

## **Regional Rail Working Group, Meeting of January 19, 2005**

Attendees: George Haikalis, Bill Guild, Phil Strong, Bill Hine, Paul DiMaria, Herb Landow, Anthony Callender, Robert Toth, Al Papp, Greg Bender, Jim O'Shea, Dan Jacoby, Jeff Chase, Joe Clift, Jordan Auslander

Topics discussed (information about guest speaker is presented first).

1. Guest speaker, Bill Galligan, Executive Director, East of Hudson Task Force, which is concerned about rail freight issues in New York City, Long Island, southeast New York State, and southwest Connecticut.

The task force's constituents include the freight railroads, the Port Authority, state and local public agencies (including NYS DOT, NYMTC, and NYC Economic Development Agency), and the MTA and its rail operating divisions (Metro-North and LIRR). Its focus has been on the EOH area which has been institutionally and structurally cut off from the rest of the freight network. [All track access has been via Selkirk, NY since the demise of the Poughkeepsie Bridge three decades ago, and harbor car float operations have dwindled.]

Bill didn't comment much about the proposed freight harbor tunnel. {Does the task force have a position?} However, he outlined other steps that could be taken in the region:

a. Conrail Shared Assets, which functions as a freight operator in New Jersey to coordinate CSX and Norfolk Southern traffic, should extend its responsibility up the Bay Ridge line and the Hell Gate Route as far as New Haven. [Presumably the New York and Atlantic would continue its Long Island based system.]

b. Freight facilities should be upgraded, including clearances and bridge capacities - some of this is now underway - to allow for modern freight cars.

c. Passenger and freight operations need to be integrated. In this region the commuter operators and Amtrak dominate the rail network and impose restrictions on freight (almost the mirror image of the situation in other parts of the country). On some routes, such as the Hudson Division, freight is allowed only during overnight hours.

Bill and the group members had a fairly wide-ranging discussion of the nature of the present American freight railroads.

a. Mergers have changed the face of the industry in recent decades. Six large companies (including CP and Canadian National operations inside the U.S.) now control about 87% of the market.

b. This concentrated industry has lost the initiative for innovations and good service. The railroads have developed a operating model based on long, slow trains, archaic procedures, and no emphasis on reliable schedules. (Greg pointed out that since the 1960s the Department of Defense has pulled most of its domestic shipments from the railroads.) The freight companies don't seem to care about the time value of the products they are hauling.

c. Bill thought that the North American rail system needed reform, and this may require a new model based on "open access" allowing more companies to use the system and encouraging technological improvements. [Arguably the present closed access model is a leftover from the technology available during the earliest days of railroading.]

d. Metro-North and LIRR have become more freight-oriented; MN now has a planner for freight issues. At one time MN tried to get freight off its tracks. Now it realizes that the trackage fees are a valuable source of revenue and, in any case, it is not realistic to ban all freight. [I remember that during the NY Central / Penn Central era, daytime freights were common on the Hudson and Harlem divisions.]

e. According to the Tri-State Transportation Campaign, trucking on New Jersey roads is expected to increase by up to 80% in the next few years. A lot of this freight is unloaded from trains in New Jersey yards but is ultimately headed for destinations east of the Hudson.

## 2. MTA budget

a. The budget proposed by Gov. Pataki seems to offer few options for system expansion - although that situation has been developing (or should I say deteriorating?) for a number of weeks now. The MTA budget will probably be wrapped into the state budget, which is due April 1 but which has been late for the last twenty years (usually it is approved in August or September.)

b. We are not sure what will happen with the new car procurement program in 2005-09, although Peter Kalikow presumably would include that as part of renewal of the existing system. (Several hundred B-division subway cars are due to be replaced in that period.) Another problem is the Metro-North New Haven line fleet, which would require substantial financing from Connecticut if new cars are to be purchased. We discussed the possibility of refurbishing the fleet, although the cars are nearly thirty years old.

c. We wondered why tunnel construction costs in New York are so extravagant - about \$2 billion per mile - compared to what has been done in other cities (Los Angeles and Bilbao, Spain were mentioned.) We may try to document costs in Los Angeles, because it probably would be easier to use another American city to make comparisons. If we can do that, we may be able to press the MTA to justify the estimates it has made on the Second Avenue subway and other projects.

