Connecticut Public Transportation Commission

Minutes of April 2, 2015

ConnDOT Headquarters, Conference Room B 2800 Berlin Turnpike, Newington

<u>Attendance:</u> Members: Kevin Maloney, Richard Sunderhauf, Nick Lownes, Russ. St. John, Robert Rodman, Yvonne Loteczka, Mort Katz, Francis Pickering, Ed McAnaney, Chris Adams. **Ex-officio members:** David LeVasseur (OPM), Fred Riese (DEEP). **ConnDOT staff:** Sherry Osterling. **Guests:** Frank Rogers, Terry Hall, Jan Lindberg, Stephen Troster, Diane Bilyak.

Chairman Maloney opened the meeting at 1:32 p.m. The minutes of the meeting of March 5 were accepted as written.

Featured Speaker

Frank Rogers, Vice President for Marketing for the Providence and Worcester Railroad has been with the P&W for 21 years and has 36 years in the industry. Frank first welcomed Russ St. John back and noted that Russ has been a valuable consultant to the P&W for many years.

Both the P&W and its customer base have seen many changes in the 21 years since Frank joined the company. Back in 1994, the P&W moved 27,000 cars/ year, of which 14,000 never left Connecticut. Many of these latter trips carried aggregate for Tilcon. Much more of P&W's traffic then was industrial in nature. Among the major shippers then who are either gone or no longer shipping by rail are Bostitch, R. R. Donnelley, Cheeseborough Pond, American Standard and Thermos Corporation.

Fast forwarding to 2015, P&W has gone from being more of a local carrier to interchanging with other railroads. P&W had 35,196 carloadings last year. Aggregates are still an important cargo for the railroad with Tilcon still being P&W's largest customer but much more of this traffic now goes to New York. Much of P&W's business today is global in nature with freight coming in through the ports of New Haven, Providence and Davisville, RI, all served by P&W. All Subarus destined for sale in New England come in through the Port of Davisville. Much ethanol traffic is handled at Providence.

Rogers cited two customers in Wallingford that he had just visited as examples of new customers P&W is now serving. United Concrete in Yalesville makes pre-cast concrete products such as catch basins, manholes, septic tanks and utility vaults. Laticrete in Wallingford receives its raw materials by rail. He also mentioned GAF, a supplier of roofing materials, which has a new distribution facility in Plainfield and has received 350 carloads so far this year. Rogers has seen a 75% turnover in P&W's customer base during the time he has been with the company.

Rogers cited NUCOR Steel in Wallingford as one of P&W's largest customers. It has been expanding and reinvesting in its facility there. Frito-Lay in another important P&W customer.

Construction and demolition (C&D) waste was a big market for P&W a while back but it is not so much anymore. The C&D waste processing plant in Portland, Connecticut that was formerly the source of most of P&W's C&D waste shipments collapsed in a snowstorm a few years ago. The demolition materials from that building itself became the last C&D waste shipped from there. However, brownfield soils going out for incineration is another waste product that has become a new market for P&W.

Rogers cited Canada as the largest trading partner for New England from a railroad perspective. The Canadian Pacific and Canadian National, along with CSX and Norfolk Southern in the US, are important interchange partners for the P&W. P&W has formed an alliance with Vermont Railway and the New England Central Railroad to create the Great Eastern, a unified interchange operation to connect to the Canadian carriers. Business with the Canadian railroads is growing exponentially. In particular, Rogers mentioned large quantities of steel from the Montreal and Toronto areas is shipped into New England.

P&W has a route system of 516 miles, of which it owns just over half that mileage. Much of the rail infrastructure here is old. P&W is working to attain the 286,000 pound gross weight standard on its lines in order to be competitive with other regions and other ports. Much of P&W's route system can already support 286,000 pound cars, which allows shippers to transport 10% more per car than the old 263,000 pound standard. P&W has achieved 286,000 pound connections with CSX and will shortly have that capability with Norfolk Southern. P&W is currently working to get the Middletown Secondary line to 286,000.

