

NEW JERSEY SHORT LINE RAILROAD ASSOCIATION

MEETING MINUTES APRIL 5, 2017



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.

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We want to thank Frank Reilly for arranging our use of the Tropicana Board Room for our meeting during the TransAction Conference in Atlantic City.

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Next Meeting: Wednesday, June 21, 2017 at 10:30 a.m.
Location: Conrail offices at 1000 Howard Blvd. in Mount Laurel, NJ.

UPCOMING EVENTS

April 22-25, 2017	ASLRRRA Convention, Grapevine, TX
May 22-23, 2017	Norfolk Southern Short Line Meeting, Norfolk, VA
Oct. 23-25, 2017	ASLRRRA Eastern Region Meeting, Providence, RI

MEETING ATTENDEES

<u>NAME</u>	<u>COMPANY/ORGANIZATION</u>	<u>TELEPHONE NUMBER</u>
Kelvin MacKavanagh	MacKavanagh RR Consulting	609-704-1270
Bob Bailey	Munro Associates	201-232-0389
Peter Palmer	NJTPA/Somerset County	908-963-4969
Trefor Williams	Rutgers University	609-497-4748
Ed Williams	Railroad Construction Co.	973-684-0362
Jim Jordie	Stella-Jones	800-272-8437
Scott Parker	Jacobs Engineering	862-242-7326
Michael Allen	NJ Operation Lifesaver	609-929-6421
John McCreavy	SMS Rail	609-868-1342
Gordon Fuller	Retired	908-313-4366
Mike Fesen	NS	717-319-6870
Tony Macrie	Seashore Lines	609-602-1264
Paul Mulligan	Seashore Lines	732-770-7786
Paul Buzby	Seashore Lines	856-207-1887
Debi Rogers	ICF-Environment & Planning	202-714-1508
Donald B.Hutton	NYNJR	201-433-0360
Jenn Cox	Norfolk Southern	347-580-0287
John W. McLaughlin	R.L. Banks & Assoc.	856-938-4246
Pat Abusi	RCCSJ	856-423-2220
Miki Krakauer	Operation Lifesaver	609-977-3055
Dave Luvara	Rhinehart	215-219-5100

MEETING MINUTES

NJSLRRA president Bob Bailey began the meeting at 8:01 a.m. with a round of introductions. He then discussed the eligibility of NJSLRRA members for membership in the CNJ Credit Union.

1. Review of Railroad Day on Capitol Hill in Washington, DC on March 2, 2017.

Over 500 persons attended this year's Railroad Day; the largest group ever. The NJ group did our usual 'NJ Walk-in' in visits to the offices of our Congressmen and senators.

The focus this year was on the following topics:

- The BRACE Act.
- No reregulation.
- No increase in truck sizes and weights.

The BRACE Act (Building Rail Access for Customers and the Economy Act) is H.R. Bill 721. It would amend the Internal Revenue Code to make permanent the tax credit for railroad track maintenance. S.407 is the companion bill in the Senate.

As of April 3, the bill had 152 co-sponsors, Albio Sires is the only one from New Jersey. Congressional representatives are waiting to see where the Trump Administration goes on tax reform. The bill has been in the House Ways and Means Committee since January 30, 2017.

Regarding the other topics, railroads oppose increased regulation by the Surface Transportation Board and increasing truck sizes and weights.

2. Update on federal and state railroad-related legislation.

Kel MacKavanagh said that there were 22 bills in Congress which had the word 'railroad' somewhere in the bill.

H.R. 233, the Safe Freight Act of 2017, would require the operation of a freight train or light locomotive with at least two crew members; one would be an FRA-certified locomotive engineer; the other would be an FRA-certified train conductor.

This bill has 28 co-sponsors; one is Rep. Frank LoBiondo. It is currently in the Subcommittee on Railroads, Pipelines, and Hazardous Materials.

Rep. Albio Sires has introduced H.R. 1093, a bill which would require the FRA and the Federal Transit Authority to provide appropriate Congressional notice of safety audits with respect to railroads and rail transit agencies. Notice of the beginning of the audit

would be provided within 10 days; the results of the completed audit would be reported within 90 days.

