

QUARTERLY MEETING HIGHLIGHTS Delaware Valley Goods Movement Task Force 10:00 A.M., Wednesday, October 15, 2014 8th Floor—DVRPC Main Conference Room 190 North Independence Mall West, Philadelphia, PA 19106

1. Call to Order

Co-chairs Barry Seymour of DVRPC and Sarah Gulick of PennDOT called the quarterly freight advisory committee meeting to order. The meeting started late due to a building-wide fire drill and, as a result, the scheduled presentation about the Regional Airport System Plan was tabled. Mr. Seymour welcomed all new and returning committee members. Following this brief introduction, all attendees were invited to introduce themselves and their affiliations.

The minutes from the prior Task Force meeting on July 16, 2014 were circulated. It was noted that any modifications/corrections can be transmitted to DVRPC's Mike Ruane. DVRPC has applied for 1 AICP Certification Maintenance Credit for eligible meeting attendees. Eligible attendees should check the AICP website for availability.

All PowerPoint presentations will be made available on-line at: http://www.dvrpc.org/asp/committee/committee.aspx?p=DVGMTF

2. Competing and Thriving in the Marine Terminal Industry

Nick Walsh, Director of Strategic Planning at the Philadelphia Regional Port Authority (PRPA), discussed initiatives being undertaken by PRPA and its partners to assure a vital port. Recently, PRPA facilities have registered gains in handling a variety of cargo types (e.g., containers, Ro/Ro, and break-bulk).

Many important improvements at the Tioga Marine Terminal have been or will be made to accommodate the new wood pulp business from Fibria (a Brazilian pulp and paper company). Berth 3 dredging at the terminal was completed in March 2014 and additional dredging is to be performed at Berth 2. The Delaware River will soon be dredged to 45 feet up to the Ben Franklin Bridge and, with the benefit of a six-foot tide, deeper draft vessels will be able to make it all the way to the Tioga Marine Terminal.

Extensive landside infrastructure improvements at the Tioga Terminal will include: concrete floors; rail dock overhead canopy extension; ship apron concrete pad; tire scrubbers at each waterside door; electrical upgrades; and more. To overcome existing rail shortcomings, rail upgrades such as the replacement of the turnout and at-grade crossing and modification of the track at the reverse 'S' curve will be completed. The PRPA has also been working with Conrail to address rail car weight restrictions and "Plate F" rail car clearances on the Port Richmond Industrial Track.

Along with the Army Corps of Engineers, the PRPA has been very involved in the Delaware River main channel deepening in order to accommodate larger vessels. The project is utilizing various forms of dredging (i.e., hydraulic, hopper, and bucket) and is on track for completion in 2017.

4. Delmarva Freight Plan Scenario Analysis

Bobbie Geier of the Delaware Department of Transportation introduced Chad Reese of Whitman Requardt & Associates who highlighted the Delmarva Freight Plan which covers Delaware and the Eastern Shores of Maryland and Virginia. A scenario analysis framework and the CUBE Cargo software have been used to provide planners with data regarding potential benefits and impacts of various combinations of "enhancements" or "constraints" among roadway, water, rail, and air shipping policies and projects. This undertaking was a multi-state, multi-MPO, multi-modal evaluation of Delmarva's freight system aimed at compliance with MAP-21 and National Freight Policy goals and objectives. One important aspect of the study was the conduct of stakeholder outreach to identify areas of opportunity and areas of concern.

The Delmarva Freight Plan identifies projects to satisfy criteria for accessing certain federal funding options and integrates commodity flow modeling using the Cube Cargo tool. The plan also integrates quantitative performance-based scenario planning alongside a qualitative review of freight focus areas. The next steps include finalizing the project and policy perspectives, exploring implications for long-term performance monitoring, and formalizing the draft plan for public/stakeholder reviews (estimated, December 2014).

5. LNG as an Alternative Fuel

David Kailbourne, CEO of RevLNG which is one of the largest turnkey liquefied natural gas (i.e., LNG) fuel suppliers in the Eastern United States, explained that LNG is simply natural gas in a liquid form. Natural gas (methane) is cooled to -260 degrees Fahrenheit and then stored at 1/623 of its original size. It has a high BTU energy concentration, is extremely lightweight and cost efficient to transport over medium and long distances, and is safe in its nontoxic liquid form. It has been used in the USA since the late 1950's and in large-scale deployment in other countries.

LNG can offer substantial benefits in fuel savings, price stability, and the environment and it can be readily supplied to the Delaware Valley by a safe and abundant North American fuel source. RevLNG is one of the very first companies to use LNG in transportation fleet logistics. The company owns and operates 25 LNG Class 8 Trucks and provides all the equipment for a private fuel island in the customer's fleet yards. Some of the big volume markets appropriate for LNG include rail, long haul trucking, marine, and industry.

LNG opportunities and advantages for the Delaware Valley are based on the region's proximity to Marcellus and Utica shale gas reserves; existing local refining and heavy industry infrastructure; significant marine, rail, and fleet inventory; and a first mover opportunity in ISO exports.

6. Two-Minute Reports

The following Task Force and Subcommittee chairs and Task Force members provided updates on the activities of their companies and agencies:

Greg Oliver Delaware Department of Transportation

Upon the announcement of his upcoming retirement, Greg's significant contributions to the Delaware Valley Goods Movement Task Force over many years were applauded.

John McCreavySMS Rail Lines

Announced that SMS Rail Lines has received a grant through the PA Rail Freight Assistance program.

Dennis JonesUS Steel/KIPC Announced that KIPC also received a grant from the PA Rail Freight Assistance program.

