

NEW JERSEY SHORT LINE RAILROAD ASSOCIATION

MEETING MINUTES FEBRUARY 28, 2018



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 **Kathy Pitt and Tim Tierney** of Conrail for again hosting the meeting. The meeting attendance was the largest ever. We especially thank **NJ Senate President Steve Sweeney** for taking the time to attend our meeting. We also want to thank Conrail's **Neil Ferrone** for handling the slightly more complicated audiovisuals used during the meeting.

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Next Meeting: Wednesday, April 18, 2018 at 8:00 a.m.
Location: Tropicana Hotel, Atlantic City, NJ

UPCOMING EVENTS

March 7, 2018	Railroad Day on Capitol Hill, Washington, DC
April 7-10, 2018	ASLRRA Convention, Nashville, TN
April 17-19, 2018	TransAction Conference, Atlantic City, NJ
April 23-24, 2018	AARS Derailment Investigation Seminar, Philadelphia, PA
May 21-23, 2018	Norfolk Southern Short Line Meeting, Norfolk, VA
June 11-12, 2018	SafeRail 2018, Washington, DC
July 22-23, 2018	AARS Annual Meeting, Chicago, IL
Oct. 8-10, 2018	ASLRRA Eastern Region Meeting, Burlington, VT

MEETING ATTENDEES

<u>NAME</u>	<u>COMPANY/ORGANIZATION</u>	<u>TELEPHONE NUMBER</u>
Kelvin MacKavanagh	MacKavanagh RR Consulting	609-704-1270
Bob Bailey	NYNJ/Munro	201-232-0389
Bob Ryan	RR Real Estate Consultant	973-220-8963
Nicole Minutoli	NJDOT	609-530-2080
Max Patel	NJDOT	509-530-2900
Joe Russo	Morris County	973-829-8212
Steve Kerr	SRNJ	609-444-9228
Jocelyn Hill	Conrail	609-706-5906
Rodney Gordon	Conrail	856-231-2004
T. Bohlin	MB Inc.	732-616-0542
Neil Ferrone	Conrail	656-231-2007
Leroy Kardon	NAI Mertz	610-246-7118
John McCreavy	SMS	856-467-4800
Chris Petit	ICF	609-335-3284
Denise Bailey	Norfolk Southern	856-251-9801
NJ Senate President Steve Sweeney	NJ Senate	609-929-6421
Ron Mathewson	Zurich	201-602-8887
Derek Figueredo	Zurich	973-394-5289
Lisa Tackach	RCC Paterson, NJ	201-933-5530
Steve Sullivan	R.L. Banks	703-997-4294
Ron Baile	Seashore Lines	973-491-8761
Steven Friedland	NJ TRANSIT	609-396-1994
Ronald E. Sobel	SMART TD	732-397-3095
Tom Noon	FRA	609-313-7374
Douglas Long	W&W Railroad	301-268-8337
John K. Fiorilla	Capehart Scatchard	856-231-6488
Michael J. Centeno	Conrail	617-388-3446
Miki Krakauer	Operation Lifesaver	609-977-3055
Donald B. Hutton	NYNJR	201433-0360
Ross Grantham.	W&W Railroad	309-571-3349
Steve Hart	Conrail	973-690-2701
Mary K, Roberts	Riker Danzig	610-842-2116
Maria Bourassa	Conrail	856-231-2454
Joe Fiordaliso	North Star Strategies	973-809-5631
Jonathan Broder	Conrail	215-231-5020
Ron Klemptner	Jersey Marine Rail	732-770-7186
Paul Mulligan	Seashore Lines	609-602-1264
Tony Macrie	Seashore Lines	215-499-3275
Arthur C. Ivins, Jr.	Hatch & Kirk	443-235-9240
Mike Naughton	HDR	973-270-4108
Scott Harris	Dover & Rockaway River RR	908-787-9600 Ext. 704
Kean Burenga	Black River & Western	917-578-7064
Richard Semenick	HDR	212-542-6028
William H. Sheppard	Atlantic Rail Services	845-489-4468
Jim Turcich	PBL RR	215-592-7775
Joshua Davidson	ANR&P Newsletter	617-877-5741



MEETING MINUTES

NJSLRRA President Bob Bailey began the meeting at 10:35 a.m. with welcoming remarks. These were followed by a safety briefing by Conrail's Neil Ferrone and a round of introductions.

