain in the various committees.

5. Current status of NJ legislation affecting railroads.

The first session of the new NJ Legislature began on January 14, 2014. The only railroad-related bill which has been introduced thus far is A.842. This bill would permit cities of the first class to operate weigh stations and to inspect vehicles and railroad cars transporting materials within their jurisdiction. This was bill A.3587 in the previous Legislature.

6. Status of NJDOT rail grants and applications.

There was no report on these. Dominick Critelli's last day as Manager of NJDOT Multimodal Grants and Programs was January 10, 2014. He has been promoted and will work in another division of NJDOT.

The New Jersey Short Line Railroad Association appreciates all of the work and help Dom has done for the NJDOT rail program and our members. We will miss him at our meetings.

Dom's replacement will be Ashwin "Max" Patel. Max is also a career NJDOT employee. We look forward to having him at our meetings.

7. Topics selected for TranAction 2014 sessions.

Kel MacKavanagh stated that the following rail topics have been chosen for sessions at TransAction:

- Crude Oil Unit Trains to New Jersey: A New Oil Pipeline!
- Railroads and Asset Risk Management: a Framework and a Starting Point.
- Pre-emption: When can railroads condemn land to expand their facilities in NJ?
- The Modern Streetcar: The new 'old' mode of transportation.
- A policy of Railroad and Rail-Transit infrastructure investment to improve operations and capacity.

8. 2014 NJSLRRA dues. Invoices were sent out in December 2013.

Treasurer Steve Friedland said that he had received about one-third of the dues payments. The treasury account balance is about \$12,000. Major expenses are for the stipend for Kel MacKavanagh and the FRA training seminars.

9. Presentation schedule for 2014 Benjamin J. Friedland Award.

Presentation of the Friedland Award to Barbara Herkner, the widow of the late Bill Herkner, is planned to be done at NJ TRANSIT headquarters in Newark, NJ at a future date. Rich Wisnewski will be asked to arrange this.

10. Member reports.

a. CSXT

Tony Giobbie, who retired as CSX's manager-regional and short line development for the Northeast on December 31, 2013, reported that his replacement, Dave Scott, was in the process of moving from North Carolina to New Jersey. He should be at our next NJSLRRA meeting. Prior to his retirement, Tony took Dave to meet with the short lines in the territory. Dave may be reached at Tony's old number (856-778-5119). Dave's email address is Dave_Scott@csx.com.

Jeff Sutch publicly thanked Tony for all of the work he had done on behalf of our NJ railroads.

b. NJDOT

Todd Hirt said that in response to a request by FHWA, NJDOT is putting together a program to replace 8-inch flashers on grade crossing devices with 12-inch ones.

NJDOT is also resurfacing about 40-50 crossings annually. It tries to give priority to the worst crossings.

c. FRA.

Bob Dedow said that the FRA is looking at securement and all crafts to make sure trains are tied down properly.

d. Hatch & Kirk.

Art Ivins stated that there is a good supply of parts for 645 engines. There is no supply of parts for 567s as they wear out.

e. Norfolk Southern

NS is working on more crude oil business; coal is down; NS wants to ramp up more freight. Gas is the cheapest fuel.

Met coal exports are doing well; steam coal is down.

The NS Short Line Meeting will be June 18-20 in Roanoke.

11. New business.

a. Railroad Day on Capitol Hill

Railroad Day on Capitol Hill will be on March 13, 2014. Steve Friedland said that the hotel block has just opened. The Legislative Dinner will be \$235.00 this year. Information is on the ASLRRA website, www.aslrra.org.

b. Positive Train Control.

Steve Friedland reported that FCC permits for towers are an issue; the FCC issues 2,000 permits annually; the railroad industry needs 22,000 permits for PTC. There is also a Native American review process; this costs \$5,000-10,000 per site.

Next Meeting:

The next meeting of the Association will be on **Wednesday, February 26, 2014 at 10:30 a.m.**

The meeting was adjourned at 11:48 a.m.

Kel MacKavanagh

Secretary, NJSLRRA
609-704-1270

