

# New Jersey Short Line Railroad Association

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## Meeting Minutes January 25, 2002

# Celebrating Ten Years



## Of Working Together 1991-2001

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.

**Visit our website: [www.njshortline.com](http://www.njshortline.com)**

This month's meeting, Friday, January 25, 2002, was held at NJDOT Headquarters in Trenton. The Association would like to thank **Ted Matthews** of the **NJDOT** for providing the room. Also, thank you to **Bob Bailey** for providing the refreshments.

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***TABLE OF CONTENTS***

List of Attendees	Page 2
Meeting Minutes	Pages 3 and 4
Letter of Recommendation	Page 5

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**Next Meeting:**        **Friday, March 8, 2002 at 12:00pm**

**Location:**         **Conrail, 1000 Howard Boulevard, Mount Laurel, NJ**

**NOTE MEETING TIME AND PLACE**

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Members NJSLRRA:

First of all, thank you to Bill Phillips for taking the minutes at the last meeting.

As our industry moves ahead, new tools are becoming available to us to improve how we conduct our daily business.

And while these tools will make the process easier, it is our job to raise the quality of service.

S.R.F.

<u>Name</u>	<u>Company/Organization</u>	<u>Telephone Number</u>
Jeffrey Sutch	SMS/Penn Jersey Lines	856-467-4800
Bill Phillips	M&E	973-267-4300
J R Wilson	NY & Greenwood Lake	973-743-5300
Gordon Fuller	M&E	973-267-4300
Bob Bailey	PJRR	201-434-8373
Joseph Iadanza	EJRR	201-339-4639
Kel MacKavanagh	Consultant	609-704-1270
Fran Hennessy	Norfolk Southern	215-591-3653
Jerry Madden	Manageering Associates/JM Cain	215-545-3900 PA 856-866-0500 NJ
John McCreavy	SMS/Penn Jersey Lines	610-260-2273
John Scullin	Conrail	856-231-2010
Tom Collard	SRNJ	609-871-8699
Ron Batory	Conrail	856-231-2003
Mike Allen	Allen Associates	732-936-9794
Eric Strohmyer	Somerset Terminal RR	734-906-5654
Fred Winkler	Winchester & Western RR	856-451-6400
Tony Macrie	Cape May Seashore Lines	609-884-5300
Jon Broder	Conrail	215-209-5020
Mike Brimmer	CSX	
Lou Piccone	CSX	
Greg Walter	NJDOT	609-530-8029
Tom Noon	FRA	732-438-6843
George J. Gott	Exel Transportation Services	908-475-3086

**George Gott-** Excel Transportation Company is a new member, and he introduced himself and spoke about his company's services, which include:

Working with customers for back haul business  
Developing outbound shipments  
Siding/Team Track development  
Networking  
Agent for Amtrak Express

All Excel fees are paid by shippers, and George indicated a desire to work with NJ Short Lines to develop new business.

**New York Traffic Club Dinner-** The date is February 28, 2002, and the NJSLRRA has purchased two tables @ \$140.00 per ticket. Bob Bailey indicated he would purchase another table if anyone is interested, however he needs to know shortly if there is anyone so interested. CSX will have three business railcars in New York at Grand Central Station for entertaining, as well as a suite at the Grand Hyatt.

**Transaction Meeting-** Atlantic City, the dates are April 15,16, and 17. Bob Bailey suggested we nominate Frank Reilly for this year's Ben Friedland Award.

There will be a joint NS/CSX/NJ Short Line presentation at the meeting. Mike Brimmer suggested we have a booth at transaction regarding safety issues such as the recent passage of bill 984, which will allow the government to prosecute underage children for causing any damage to the railroads, and the bill will allow for the parents to be made liable for the damage caused by their underage children.

**CSXT 2002 Sales Training Program -** Tom Collard gave a report on the recent CSXT Sales Training Program, which he attached. Consensus opinion is that CSX is way ahead in its efforts to develop new business with short lines. The following is Tom's report:

The theme of the 2002 program was Motivation, Education, and Accountability. In addition to CSXT sales personnel, nine short lines attended. They included RailAmerica, Wheeling & Lake Erie, Buffalo and Pittsburgh, Finger Lakes Railway, Carolina Southern, Florida Central and the SRNJ. Class time included programs by pricing, marketing, customer service, industrial development, short lines, Transflo and others. Presentations were made by Mike Ward, John Snow, Mike Giftos, and Al Crown. Almost without exception, each program included reference to the importance of short lines in reaching the CSXT corporate revenue goal this year.