### 3. LIRR East Side Access.

a. We were somewhat surprised to find out the the ventilation shaft on East 50th Street is also planned to handle trash removal and incoming deliveries, presumably for whatever materials Metro-North/LIRR will use for maintenance in Grand Central. This would require an elevator and truck access to the site, which makes it more intrusive to the neighborhood than a mere ventilation facility.

b. The consultants hired by 50th Street property owners have talked to Herb about the capacity of the upper level loop. The MTA has stated it is limited to 18 to 21 trains per hour; we think 24 trains could reasonably be handled.

We have also questioned the expensive plans for the Queens end of the project. The Apple Corridor plan, for example, would only require one access tunnel in Sunnyside versus the three now planned.

c. We would like to leverage the the ventilation shaft issue to get to an examination of the project as a whole. Possibly 80% of discretionary transit spending for the New York area for the next twenty years will be consumed by the ESA project if it goes forward.

d. New Jersey members of the group questioned the need for the MTA/LIRR to retain all of its slots at Penn Station, should access to Grand Central (either ESA or one of our alternatives) is built. [Does Amtrak have final authority over PSNY access, and if so, given Amtrak's shaky future, how long will that continue?] We also thought that NJ Transit could make an offer to pay for the slots.

### 4. Access to the Region's Core:

a. A Citizen's Liaison Committee meeting will be held on February 17 at NYMTC headquarters; more details of the 34th Street station should be presented there. One notable aspect of the plan is that the tail tracks are supposed to extend east to about 5th Avenue, requiring the station to be built lower than than the existing 6th Avenue subway.

b. Greg pointed out that a phased ARC project would make more sense than the everything-at-once scheme being promoted by NJ Transit. In other words, the Hudson tunnel should be analyzed separately from the 34th Street station, which then could be done later - or done differently - if necessary. Some improvements are already on tap for the present station, including platform extensions to 7th Avenue and an additional cross-track concourse.

c. There are problems with ARC on both sides of the river. For example, the plan leaves a two-track bottleneck in place between Harrison and somewhere near Secaucus Transfer [someone correct me if I'm wrong on that detail.] Bergen County seems to have been offered one-seat ride access as a way to get political support for the project, which leaves the question: what was the point of the huge, and underutilized, Secaucus Transfer station?

d: The West Side yard might offer some space for NJ Transit if the LIRR doesn't need it all. Of course catenary would have to be installed. Still, it might be a viable alternative to sending trains back to New Jersey to the proposed yard in Secaucus.

Overall, it is not clear how NJ Transit, even if it is not yet in an MTA-style crisis, is going to fund this project.

## 5. Metro Hub

There was quite a bit of back and forth discussion about Metro Hub, but I think our consensus is that the plan can be positioned as an interim/complimentary project to ARC, not necessarily a replacement for it. We are aware of the tendency of some planners, when huge funding grants are at stake, to dismiss incremental improvements that might threaten the larger project. Right now ARC has political support in New Jersey even if the financial situation is still unresolved.

I think we also have consensus that a complete organizational/political merger of the operating systems is not necessary for through-running. As has been true for a while, NJ Transit seems more open to through-running than the MTA railroads.

## 6. Lower Manhattan

George pointed out that Brooklyn, with a population of more than two million, has been neglected in the planning for a JFK-Financial District link, or has been an afterthought at best. We have mentioned at previous meetings that airport traffic alone, or even additional ridership from Long Island, cannot justify the \$6 billion cost of the project.

7. Amtrak / Three Rivers. NARP and others are trying to get Amtrak to delay the planning early March cancellation of the Three Rivers and add time until the spring timetable change. They hope to get the train rescheduled as an overnight route through Pennsylvania and as a day train through Ohio via Cleveland and Toledo. Present Amtrak schedules provide very inconvenient service times in Ohio.

The Bush Administration budget for 2006 eliminates Amtrak funding except as necessary to transfer or otherwise deal with commuter operations in the Northeast. Amtrak has been saved several times before by Congress, but the eventual outcome is always a tight budget and neglect of capital needs.