1. Current NJ industrial real estate situation (Roy Kardon, VP, NAI Mertz).

Roy Kardon said that New Jersey is a hot real estate market. The state has excellent transportation and is close to other population centers.

He stated that manufacturing is returning to the USA because foreign labor costs are rising and the costs to reach the final destination. US plants are closer to the consumers.

Delivery time is the issue for rail. He cited recent real estate deals of note in NJ; only one, Duro Bag in Elizabeth, has rail; the others don't.

These are all listed in the attached copy of Roy Kardon's PowerPoint presentation.

2. Remarks by NJ Senate Steve Sweeney, the NJ Senate President.

Before Senator Sweeney began his remarks, Bob Bailey asked everyone to reintroduce themselves.

Senator Sweeney described how he reached his current position by hard work and determination. He is vice president of the Ironworkers; he pointed to a picture of a Conrail bridge and said, "I know how to build that bridge."

Senator Sweeney said that he is passionate about rail; "We need rail; it will spur economic development", he said.

He talked about the Port of Paulsboro. He said that he partnered with Assemblyman John Burzichelli on getting this updated. It is the first modern port in 50 years, although it took 16 years to get there. The port will create 2,000 jobs.

Senator Sweeney also spoke about the development of the old DuPont site at Repauno, NJ. This acreage will now do cars, fruit and butane. It has an old cavern which was used to store ammonia. This will create 600-700 jobs.

The old DuPont property at Deepwater, NJ by the Delaware Memorial Bridge will also be put back into use by another company.

He lamented that there is not a direct rail line to link the ports in the northern and southern parts of NJ. He also wants to get the light rail line between Camden and Glassboro done. He wants to see passenger and freight railroads to work together, too.

Regarding the Transportation Trust Fund, he said that it doubles monies for towns and counties; they will receive \$161M this year.

During a Q and A session, Senator Sweeney said that he doesn't want information about hazmat trains and routes to be available to the general public; only first responders should have this information.

He also said that the Gateway Tunnel Project is imperative; President Trump should realize its importance because he has businesses in New York.

Concerning the NJ TRANSIT limitation of freight cars to 263K gross weight on rail on its lines instead of the 286K standard, he said that he will take this back to the Administration (NJDOT). He said that NJ TRANSIT was starved during the Christie administration. Its funding needs to be increased.

Senator Sweeney was advised that the NJTPA is working with NJ TRANSIT on a study of rail lines; HDR, the engineering firm, is part of this study. The study should be completed within a year. It will include priorities and funding sources.

A photo of Senator Sweeney is attached to the minutes.

3. Status of NJDOT rail grants.

Nicole Minutoli and Max Patel said that \$25M is being awarded for 10 of the 13 projects for which grants were requested. The successful grants will be posted on the NJDOT website in the near future. Recipients of the grants have a month or so to return the agreements.

4. Railroad-related bills in the new NJ Legislature.

Kel MacKavanagh said that only two bills with 'railroads' in the title have been introduced thus far. One bill (A.2310) would require the owner of a railroad bridge to submit bridge inspection records to NJDOT.

The other bill (S.475) would exempt federal Railroad Retirement Act benefits from income for purposes of calculating eligibility for the senior freeze program.

5. Railroad Day on Capitol Hill on March 7, 2018.

Appointments are being made with our senators and representatives. Our NJ attendees will have an organizational meeting after the morning briefing on Wednesday to decide who goes to which representative or senator. There will be a mobile app this year.

Emphasis will be on renewal of the 45-G tax credit. This was extended through December 31, 2017. Efforts are being made to have it included in the Tax Extenders bill. Modal equity is also important.

6. Current railroad-related bills in the US Congress.

Kel MacKavanagh stated that there are 151 bills which contain the word ‘railroad’ somewhere in the text. All of them including H.R. 721, the short line tax credit bill, are still in their respective committees.

Rep. Josh Gottheimer has introduced two bills:

- H.R. 4801-Get on Board to Fix the Tunnel Act (1 co-sponsor).
- H.R. 4925-FRA Safety Data Improvement Act (2 co-sponsors).

