

NEW JERSEY SHORT LINE RAILROAD ASSOCIATION

MEETING MINUTES SEPTEMBER 16, 2016



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 Ron Batory and Francine Monteleon of Conrail for hosting the meeting and providing lunch. It was good to be back in the Conrail training room in Mount Laurel for the first time since September 2015.

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Next Meeting: Friday, November 4, 2016 at 10:30 a.m.
Location: Hilton Garden Inn at Raritan Center, Edison, NJ

UPCOMING EVENTS

March 2, 2017	Railroad Day on Capitol Hill, Washington, DC
April 4-6, 2017	TransAction 2017, Atlantic City, NJ
April 23-25, 2017	ASLRRRA Convention, Grapevine, TX
May 22-23, 2017	NS Short Line Meeting, Norfolk, VA

MEETING ATTENDEES

NAME	COMPANY/ORGANIZATION	TELEPHONE NUMBER
Kelvin MacKavanagh	MacKavanagh RR Consulting	609-704-1270
Ron Mathewson	Zurich N.A.	201-602-8887
Steven Friedland	Shortline Data Systems	973-769-6505
John B. Fenton	NYSW	607-592-2816
Fred Mattison	NJ TRANSIT	973-391-5108
Lisa Matsinger	FRA	202-493-0324
Kimberly Giddens	NJDOT	609-530-5644
Michael Allen	NJ Operation Lifesaver	609-929-6421
Deven Patel	NJDOT	609-530-2912
Arthur C. Ivins, Jr.	Hatch & Kirk	215-499-3275
Paul Greene	Norfolk Southern	757-823-5287
Andrew Smith	NJ OHSP	609-388-2171
Kristin McCormick	NJ OHSP	609-584-4805
Erin Henry	NJ OHSP	973-453-8287
Jim Orgill	NJ OHSP	609-584-4269
Dan O'Connell	SMART TD	609-396-1994
Dianne Dino	ePath Learning	908-272-8525
Donald Hutton	NYNJR	201-433-0360
David Word	Power Drives	281-413-5045
James L.Badgley	Eastman Linnett Assoc.	609-314-4678
Thanh Le	NJDOT	609-530-6379
Pat Abusi	Railroad Construction of South Jersey	856-423-2220
Jenn Cox	Norfolk Southern	347-580-0287
Joe Zarriello	KS Engineers, PC	856-206-0892
William Sheppard	Atlantic Rail Services	856-983-9226
Emily Traiforos	GoRail	602-330-6460
Neil Ferrone	Conrail	856-231-2007
William Halloran	Tracks Unlimited	201-874-0766
Tim Tierney	Conrail	856-231-2021
John K. Fiorilla	Capehart & Scatchard	856-914-2054
Ed Williams	Railroad Construction Co.	973-684-0362
Ronald S. Weening	R.S. Weening Trans. Planning & Consulting.	908-686-9082
Tom Noon	FRA	732-397-3095
Joe Bowen	USDOT/FRA	201-249-2759
Ronald Batory	Conrail	856-231-2003
Jim Turcich	Philadelphia Belt Line Railroad	215-592-7775

MEETING MINUTES

In the absence of NJSLRRA President Bob Bailey, who was on vacation, Treasurer Steve Friedland began the meeting at 10:35 a.m. Neil Ferrone, Conrail's Chief Risk Officer, gave the safety briefing. This was followed by a round of introductions; we had several new attendees.

1. Passing of Bill Wright on July 19, 2016.

Kel MacKavanagh described Bill, who passed away at age 85, as a tireless and passionate advocate of the railroad passenger and freight industry, especially during his retirement. He wrote many letters to newspapers and federal and state elected officials urging the expenditure of more funds for the industry.

Prior to his retirement, Bill had been an employee of The Family Lines and of the New York Cross Harbor Railroad.

He was a member of NJ TRANSIT's Hall of Fame and has a brick with his name on it in front of NJ TRANSIT'S headquarters in Newark.

A short period of silence was held in Bill's memory.

2. Assistance in compiling and revising FRA Security Plans and Routing Analysis.

Lisa Matsinger (202-493-0324), a FRA hazmat specialist from FRA headquarters in Washington, DC, reviewed the requirements of 49 CFR 172.800 for these plans and routing. She wants to help the railroads get in compliance. In preparation for this, she recommended that railroads look at the oil spill response plans on the Pipeline and Hazardous Materials Safety Administration (PHMSA) website (www.phmsa.gov).

A copy of 49 CFR 172.800 is attached to the minutes.

3. Storage of flammable gas tank cars on the Morristown & Erie Railway.

John Fiorilla, the Morristown & Erie's outside counsel, described the situation in which Mount Olive, NJ filed a lawsuit against the railroad for storage of 120 cars of non-odorized butane on track which is owned by the county.

The FRA became involved right away and approved the agreement made by the ME with the township. This includes when the railroad may switch the cars to or from the track. There are switching charges involved both inbound and outbound, including a higher charge if the customer wants a specific car number.