The three recurrent themes of the meeting were:

- It starts with the customer
- People make the difference
- The right result the right way

One of the interesting statements that was made and repeated was that "People are not a cost of doing business, they are the reason our business can succeed." Parting words to the CSXT sales staff were "Expect a lot, have fun, and celebrate your successes". Certainly, this is a refreshing viewpoint.

Specific to short lines, Len Kellerman stated that any CSXT sales calls on short line customers would be coordinated with the short line or through network marketing. This is a matter of protocol. CSXT also plans on developing some interline market development plans with the short lines and he vowed that revenue settlements would be improved. At least 50% of their connecting short lines have reported revenue settlement problems.

The short line representatives were made to feel like we were part of the CSXT sales team and, frankly, there were times when I had to remind myself I was not on the payroll. The only negative I heard was a statement by Transflo that their charge was to keep revenue in-house. That could be interpreted to mean through Transflo rather than via short lines. I don't think that was intended but the message was unclear.

Personally, I gained significant insight through the program, got some ideas for developing new business, and feel much closer to CSXT as a connecting Class 1. I appreciated the opportunity to represent New Jersey Short Lines.

**NS Meeting** - Bob Bailey plans to attend a 2-5-02 meeting with NS to discuss business issues and suggested if anyone has any comments to convey to NS, please contact him with them. Gordon Fuller suggested we invite both Tony Ingram and Steve Tobias to come up and visit New Jersey to find out first hand what the issues and opportunities are. Bob said we have invited them, however, they have not responded to the invitation. Bob mentioned that he had to take a rate cut to obtain a new customer because of the threat of moving the business to a class I –NS

**CSX/NS meetings** – Bob Bailey suggested we report any findings, comments from any meeting we have with either NS/CSX be reported to the STB for documentation purposes (i.e.: interchange issues or Conrail Shared Asset problems).

**Railroad Day on the Hill**- Washington DC, dates are March 12,13, and 14. Bob Bailey indicated we should notify Mr. Keith Hartwell about setting up meeting with our respective legislatures - M&E may have their business cars available for entertaining in Washington as well.

Bob Bailey sent a letter to Gary Taffet regarding supporting Alex DeCroce for Transportation Commissioner.

John McCreavy has resigned from the CPRS and has joined Jeff Such at SMS/Penn Jersey.

**Tax Issues**– It was noted that John Fiorilla has a meeting set up for the first week of February with CSX, NS and NJ Short Lines to discuss property tax issues.

Bob Bailey presented comments about changing the ASLRRRA constitution because of all the recent mergers. The issue is how a company like a Rail America should pay dues based on of all their individual RR's instead of one contribution from their corporate headquarters.

**NJ State Money for Rail Projects**– It was indicated that any money already approved on paper for NJ State rail projects will be allocated by the DOT. Future money may be difficult to come by because of the new governors austerity position.

**Operation Lifesaver Program**– It was noted that the NJ Short Lines should make it known through Operation Lifesaver that Bill 984 was passed that allows underage children to be held liable as adults for damage to railroad property and that their parents can be held liable for the damage as well.

January 3, 2002

Mr. Gary Taffet  
Office of Governor-Elect McGreevey  
240 West State Street-16<sup>th</sup> Floor  
PO Box 022  
Trenton NJ 08625-0022

Dear Mr. Taffet:

On behalf of the Short Line Railroads of the State of New Jersey, I would like to express our support for Alex DeCroce being named Transportation Commissioner.

Alex has always taken a balanced approach to all modes of transportation in this state, and has ably communicated New Jersey's needs to our representatives in Washington.

We feel that his far reaching foresight and depth of knowledge enables him to cut across party lines to accomplish vital tasks for New Jersey.

Our industry can state, without equivocation, that he is well respected on a national level for the work he has done on the transportation infrastructure of this state.

Therefore, we are delighted that Assemblyman DeCroce has been considered for this position, and are honored to offer our endorsement of him for Transportation Commissioner.

Very truly yours,  
NEW JERSEY SHORT LINE RAILROAD ASSOCIATION

Robert Bailey  
President