

NEW JERSEY RAILROAD ASSOCIATION

MEETING MINUTES JUNE 13, 2018



THE PURPOSE OF THE NEW JERSEY RAILROAD ASSOCIATION IS TO PROVIDE AN INDUSTRY ASSOCIATION TO PROMOTE AND PROTECT THE INTERESTS OF ALL FREIGHT RAILROADS THAT OPERATE IN THE STATE OF NEW JERSEY, THEIR CUSTOMERS AND VENDORS TO ENCOURAGE ECONOMIC GROWTH WITHIN THE STATE OF NEW JERSEY.

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Once again, we want to thank **Kathy Pitt and Tim Tierney** of Conrail for hosting another large meeting. We also want to thank Conrail's **Neil Ferrone** for taking care of the audiovisuals used by Josh Davidson in his presentation.

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Next Meeting: **Wednesday, September 19, 2018**
Location: **Conrail Offices, 1000 Howard Blvd. Mount Laurel, NJ**

UPCOMING EVENTS

July 22, 2018	<i>Progressive Railroading's</i> Rising Stars Dinner, Chicago, IL
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
Shadman Mohammed	NJDOT	609-530-2492
Deven M. Patel	NJDOT/Multimodal	609-530-2912
Tom Noon	FRA	732-397-3095
Alan Fisher	NJDOT	609-960-3075
Donald B. Hutton	NYNJR	201-433-0360
Rodney Gordon	Conrail	856-231-2004
Mike Naughton	HDR.	973-170-4108
Neil Ferrone	Conrail	856-231-2007
Mike Moen	NS	757-823-5442
John McCreavy	SMS Rail	609-868-1342
David Luvara	Rhinehart	215-219-5100
Rodney Oglesby	CSX	484-278-1742
Jonathan Broder	Conrail	215-209-5020
Chip Greiner	FRA	201-390-7372
Lou Frangella	FRA	617-686-7374
Lisa Tackach	RCC Paterson, NJ	973-413-1814
Mike Stephenson	NJ TRANSCAER	551-777-0631
Ron Baile	CMSL	600-828-7881
Steven Friedland	NJ TRANSIT	973-491-8761
James Badgley	Rowan College at Burlington Co.	609-314-4678
Mike Fesen	NS	717-319-6870
Jim Orgill	NJ OHSP	609-584-4269
John K. Fiorilla	Capehart Scatchard	856-986-8599
Michael Allen	Operation Lifesaver	609-929-6421
Ross Grantham	WWRR	475-213-7365
Andrew Smith	DHS/PSA	202-875-1034
Cathrin O'Donnell	DRRV	443-235-9240
Kean Burenga	DRRV	908-782-9600 Ext. 704
Scott Harris	DRRV	833-752-1849
Ron Klemptner	Jersey Marine Rail	201-840-0766
Arthur C. Ivins, Jr.	Hatch & Kirk	215-499-3275
Joe Bowen	FRA	201-249-2759
Joshua Davidson	ANR&P Newsletter	617-877-5741

MEETING MINUTES

NJRRA President Bob Bailey opened the meeting at 10:33 a.m. Neil Ferrone then gave a safety briefing. The round of introductions was done after Deven Patel's update on the status of NJDOT rail grants; this was actually the first presentation because Deven had to get back to NJDOT headquarters for a meeting.

1. "Now, We're the Good Guys", a presentation by Josh Davidson, Editor, *Northeast Atlantic Rails & Ports*. This is in response to Don Hutton's question, "When do we become the good guys?" at the February 28 meeting.

Josh said that people are unaware of the railroad industry. Railroads should have Facebook pages about their railroads. They should also create positive news about how they are helping local businesses, developing new business, and increasing jobs. They need to cultivate a public relations reputation.

Railroads also need to have a crisis communications plan. This will enable them to exert some control over the story.

Atlantic Northeast Rails & Ports, a subscription publication, was commended for its coverage and excellent color graphics, especially for its maps.