Since hazmat cars can only be stored on a leased track, the ME gave the customer a trackage agreement specific for this purpose and the customer. There is no transloading.

Since the heating season is approaching, some of the tank cars, which are virtually brand new, are being moved out to final destinations.

4. Status of NJDOT rail freight assistance grants.

Since the Transportation Trust Fund has not yet been renewed, Deven Patel said that funding is still on hold.

5. Revised regulations for NJDOT rail freight assistance grants.

The NJ Rail Freight Assistance Program (N.J. A.C. 16-53C) has been readopted with amendments, new rules, and repeals, effective on August 15, 2016.

A major change is that the sponsor of a selected project does not need approval from the affected municipality or municipalities. However, the sponsor must prove that the governing body of each municipality has been notified in writing about the project (16:53C-5.6) This can be done by sending a certified letter to the township clerk.

Public meetings are also no longer required.

6. Review of ASLRRRA Eastern Region Meeting in Indianapolis on September 12-14.

Several of the people at the NJSLRRA meeting had been at the ASLRRRA Eastern Region Meeting. It was an excellent meeting, with a strong emphasis on safety and the creation of a strong safety culture led by the Short Line Safety Institute. The ten core elements of a Strong Safety Culture are attached to the minutes. Each of these was reviewed and discussed using a hypothetical scenario. One was assigned to each table.

The rotating breakout sessions covered safety and commercial topics such as boxcar supply, CNG and LNG, as well as regulatory issues.

Steve Friedland completed his term as a Director of the Eastern Region Board and was presented with a certificate honoring his service by Linda Darr, the ASLRRRA President. Donna Coleman of the Norfolk & Portsmouth Belt Line Railroad has replaced Steve on the Board. Carl Belke remains as the Eastern Region Vice President.

7. Status of federal rail-related legislation, especially the BRACE Act.

Kel MacKavanagh said that there are currently 272 bills in Congress which somewhere mention 'railroads'. Most of these were introduced in the first session last year.

From a short line standpoint, the most important bills are the BRACE Act (Building Rail Access for Customers and the Economy Act). These are H.R.4636 and S.2595. Passage of this Act would make the 45-G tax credit permanent.

Since this is an election year and representatives do not like talking about taxes, both bills have fewer co-sponsors than in previous years. S.4595 has 45 co-sponsors; H.R. 4636 has 189.

Attached is a list of the NJ members of Congress who have not yet co-sponsored the BRACE Act, together with their staff contacts. We should get in touch with them and urge them to become co-sponsors, telling them why the bill is important to your railroad or company. GeorgeAnne Tutunjian has done this very effectively at Railroad Day on Capitol Hill when she explains how the 45-G tax credit has benefited Orgo-Thermit and its employees. This in turn helps the New Jersey economy.

In the interests of space and file size, I have not included Ashley Wieland's attachments. If you would like me to send them to you, please let me know.

8. Status of New Jersey rail-related legislation.

The Legislature has been quiet on railroad bills. There is a resolution (No. 20) urging the US DOT to promulgate regulations concerning transport of crude oil by rail that insures safety of NJ residents who live along railroads.

Assembly Bill No. 2360 requires the owner of a railroad bridge to submit bridge inspection records to the NJDOT.

9. Suggested topics for TransAction 2017.

The TransAction Steering Committee held its first planning meeting on August 26 for TransAction 2017; the next meeting is expected to be in late October.

Kel MacKavanagh asked persons at the meeting to think about and suggest topics for sessions; he reminded them that the same topics are not covered each year.

Kel said that he had suggested the following topics:

- Railroad bridge inspections.
- Impact of the widening of the Panama Canal on railroad intermodal traffic.
- Issues affecting New Jersey's distribution centers.

10. Member reports.

a. Norfolk Southern.

Paul Greene reported that Norfolk Southern's coal business is down 20 percent, just on short lines. Loose car traffic is now very important again.

Excluding coal and intermodal, NS carloads with short lines are down 2.7 percent; NS carloads with the same exclusions are down 7.5 percent. Corn carloads are also down thus far because there are good crops locally.

b. NJ Office of Homeland Security and Preparedness.

Conrail, CSXT, Norfolk Southern, and American Water Co. will hold a tabletop training exercise at the Somerset Country Fire Academy in Hillsborough, NJ on October 5 from 6:00 p.m. until 10:00 p.m. The exercise will focus on incidents involving chlorine and crude oil. There are two million residents in American Water Company's service area.

c. Hatch & Kirk.

Art Ivins mentioned the power assemblies available from Hatch & Kirk.

11. New business.

New business was covered under the previous items.

Next meeting:

The next meeting will be on **Friday, November 4, 2016 at 10:30 a.m. at the Hilton Garden Inn at Raritan Center in Edison, NJ.**

The meeting was adjourned at 12:01p.m.

Kel MacKavanagh
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