



Date: September 10, 2008

Time: 1:00 –2:45 PM

Location: Transportation Building, 2nd floor, Conference Room 4

Agenda

- **Introductions**
- **Charter Discussion – Frank DeMasi** **1:00-1:30 PM**
 - **Advisory to RTAC/MPO only**
 - **Form 2 separate groups, one for Boston MPO and one for statewide.**
 - **Other**
- **New Business** **1:30-2:45 PM**
 - **Updates from invited guests on freight rail activity**
 - **Updates from invited guests on warehousing/logistics operations and issues in Boston Metro Area**
 - **RTAC Freight Committee project to Promote/Support Freight truck to rail Diversion, Trans-load Facilities - Warehousing in Eastern Massachusetts**

Focus of Freight Study?

- **Quick Update on Freight Study & Plan – Mike Rennie/EOTPW Reps**



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FREIGHT COMMITTEE MEETING MINUTES, JUNE 11, 2008

ATTENDEES: Richard Arena, Walter Bonin, John Businger, Richard Canale, Clare Conley, Frank DeMasi, Michael Gaynor, Kristina Johnson, Romin Koebel, Schuyler Larrabee, Robert LaTremouille, Jeff Levine, Ryan Lundergan, Anne McGahan, Vito Militello, Jane O'Hern, Leon Papadopoulos, Michael Rennie, Barry Steinberg, Abby Swaine, Marilyn Wellons, Matt Whitehead, Laura Wiener

GO 21 – Organization began in 2002. - Mike Gaynor

Focus on freight rail – Interface with Congressional Representatives - Goal to upgrade and expand rail capacity – 2 bills before Congress.

25% tax credit – Address cash flow problems..

- Expand lines, raise bridges.
- Staggers Act deregulated railroads.
 - Railroads were in bankruptcy.
 - Congressman Capuano is co-supporter.
 - GO 21 website - www.GO21.org. Mike will forward name of representative for this region.
- **Rick Arena** – Announced Annual Meeting of Association for Public Transportation, June 25, 6:30 PM, #1 Federal Street, Boston
- **Ned Codd – Freight Studies**
 - Promote Multi Modal
 - Rail will be major focus.
 - Link with State rail plan
 - Meet Federal requirements
 - Just getting study underway
 - DEP representation? Ned will get back to Nancy Seidman.
 - Broad range of outreach to get all interested parties to participate.
 - Maritime freight volume projected down. This is not correct.
 - New Patriot Corridor created on agreement between Pan AM RR and Norfolk Southern Current Pan AM right of ways will be significantly upgraded.
 - Massachusetts market is consumer, not producer market.

- Project due 15 months from end of April. Ned will make today's presentation available to committee.
- **Truck Issues – Anne Lynch**
 - She represents the only statewide Truck Transportation Association.
 - Diesel fuel problem.
 - Trailer trucks average 4 mpg.
 - Every cent in fuel cost/gallon adds \$391M to U.S. truck industry's expense.
 - 10 years – costs have increased by 390%.
 - \$923/tank to fill.
 - Fuel cost is greater than labor cost.
 - Nationwide freight is 70% trucks.
 - Gas tax revenue down 10% last month due to decrease in miles.
 - 60% of gas cost is from cost of crude oil.
 - Problem is lack of supply.
 - Splash and Dash.
 - Federal Government subsidizes production of bio-diesel at \$1/gallon. Cheap bio-fuels from Brazil and Asia are imported to U.S. The U.S. operators add (splash) 1/1000 of U.S. diesel fuel and ship (dash) it to foreign buyers receiving \$1/gallon U.S. subsidy. Result is decreased diesel supply in U.S.
 - Commonwealth owns big fleet of trucks, etc.
 - Requiring bio-diesel would cause major problems.
 - No engine manufacturers warranty for bio-diesel use.
 - 2006 – \$106B spent on diesel fuel.
 - 2007 – \$112B
 - 2008 on target for \$143B
 - 9% more than Kuwait's entire budget.
 - One big trucker went bankrupt (located in Oxford – Javik Transport)
- **How to deal with higher costs:**
 - Waive 12% excise tax on truckers.
 - Change weight limits on trucks (asked Congress).
 - 65 mph maximum speed limit.
 - Governors on trucks.
 - Tire inflation key saving opportunity. Check pressure every day.
 - 4000 drivers nationally went away last month.
 - One company fuel cost greater than gross revenue by \$300.
 - In 2010 emissions rules updated. Will add \$8000/truck.
 - Truckers have no money to comply.
 - Supermarkets need to raise prices significantly due to 2% margin on groceries.
- **Abby Swaine** – Loan program developing for truck upgrades.
 - Truck centers to upgrade
 - Trucks (inflation, bearings, etc.)
 - Maine gives loans at 3% interest

- **Kristina Johnson**
 - She was positive about work we are doing.
 - She reminded us that we are subcommittee of RTAC and Advisory to the MPO.
 - “Several times we have operated outside the boundaries of our charter.”
 - If we still are members of RTAC, need to respect boundaries.
 - Memorandum of understanding that must be adhered to.
 - There was lengthy discussion concerning our options:
 1. Should we limit ourselves to remaining within the boundaries as understood by the MPO?
 2. Should we separate from the RTAC/MPO and reconstitute ourselves as a separate organization focusing on statewide freight issues?”
 3. Become two distinct organizations, one that supports RTAC/MPO and one that focuses statewide and beyond?

We should make this agenda item at September meeting.

- **Anne Lynch**
 - Motion to resurrect Freight Advisory Council of EOT and continue association with RTAC.
 - Frank DeMasi to talk to Tom Cahir about renewing Freight Advisory Committee.

- **Reviewed Worcester Rail Symposium**

- **Marilyn Wellons on Senator Petrocelli**
 - Thought Senator Baddour wanted to talk to us.
 - Frank spoke to Jeevan Ramapriya on possible freight day with legislators.

- **Barry Steinberg commented on Freight Plan.** He has seen all the words, but is the commitment there?

- **Abby Swaine** – Need update on State proposal for infrastructure fund. Dom D’Eramo is working on. Need update from Dom. Make recommendations to RTAC.

- **Lt. Governor was sponsor.** He chastised CSX for failure to come to agreement on Boston-Worcester mainline.
 - There was significant emphasis on rail freight. This had been missing in prior events. This is probably influenced by the Central Mass Planning Agency, which has emphasized rail freight along with passenger service.
 - **Tom Cahir** commented that delays in commuter rail service are not due to preference for freight. A number of problems with service reliability have been solved.

- **Former Governor Dukakis commented on several issues.**
 - The importance of the North-South rail link and commented that costs forecasts were too high.
 - Why does it take so long to get transportation projects completed in this State?
 - In traveling through Europe, he saw a world-class public transportation system. Why don't we have one?
 - He stressed the importance of a modern rail system connecting most of the east coast.