2. Critique of Norfolk Southern Short Line Meeting on May 21-23.

Members who were there praised the meeting. There were 225 short line representatives from about two-thirds of the 250 short lines with an NS connection in attendance, plus about 100 NS personnel. The meeting was very productive; it was more relaxed and had a different tempo. Compliments were offered to CEO Jim Squires and on down for the success of the meeting.

Norfolk Southern is hiring more people. The railroad is focusing on service and communication.

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3. Status of NJDOT rail grants.

Deven Patel said that FY 2019 starts next month (July 1). There will be \$25M available again for rail grants. The current budget battle will not affect rail grants.

There were two non-recipients of grants in FY 2018.

The SAGE Program is now IG16. Training for IG16 will be conducted on July 9, 2018. Notices about this will be sent out.

4. Comments on TransAction 2018 in Atlantic City on April 17-19.

966 people attended TransAction this year; this was the highest ever.

There were three railroad sessions:

- **Positive Train Control.** Steve Sullivan, Managing Director of R.L. Banks & Associates and formerly with Conrail and the ASLRRA, moderated the session. Bill Adams Conrail's PTC Engineer, and Bill Everett of Rockwell Collins (formerly with Conrail and CSXT) were the two panelists. Representatives of Amtrak and NJ TRANSIT were invited to be panelists but were unavailable.
- John Fiorilla, formerly with the CNJ and Conrail, who also represents short lines and is the agent for the NJ Railroad Association, gave a presentation entitled **US Railroading -Fifty Years of Change.** John's presentation explored the changes in US transportation law and regulations which have transformed railroads in the United States from failing enterprises to profitable businesses with benefits to both the railroads and their customers.
- John Betak, Ph.D, Managing Member, Collaborative Solutions LLC and also formerly with Conrail, moderated a panel entitled **Big Data, GIS, and Short Line Railroads – The Future is Now.** Thus panel focused on the rapidly growing data and GIS technologies which are now available. Its members included Jacob Fenno, Project Engineer for Conrail, Trefor Williams, Ph.D., Professor of Civil Engineering at Rutgers University, and Michael White, Regulatory Compliance Specialist at Global Information Systems.

Unfortunately, there will be less railroad participation at TransAction 2019. Next year's dates overlap the ASLRRA Convention in Orlando, FL. TransAction will be on April 9-11; the ASLRRA Convention will be on April 6-9 with attendees traveling home on April 10.

5. Status of rail-related legislation in the US Congress.

The website, www.govtrack.us/congress/bills, shows 151 bills with 'railroad' somewhere in the text. This website also shows the prognosis for passage of each bill; virtually all of which are still in committees.

H.R. 721, the BRACE Act, which would make the 45-G tax credit permanent, has a prognosis of 5%.

H.R. 3148, the Railroad Yardmaster Protection Act of 2017, has a prognosis of 4%.

S. 1451, the RAILS Act, has a prognosis of 21%.

H.R. 1093, the bill sponsored by Rep. Albio Sires, which would require the FRA and FTA to provide Congressional notice of safety audits, has a prognosis of 23%.

H.R. 5131, the Surface Transportation Security Improvement Act of 2018, which is sponsored by Rep. Bonnie Watson Coleman, has a prognosis of 37%.

S. 1233, the Rail Shipper Fairness Act of 2017, has a prognosis of 1%.

6. Status of legislation affecting railroads in the NJ Legislature.

A.2310, the bill which would require the owners of railroad bridges to submit inspection reports to NJDOT, is still in committee.

S.475, the bill which would exempt federal Railroad Retirement Act benefits from income for purposes of calculating eligibility for the senior freeze program, is also still in committee.

The major concern is with S.1883. This is the bill which requires the owner or operator of certain trains to have discharge response, cleanup, and contingency plans to transport certain hazardous materials by rail and requires NJDOT to request bridge inspection reports from the USDOT.

