

**Morris County Freight Rail Advisory Committee
 Tuesday, January 12, 2010: 2:00 PM
 Morris County Administration & Records Building
 Fifth Floor, Knox Room
 Morristown, NJ**

The meeting was called to order by Chairman Schrier at 2:00pm.

In Attendance:

Board Members	Other Attendees	Staff
Freeholder Jack Schrier, Chairperson	Miki Kraukauer, NJDOT	Erik DeLine
Freeholder Margaret Nordstrom	Jakub Rowinski, NJTPA	Frank Pinto
Gary Behrens, Roxbury	Maggie Peters, MCEDC	Gerald Rohsler
James Dodd, Dover	Tom Phelan, Eng-Wong, Taub & Associates	
Gordon Fuller, M&E	Chris Vitz, Engineering	
Jack Holland, Holland Manufacturing	Chris Mazzei, M&E	
Allen Napoliello, Randolph	Leigh Meixell, MCEDC	
Frank Reilly, Board of Transportation		

I. Welcome

Freeholder Schrier welcomed everyone to the meeting. He gave a background of how the Committee was envisioned to be modeled after the Freeholder’s Airport Advisory Committee (AAC). This committee consisted of representatives from towns, railroad operators, and customers to present a wide range of diverse opinions. Freeholder Nordstrom echoed these statements and noted that before the AAC was created there was miscommunication between the operators of the Morristown Municipal Airport and local municipalities. The committee had a great amount of success in improving communication and understanding. She believes that the Freight Rail Advisory Committee (FRAC) can accomplish the same thing.

II. Introductions

Each of the committee members and guests introduced themselves and gave their backgrounds.

III. Remarks

- Freeholder Schrier gave some remarks on the background and goals of the FRAC. This committee was created because it is appropriate and timely to monitor the activities and plan for the future of the county-owned freight rail lines. The FRAC will allow for the free exchange of ideas and open discussions from the divergent groups that are closely associated with freight railroad activities, which include the railroad operator, municipalities, and customers. This new committee will provide the Freeholders with information on rail freight matters related to the County owned railroads. It is envisioned that this Committee, with its diverse points of view, will act as the County's resource with community groups, interested parties, and appropriate agencies as related to rail freight matters in Morris County.
- The Goals and Objectives of the committee are:
 - a. To serve the Freeholders by supplying the Board with current information on rail freight matters as they affect the County.
 - b. To bring diverse points of view together in order to better advise and recommend the paths for which the Board should follow related to rail freight.
 - c. To act as the County's liaison with community groups, interested parties and the appropriate agencies as related to rail freight issues.

IV. Presentation - Overview and History of Morris County's Role in Freight Railroads

- Mr. Erik DeLine gave a presentation on the history of the three railroads that Morris County owns; the Dover & Rockaway, High Bridge Branch, and the Chester Branch. The Chester Branch was acquired from Holland Manufacturing in October, 2009.
- In the presentation, Mr. DeLine also explained the relationship between the county as the owner of the railroad and the Morristown & Erie Railway as the operator, how railroad improvements and maintenance are funded, and gave other similar arrangements of publicly owned railroads operated by a rail carrier.
- This presentation is available online at MCDOT's website:
<http://www.morrisdot.org/Accessories/Transportation-FRAC.asp>

V. Perspective of the County's Rail System

- Mr. Gordon Fuller, the Chief Operating Officer of the Morristown & Erie Railway, the operator of the county's rail lines, gave a background of the M&E and their operations. The M&E is the nation's oldest short line rail carrier, spanning three centuries. They also operate the Maine & Eastern Railroad and the Staten Island Railroad. The M&E has lost traffic in recent years and is facing challenges due to track conditions, town zoning decisions, and high land prices in New Jersey. The M&E is currently marketing the use of its team tracks, which allow customers not located adjacent to rail roads to ship goods by rail. Team tracks are located in Roxbury and Whippany. The M&E is Federal Railroad Administration qualified, HAZMAT certified, and has been issued safety awards

