Morris County Freight Rail Advisory Committee Tuesday July 10, 2012: 2:00 PM Morris County Administration & Records Building Fifth Floor, Knox Room Morristown, NJ

The Meeting was called to order by Mr. Gerald Rohsler at 2:05 PM.

In Attendance:

Board Members	Other Attendees	Staff
Freeholder Hank Lyons	David G. Dawson, NJTPA	Deena Cybulski
Kathy Defillippo, Roxbury	Ted Matthews, NJTPA	Gerald Rohsler
Jack Holland, Holland Manufacturing	Chris Mazzei, M&E	Joseph Russo
Wes Weis, M&E		Elizabeth Shulman
Allen Napoliello, Randolph		
Frank Reilly, Board of Transportation		

I. Welcome

Mr. Gerald Rohsler welcomed everyone to July's meeting.

II. Approval of minutes from January 10, 2012

Ms. Kathy Defillippo made a motion to approve the minutes. Mr. Frank Reilly seconded the motion. Freeholder Hank Lyons abstained. The minutes from January 10, 2012 were unanimously approved.

III. NJTPA Rail Freight Capacity and Needs Assessment to Year 2040 Study

Mr. David Dawson, Principal Planner of the North Jersey Transportation Planning Authority (NJTPA), provided an overview of the Rail Freight Capacity and Needs Assessment to Year 2040 Study, produced by HDR Engineering Inc. with Cheng Solutions LLC, and Egan Consulting Group for the NJTPA. He explained that the study will address eight separate tasks, which included an inventory of current rail system conditions and operations illustrated by GIS mapping, forecasts of future rail demand, identification of corridor constraints, outreach to local officials and stakeholders, new rail corridors and needs analysis, proposed corridor improvements, and project management, and a final report.

Mr. Dawson explained that the primary focus of the study was the NJTPA's region's major freight corridor lines; CSX River Line, Conrail Northern Branch, P&H Branch, Conrail Lehigh Line, Norfolk Southern Lehigh Line, and CSX West Trenton Line. He explained that the freight mainlines along with connecting trackage owned or operated by the Major Class I railroads or regional shortline railroads were examined as an integrated network under both current conditions and future operating scenarios. They determined its adequacy and identifying potential upgrades and improvements needed to enable the system to meet projected future freight and passenger demands.

Mr. Dawson indicated that the study will address the rail infrastructure in Morris County, particularly examining bridge infrastructure and the feasibility of larger plate/weight improvements, specifically moving from Plate C cars to Plate F cars and increasing the weight limitations from 263,000 to 286,000.

Mr. Dawson mentioned that the study has been in progress for roughly a year over which time they made sure to receive considerable input and feedback from all the counties in the region. He also noted the study will be completed soon and formal presentations will soon be made to the counties.

Ms. Kathy Defillippo inquired on the growth rate and future speed that may be expected on the county owned rail lines. Mr. Dawson responded that the study works on the premise of a healthy business model and people not moving out of the County. In terms of speed, Mr. Chris Mazzei responded informing the committee that the M&E is a stoptrain service, which only carries about 4-6 cars and that the speed would not increase.

Mr. Gerald Rohsler mentioned that there should be a special meeting held to present the study findings to the FRAC, NYS&W, Warren County, and local communities affected by freight rail. The committee agreed and Mr. Rohsler said he would locate a suitable place to hold the meeting.

IV. Discussion – NJTPA 2040 Freight Industry Level Forecasts Study – Morris County Freight Profile

Mr. Ted Matthews, Director of Freight Planning at NJTPA presented NJTPA's 2040 Freight Industry-Level Forecasts to the committee. Mr. Matthews explained that the study's primary goal is to develop a clear, accurate, and comprehensive picture of regional freight activity, both current and future in the region. Using a nontraditional approach, Mr. Matthews explained that the study utilizes four separate detailed databases to provide an accurate picture of where concentrations of goods movement activity can be expected to occur in the region in the future, the types of commodities that will be moving, and where strategic investments should be made.

Mr. Matthews explained that this study is particularly important because it provides extensive detail down to the county level. He explained the economic forecasting is accomplished using the R/ECON model, which was developed by Rutgers University. The R/ECON Model, the economic model for the State of New Jersey, forecasts baseline

data, higher/lower NJTPA population, higher/lower global fuel prices and NJTPA CPI using industry employment as the key metric.

Mr. Mathews explained that R/ECON forecast tool which will report employment forecast by county and industry in addition to freight forecast by county, direction, mode, commodity, and O-D pair. The tool will document the findings in a brief, user-friendly form which details current and future economic, freight conditions, and "The Story of Freight" in the region for each county.

As a result, Mr. Matthews stated the model forecasts that tonnage by direction and mode would increase 141% in the NJTPA region, a change of 274 million tons by 2040.

Freeholder Hank Lyons asked Mr. Matthews and Mr. Dawson where the highest percentage of rail freight in the NJTPA region was located. Mr. Dawson explained that the highest percentage was located in Hudson and Union Counties as a result of their significant abundance of rail yards. Mr. Matthews added that although the freight may have arrived by rail in Union or Hudson County, any freight taken to Morris County by truck would be considered truck freight, which explains the high truck tonnage in freight in Morris County.

Mr. Frank Reilly mentioned that the forecast depicts a significant increase in truck freight in the future. Mr. Matthews responded that many industries are looking into the movement of truck freight during the over night. He further explained that New York City businesses have employed this method of delivery showing as high as 30% in savings. He noted that although the economy appears to be leveling off, rails are still able to raise rates and tonnage, speaking to the growing popularity of rail freight.

IV. Current Initiatives

Mr. Rohsler updated the committee on the Kenvil Team Track Design Engineering being completed by CHA with funds from Morris County's rail surcharge account. He mentioned that the design has already been started and it should be completed in roughly six weeks. The bids for construction will be issued once the design specifications are completed. Construction for the project will be paid for with State Rail funds with a match from the County. The County match will be made through the railroad surcharge account.

Mr. Rohsler mentioned that the bid for the operation on the County owned lines was awarded to the Morristown and Erie Railway. The contract is expected to be signed following minor adjustments.

V. Other Business

The committee had no other business.

VI. Adjournment

Mr. Weis made a motion to adjourn the meeting and Mr. Reilly seconded the motion. The meeting was unanimously adjourned at 3:30 pm.

Respectfully Submitted,

Joseph A. Russo Assistant Planner