Although Mike Fesen of NS has testified against this bill, it has been approved by the Senate Transportation Committee and by the Senate Budget and Appropriations Committee. Senate President Steve Sweeney, as a member of the Senate Budget and Appropriations Committee, voted in favor of the bill on June 11.

Mike has been trying to meet with Senator Loretta Weinberg, the Senate Majority Leader; she is the sponsor of the bill. He has also met with NJ OHSP and is reaching out to the NJ fire associations.

7. Changes in the organization of Operation Lifesaver (Mike Allen).

Mike said that he had just returned from the SafeRail Congress in Washington, DC. Operation Lifesaver is still in a state of flux at the national level; it is in good shape here in New Jersey.

8. Review and discussion of the new New Jersey Railroad Association Bylaws.

This will include:

a. Election and terms of officers.

Election of officers for one-year terms will be conducted this fall. Terms will begin on January 1, 2019. Class I members are eligible to be President and Vice President.

b. Establishment of Legislative, Bylaws, Finance, and Membership Committees.

The Legislative Committee will work on NJ Legislature and NJDOT issues. The Association may need to hire a lobbyist.

A budget will be developed by the Finance Committee; there will be bills to pay.

The Bylaws Committee will consider changes and amendments to the new bylaws.

The Membership Committee will seek to get new members for the Association.

Membership on these committees is open to other NJRRA railroad and supplier members.

c. Hiring a lobbyist?

The Association anticipates that we will have to hire a lobbyist. Candidates will be interviewed during the summer.

d. Future dues?

The dues structure for 2019 will change. Members must pay dues to attend meetings.

9. Update on the *NJ Railroad Law Enforcement Guide* (Lisa Tackach).

Lisa said that the publication is ready to go to the printer; it is waiting for the new New Jersey Railroad Association logo. The initial cost is about \$6,000. The Association will pay this directly to the printer.

10. Call for nominations for the League of Railway Women's 'Women of the Year Award' (Lisa Tackach).

Lisa asked for nominations; the deadline is in August; she has the forms for nominations.

11. Member reports.

a. Conrail.

Rodney Gordon said that Conrail can now operate 286K gross weight on rail cars between Newark and 'Lane' on Amtrak's Northeast Corridor.

Partial service into the new Greenville intermodal terminal will begin by the end of 2018.

The new tariffs on import steel coming from Russia and going to Farrell, PA will have an extra cost of \$1.5M. Ship schedules are strong.

b. CSXT.

Rodney Oglesby said that CSX is going forward with the Precision Railroading model. There is a new industrial development and short line team.

c. FRA.

Lou Frangella said that preparation for PTC is prompting CSXT locomotive engineers to blow horns for all grade crossings, including private ones.

Joe Bowen said that there will be FRA Hazardous Materials Training Seminar in Houston, TX on August 21-23. The flyer is attached to the minutes.

Joe also said that FRA hazardous materials inspectors are being recertified.

d. New York New Jersey Rail.

Don Hutton said that Greenville is a \$358M project.

e. Norfolk Southern.

Mike Fesen reported that part of the Boonton Line has been leased to a tenant.

On the business side, intermodal is strong, coal is having a decent year; they are tight on some equipment.

f. Hatch & Kirk.

Art Ivins said that Hatch & Kirk now has remanufactured locomotive engines and parts at its Alton, IL facility. Three-day service is available. Art can provide costs and other information. His phone number is 215-499-3275; Art's email address is AIVins@hatchkirk.com.

g. TRANSCAER.

Mike Stephenson said that there were 500 people at each of the three training stops this spring. There were 100 students per day at the Morristown & Erie location in Whippany, NJ. SMS Rail was also great. TRANSCAER would like to do this training annually.

12. New business.

New business was handled under the previous items.

NEXT MEETING:

The next meeting will be on **Wednesday, September 19, 2018 at 10:30 a.m. at the Conrail offices at 1000 Howard Blvd. in Mount Laurel, NJ.** Rep. Donald Norcross (D.- 1st District) will attend and address the meeting.

The meeting was adjourned at 11:58 a.m.

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