On an optimistic note, Rogers said that although we have lost a lot of manufacturing activity within its service area, most of what remains here is pretty healthy.

Lastly, Rogers mentioned that P&W has reactivated two lines in eastern Connecticut, of 12 miles and 2 miles in length, to serve three new customers. In addition, two large upcoming utility projects will generate traffic for the P&W. Pipes for a Spectra gas pipeline expansion project and crane mats used in the construction activities for the Interstate Reliability Transmission Line project in eastern Connecticut, northern Rhode Island and into Massachusetts will be shipped on the P&W.

Comments from Operating Entities

Rich Sunderhauf reported that CT*fastrak* service began early last Saturday morning. He took a ride on the new service that day. Fred Riese mentioned that he rode CT*fastrak* from Hartford to New Britain and back at lunch yesterday and was pleased to see a full bus for the ride. He complimented the design of the stations and found the articulated bus very comfortable. The one glitch he observed was that at one station the front door of the bus refused to open on three tries and the driver had to get up and open the door manually.

Chairman's Report

Kevin first reported that demolition is underway at the Murphy Terminal at Bradley Airport. Asbestos removal and the gutting of the building are ongoing, with demolition to be completed by the end of the year. Francis Pickering mentioned that Southwest Airlines had just ended its direct service from Bradley to Atlanta.

Kevin next mentioned that judges in California have ruled to send separate cases filed by Uber and Lyft drivers on to the courts for trials before juries. At issue in these cases is whether on-demand workers such as drivers for the two companies are properly classified as independent contractors or should be classified as employees of the companies. The rulings in these cases could not only affect the two companies at hand but other companies using on-demand workers as well. On a related subject, Nick Lownes mentioned that Uber has just entered into an agreement with Carnegie Mellon University to fund research on autonomous vehicles. Carnegie Mellon is a leading researcher in this field.

Kevin next welcomed Francis Pickering to the Commission. Francis, who is executive director of the Western Connecticut Council of Governments, was appointed to the Commission by Senate Minority Leader Len Fasano.

Lastly, Kevin noted that Governor Malloy has named the members of the board that will analyze and recommend financing options to support transportation in Connecticut. The nine panel members are: Cameron Osborne, who will serve as chairman, who is president of the New England Association of Schools and Colleges and a former co-chair of the Finance, Revenue and Bonding Committee of the Connecticut General Assembly; Beth Osborne, Senior Policy Advisor at Transportation for America; William Bonvillian, Director of MIT's Washington office; Joan Carty, President and CEO of the Housing Development Fund; Bert Hunter, Chief Investment Officer of the Connecticut Green Bank; Oz Griebel, President and CEO of the Metro Hartford Alliance; Paul Timpanelli, President and CEO of the Bridgeport Regional Business Council; Stanley Mickus of Cross Sound Ferry Services, and Emil Frankel, former ConnDOT Commissioner and former USDOT Assistant Secretary for Transportation Policy.

Spring Public Hearings

The spring public hearing schedule will take the Commission to Norwich City Hall on May 5, Plainville Municipal Center on May 13 and Hamden Government Center on June 3. Moderators for these three hearings will be Fred Riese, Francis Pickering and Rick Schreiner, respectively. In a change from past practice, the hearings will start at 7:00 p.m. rather than 7:30 p.m.

New Business

Fred Riese mentioned that the boundaries of the Metropolitan Planning Organizations or MPOs have not yet been revised to reflect the consolidation of the regional planning entities (RPAs, CEOs and COGs) which took place last year. In several instances, MPOs are split across two COGs, creating administrative complexity. Francis Pickering said that the necessary authorizations to accomplish making MPO boundaries consistent with the new COG boundaries have been approved by the municipalities and are awaiting signature by the Governor.

Diane Bilyak of ARC Connecticut cited proposed budget cuts which would impact the mobility managers in Connecticut such as Way to Go CT, the Kennedy Center and the Eastern Connecticut Transportation Consortium. ARC members rely on the services of mobility managers and Bilyak is concerned what such funding cuts could mean to her clients.

Chairman Maloney closed the meeting at 2:51 p.m.