Activity in the NJ Legislature has been relatively quiet. A.2360 would require the owner of a railroad bridge to submit bridge inspection records to NJDOT. Assembly Resolution 20 urges the USDOT to promulgate regulations concerning transport of crude oil by rail that ensures safety of NJ residents who live along railroads.

Mike Fesen said S.806, the bill which would require the owner or operator of certain trains to have discharge response, cleanup, and contingency plans to transport certain hazardous by rail and would require NJDOT to request bridge inspection reports from USDOT, has gone to Governor Christie. The NJ Senate passed it by a margin of 33 to 5; the NJ Assembly approved its version by 54 to 16 on March 23.

Mike Fesen also told the members that Railroads of New York met with New York legislators on March 22 in Albany to discuss their concerns and improve relationships with them.

3. Review of the annual CSXT Short Line Workshop in St. Augustine, FL on March 5-7, 2017.

On account of the reduction of 1,000 management employees, this meeting has been described as 'surreal'. Dave Scott, who has been CSXT's short line representative in the Northeast, finished his career there on March 10. Dave has our thanks and best wishes.

Clarence Gooden retired as CSX President during the meeting. John McCreavy has sent me a transcript of Clarence's retirement speech which was recorded by Henry Posner; if you would like to have a copy of this, please let me know.

4. ASLRRRA Convention in Grapevine, TX on April 22-25, 2017.

This year's Convention will feature a number of breakout sessions and committee meetings which will appeal to everyone. There will also be a train ride on April 25.

5. NS annual Short Line Meeting in Norfolk, VA on May 22-24, 2017.

Norfolk Southern is looking forward to hosting this meeting.

NS traffic with its short line connections is up, as is export coal. The railroad is meeting its quality goals and on track for an operating ratio of 67 percent.

Mike Fesen also said that crude oil traffic is down; the number of trains currently operating is very low. Oil prices will have to go back up to \$60.00+ per barrel for the number of trains to increase; ethanol is still stable.; it cannot be stored.

6. NJDOT rail grant status (if available).

Although NJDOT personnel were unable to attend the meeting, the FY2017 grants were published on April 10, 2017 on the NJDOT website. These may be found under the

heading, Freight, Air and Water; click on Rail Projects. Seven projects were approved for grants.

7. Connected and automated motor trucks.

Mike Fesen had alerted Kel MacKavanagh to the FHWA Talking Freight Webinar on March 22 on this subject.

Kel said that the webinar lasted for more than 90 minutes. Experiments with connected and automated trucks are going on in three different locations in the United States.

The focus at present is on fuel savings. Connected trucks may save the lead vehicle four percent; the savings on the second vehicle may be ten percent. Nothing is expected to be implemented until the years 2020 or 2021. There was no talk about eliminating drivers.

8. Member reports.

a. Operation Lifesaver.

Mike Allen reported that Bob VanderClute is the new chair of Operation Lifesaver. Bob retired as Senior Vice President-Operations and Safety of the Association of American Railroads.

b. NS Safety Train.

The NS Safety Train will be in Newark, DE on April 18-20 and in Linden, NJ on May 16-18.

c. Award for Xiang Liu, Ph.D.

Dr. Xiang Liu, who initiated and heads up the Railroad Engineering Program at Rutgers, has been selected as the ASCE New Jersey Section's **2017 Educator of the Year**. **Congratulations, Xiang!** He was unable to attend TransAction this year because of a conflict.

d. Retirement of Ron Batory at Conrail.

Ron Batory, President and Chief Operating Officer of Conrail, retired on April 1, 2017. He has been succeeded by Tim Tierney, a familiar figure at our NJSLRRA meetings.

We are especially grateful for all of the support he has given to the NJ short lines and our Association. We wish him all of the best in his future endeavors.

We are looking forward to being able to continue work with Tim Tierney.

9. New business.

New business was covered under previous items.

Next meeting:

The next meeting will be on **Wednesday, June 21, 2017 at 10:30 a.m. at the Conrail offices at 1000 Howard Blvd. in Mount Laurel, NJ.**

The meeting was adjourned at 8:48 a.m.

Kel MacKavanagh
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