Talvin Davis.....New Jersey Department of Transportation

Announced that a new Commissioner, Jamie Fox, has been installed at NJDOT. Commissioner Fox would like to secure more funding for transportation and freight in New Jersey.

Sarah Gulick.....Pennsylvania Department of Transportation

Announced that PennDOT's Multimodal fund recommendations are being circulated for approval.

Kelvin MacKavanagh......NJ Short Line Railroad Assoc.

Announced that the 2015 TransAction Conference will be held April 21-23. He encouraged Task Force members to send him any ideas for speakers and sessions for the conference.

Bill Halloran.....Traffic Club of Philadelphia

Announced that the Traffic Club of Philadelphia is holding an "Industry Night" on November 18. The 107th annual dinner of the Traffic Club of Philadelphia will take place on January 22, 2015.

Paul DelpLansdale Warehouse

Announced that Lansdale Warehouse also received a grant from the PA Rail Freight Assistance program in the most recent funding cycle.

Gerry Coyle.....Evans Delivery Company

Announced that the Federal Maritime Administration is holding hearings and that he was invited to speak. They are trying to identify issues associated with large ships and strategies to improve terminal efficiency. The next hearing will take place on October 30.

Brett Fusco.....DVRPC

Announced that the Greater Philadelphia Futures Group, a group convened by DVRPC to discuss driving forces and trends in support of updating the DVRPC long-range plan, met in September. The group plans to identify a number of priority issues and will come to the DVGMTF in January to discuss major freight trends and driving forces.

William GoetzCSX

Announced that CSX has achieved excellent financial results recently. As a result, CSX is increasing its capital spending and acquisition of locomotives.

Barry Seymour.....DVRPC

Announced that DVRPC would be celebrating its 50th Anniversary in 2015 and asked DVGMTF members to send him or DVRPC staff members any ideas for celebrating. Mr. Seymour also noted that the DVRPC freight office's quarterly progress report was included in the meeting folders along with the proposed 2015 DVGMTF dates (i.e., January 16, April 15, July 15, and October 14).

Ted DahlburgDVRPC

Announced that the DVGMTF meeting folders include a handout from the FHWA detailing various freight advisory committees including the DVGMTF.

7. ADJOURNMENT

The meeting was adjourned for lunch. The remaining 2014 committee meeting date is October 15.

Meeting Participants

<u>Name</u>

Abusi, Pat Badgley, James Bell, Mary Bender, Kevin Blevins, Dan Borski, Bob Bowden, Debbie Coll, Edward Coyle, Jerry Crawford, Rick Cromie, Leslie Croope, Silvana Dahlburg, Ted Davis, Talvin DeBerry, Garry Delp, Paul DiArenzo, Mike Digel, Jake Donchez, Mike Donovan, Mike Driemeier, Kale Dub, Avri Dunscomb. Mark Duross, Mike Elkis, Patty Fox, Joseph Fusco, Brett Geier, Bobbie Goetz, William Graff, Rob Griffin, Rodney (RJ) Gulick, Sarah Halloran, William Haroldson, John Jennings, Tom Johnson, Anthony Johnson, Sterling Jones. Dennis Kailbourne, David Kardon, Roy Kearns, Alan Kuntz, Peter

Affiliation

Railroad Construction Company of SJ Inc. Eastman-Linnett Associates DVRPC NJ Office of Homeland Security **WILMAPCO** Borski Associates Maryland DOT Proconex Evans Delivery Co. Norfolk Southern **BCC Certification Program** DelDOT DVRPC NJDOT PennDOT Rail Freight/Ports Lansdale Warehouse Co. Conrail **Rev LNG** LVPC Pennsylvania Northeastern RR DVRPC Self Schnabel Engineering DelDOT DVRPC PRPA DVRPC DelDOT Planning CSX DVRPC **GVFTMA** PennDOT The Traffic Club of Philadelphia Port of Wilmington Hill Wallack Partnership TMA Corps of Engineers, Phila. **US Steel/KIPC Rev LNG** NAI Mertz New Jersey Transit Pennsylvania Northeastern Railroad

Page 6

Le, Thanh LoCastro, Joseph Lucid, Colleen Ludasi. Andrew MacKavanagh, Kelvin Mannino, Tony Marano, Dominic Maus. Will McAuliffe, Daniel McCreavy, John McFadden, Brian McKeown, Bill Miller, Alan Nemeroff, Rian Ogg, Jameson Oliver, Gregory Pease, Gary Philpott, Bob Prybella, John Reese, Chad Roscoe, Michael Sauer, Al Seymour, Barry Shanis, Donald Singer, Michael Singh, Daljit Sorbo, Mike Sporney, Kellen Strauss-Wieder, Anne Sumner, Marian Thompson-Graves, Scott Turner, Michelle Van Auken, Kate Ward, John Ward, John Weening, Ronald Westergaard, Rick Wise, Renee Worden, Lisa

NJDOT World Trade Association of Philadelphia NJ Office of Homeland Security NJ DOT NJ Shortline RR Assoc. State Senator Larry Farnese Marano Truck Lines Strategic Rail Finance **DNM Logistics - BCC** SMS Rail Lines DRPA Wells Fargo NJ Business Action Center/OPA Housatonic RR/Montgomery County Transportation **UPS** Air **Delaware DOT** BCC **BDP** International WBCM WR&A Schnabel Engineering East Penn RR/Regional Rail DVRPC Pennoni Associates UPS BCC PennDOT Rail Michael Baker/PennDOT District 6 A. Strauss-Wieder, Inc. U.S. Navy WR&A **ARI Fleet Management/BCC Logistics** PennDOT PennPorts **DVRPC** YRC Freight A. Strauss-Wieder, Inc. **Gloucester County Planning DVRPC** PA DCED