Rep. Peter A. DeFazio (D-OR-4) has introduced H.R. 4766-Positive Train Control and Financing Act of 2018; the bill has 10 co-sponsors.

7. ASLRRA Convention in Nashville, TN on April 7-10, 2018.

The ASLRRA Convention is returning to Nashville for the first time since 1988. Registration has already exceeded 1,000. The 1988 Convention was the first time the Convention exceeded 1,000 persons. Hotel reservations are tight; persons should check back to see if additional rooms are available; exhibitors may turn back rooms.

Full information about the Convention, including hotel information, the schedule of events, the general and breakout sessions, is available on the website, www.aslrra.org. Click on ‘Events’, then ‘Annual Convention’.

8. Update on TransAction 2018 sessions. TransAction will be at the Tropicana in Atlantic City on April 17-19.

All of the freight railroad-related sessions will be on Wednesday, April 18. These include:

- **Positive Train Control (10:45 a.m.-11:55 a.m.)**
- **US Railroading – Fifty Years of Change (1:30 p.m.-2:40 p.m.)**
- **Big Data, GIS and Short Line Railroads-the Future is Now (4:00 p.m.-5:00 p.m.)**

We will have our abbreviated NJSLRRA meeting in the Board Room from 8:00 a.m. to 9:00 a.m.

9. NJSLRRA 2018 dues payments.

Steve Friedland, the NJSLRRA Treasurer, said that we are in “pretty good shape” on dues payments. Most members have already paid their 2018 dues.

10. Discussion of draft NJ Railroad Enforcement Guide (Lisa Tackach, Railroad Construction Co.).

Lisa said that this is still in draft form; she had a few copies of it at the meeting. She has enjoyed working with Tom Jedic of the Norfolk Southern Police Department on this; Tom was unable to attend the meeting. The NJSLRRA will pay for the printing; it will be distributed in both hard copy and electronic forms. Operation Lifesaver will be the “go to” contact.

11. Member reports.

a. NJ TRANSIT.

Steve Friedland said that Kevin Corbett, the new head of NJ TRANSIT, is impressive. He will take a different approach.

Steve also said that Bob Lavelle was retiring on February 28 after a long career at Amtrak and NJ TRANSIT.

NJ TRANSIT has sent out letters to its railroad tenants stating that they will not be allowed to operate on NJT after December 31, 2018 unless their equipment is PTC compliant.

b. Norfolk Southern.

Denise Bailey said that NS is working through its service issues.

The Norfolk Southern Short Line meeting will be in Norfolk VA on May 21-23. Short lines should invite their operating people to attend the meeting so they can meet with the Norfolk Southern’s operating personnel.

c. SMART-TD.

Ron Sobel said that they are working on Jobs to Move America.

d. Atlantic Northeast Rails and Ports Newsletter.

Josh Davidson, the publisher and editor of *Atlantic Northeast Rails and Ports*, described the publication which has historically covered Eastern Canada, the Maritimes, and New England. Josh said that he wants to extend coverage down to New York and New Jersey. He wants to get the story of the railroad out there.

Steve Friedland and Kel MacKavanagh both praised the newsletter; it has excellent news stories, maps and graphics. Kel can forward a copy of the January 2018 issue of the newsletter to anyone who is interested.

e. Morris County.

Joe Russo said that Morris County, which owns certain rail lines in the county, wants to grow its railroad business. It also wants to see the gross weight on rail limits (GWR) raised to 286,000 lbs.

f. FRA.

Tom Noon is happy to have a new boss; Ron Batory was sworn as the new Federal Railroad Administrator on the morning of February 28.

We congratulate Ron and thank him once again for all that he did for the NJ short lines and the Association while he was President and Chief Operating Officer of Conrail. This relationship is continuing with Tim Tierney.

g . R.L. Banks and Associates.

Steve Sullivan commented on the importance of Railroad Day and urged members to attend.

12. New business.

New business was handled under the previous items.

NEXT MEETING:

The next meeting will be on **Wednesday, April 18, 2018 at 8:00 a.m. at the Tropicana Hotel in Atlantic City**. Since the meeting will be before the start of the day's TransAction sessions, it will only be a one-hour meeting.

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

Kel MacKavanagh
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