- for the past 10 years. Additionally, all employees of the M&E have their Transportation Workers Identification Credentials (TWIC).
- Mr. Jack Holland, owner of Holland Manufacturing, explained the importance of rail service in Morris County, stating that rail service is the difference between being in business or not. Mr. Holland imports corn starch that is shipped in 180,000 pound rail cars. Also, Mr. Holland uses hot melt glue that is shipped from Texas in liquid form that can only be carried by rail. This liquid, which is used a paper coating, is pumped from the siding into his.
 - The Honorable James Dodd, Mayor of Dover, explained that Dover has a number of quality of life issues with the railroad. Currently, there are eleven unprotected crossings through downtown Dover along the Rockaway River. This is a safety issue and receives complaints by citizens.
 - The Honorable Gary Behrens, Councilman for Roxbury Township, gave Roxbury's perspective on the railroads. They have recreation facilities at Horseshoe Lake Park and the rehabilitation of the Chester Branch brought up concerns about what kinds of freight would be transported in this vicinity. He stated that the project would benefit Randolph, but not Roxbury. Mr. Behrens further stated that the County put a number of these fears to rest and believes that the FRAC will work well.
 - The Honorable Al Napolliello, Councilman for Randolph, expressed his support for rail freight in Morris County and that businesses in the area could be served by railroad rehabilitation.
 - Mr. Frank Reilly, representing the Morris County Board of Transportation, talked about his role in the county's acquisition of the Dover & Rockaway Railroad and High Bridge Branch. Mr. Reilly was formerly the Director of Morris County Division of Transportation. When Conrail was looking to abandon these two railroads, a number of businesses needed to continue rail service in order to stay in New Jersey. As part of this acquisition, the county used federal highway funds as well as private matches to be able to purchase and rehabilitate the lines. These actions were looked as an economic development project to retain much need jobs for the state.

V. Current Initiatives

- Mr. Chris Vitz, Morris County Engineer, updated the committee with the current progress of the bidding for the rehabilitation of the Chester Branch Railroad. The bids were due at 10am on Thursday, January 14th. The rehabilitation would occur from Lake Junction to its south end. The project would include new rail, ties, and ballast and reconstruct crossings at Berkshire Valley Rd, Main St, and 1st St.
- Mr. Vitz said that he anticipated 15-20 bids to review. The selected bid would be reviewed by NJDOT and then awarded by the County. There would be a pre-construction meeting and the project is scheduled to be completed in 2010.
- Mr. DeLine informed the committee that the county was undertaking a two year study of freight in Morris County using funding from the North Jersey Transportation Planning Authority. This multidisciplinary study would examine transportation infrastructure and land use as it related to freight while assessing ways how to better market goods movement for the county and improve its

community outreach. He said that while the study considered both truck and rail, the committee would be kept up to date with its progress.

VI. Other Business

- Mr. Frank Pinto, Morris County Director of Planning & Development, discussed the Rockaway River Greenway. Mr. Pinto explained that a realignment of the Dover & Rockaway Railroad would eliminate the grade crossings that Mayor Dodd had previously alluded to and would establish a linear park through downtown Dover.
- Mr. Reilly stated that the Rockaway River Greenway was first discussed when NJDOT started to design the Route 46/15 interchange. With the current rail alignment, the bridge over the Dover & Rockaway had to be raised to accommodate train traffic and that it was cheaper to eliminate the crossing than raise the bridge.
- Mr. Fuller said that the M&E was interested in land banking the High Bridge Branch. Currently, Target Industries was in bankruptcy and they were getting no shipments from Toys R' Us. He explained that for them its 20% more to ship by rail than by truck.
- There was a discussion on industrial facilities in the 1980's. Many companies then needed access to rail to stay in business at the time. Mr. Holland stated that one of the reasons behind New Jersey losing a tremendous amount of manufacturing was because changed municipal.
- The committee talked about Lake Junction. Mr. Fuller stated that the Morristown & Erie Railway needed a Resolution of Support from Roxbury in order to get funding from NJDOT to proceed with its improvements. This yard has been in poor condition for years and there are a number of safety concerns that need to be addressed.
- Ms. Miki Krakauer from NJDOT explained the State Rail Freight Assistance Program. It was a 90% funding grant requiring 10% match from short line operators in order to assist rail carriers in making improvements to their system that they otherwise would not be able to afford on their own. Typically, NJDOT requests \$10 million on an annual basis and advertises for projects. One of the requirements of the grant is that applicants receive a Resolution of Support from host communities. So far, Roxbury has yet to provide the M&E with a resolution, saying that it is the only community she can think of that has yet to do so.
- Mr. Behrens stated that the Lake Junction yard was in poor condition and needed to be rehabilitated, but the town was concerned that the M&E would use the location to transload goods if it was improved.
- Mr. Fuller said the area was too confined to bring trucks into and out of the facility and that the improvements were simply to improve safety and be able to switch railcars out from Norfolk Southern off the NJ Transit Montclair-Boonton Line.
- It was suggested that the resolution could include the clause that Lake Junction would not be used for transloading operations.
- Mr. Fuller said that he's presented this to the Roxbury Council in the past and would be willing to do so again if they wanted.

- Mr. Behrens said that he thinks the Council would be open to that idea and agreed to mention it to them.

VII. Adjournment

- Freeholder Schrier thanked everyone for coming and participating in the meeting, reminding everyone the next meeting was Tuesday, April 13.
- The meeting was adjourned at 3:30pm.

Respectfully submitted,

Erik DeLine
Assistant Planner