operating railroads + ports, intermodal facilities, and government environment

**REGIONAL ISSUES**

**CN:** Starting Ayer Halifax service

**NNE:** EPA awards CLF $200,000+

**CSXT:** industrial development update

**SLR:** More on Jacobson, operations, new intermodal service

**FTR:** CLF gets grant for NNE rail study.

**CONNECTICUT**

**PW:** Looking at running to Springfield.

**MAINE**

**MDOT:** IRAP correction

**Amtrak:** progress on station, track modulus, track upgrade. Trestle for Amtrak in design

**MC:** No rail for American Tissue.

**SLR:** Portland-Lewiston commuter rail. Asphalt facility for Safe Handling.

**NEW HAMPSHIRE**

**NHDOT:** Rail corridor purchases.

**Commuter:** Update on Eastern, Plaistow, Manchester-Lawrence, Nashua, Northern.

**CCRR:** Negotiations on Lebanon, meeting.

**NHVT:** Only trackcars.

**RHODE ISLAND**

**Seaview:** Update on activity, New England Locomotive Services

**VERMONT**

**Commuter:** Burlington startup mid-autumn.

**LVRC:** Consortium to obtain lease from Forbes.

**NVR:** negotiating on Wells River.

**FTR:** Burlington salt shed hearing.

**MAURITIMES/QUÉBEC**

**CN:** Lifting double track in Halifax?

**CBNS:** two more chances for SYSCO.

**DVR:** feds negotiating with one company.

**QCR:** Startup on 15 June?

**ATLANTIC NORTHEAST PORTS**

**Halifax FTR:** Feds pull rug from Halterm. New Costa service.

**FROM THE PUBLISHER**

Fav: Seaview’s progress.

- Chop Hardenbergh

Next issue: 3 July.

**CN/NBSR/GRS**

19 June, Ayer. P&O NEDLLOYD IS SIGNING A CONTRACT TO USE AYER for delivery of product to its New England customers from Halifax. Ken Kellaway, whose Kellaway Intermodal operates the Ayer facility for Guilford, said the steamship line is calling Halifax on two rotations. A dedicated

**COMMON ABBREVIATIONS:**

- **B&A** - Bangor and Aroostook System
- **BCLR** - Bay Colony RR
- **CFG** - chemin de fer Québec System
- **CP** - Canadian Pacific
- **CSO** - Connecticut Southern RR
- **EOTC** - Massachusetts Executive Office of Transportation and Construction
- **GRS** - Canadian Pacific
- **FHWA** - Federal Highway Admin.
- **FRA** - Federal Rail Admin.
- **FTA** - Federal Transit Admin.
- **HRRC** - Housatonic RR
- **MB** - Milford-Bennington RR
- **MBTA** - Massachusetts Bay Transportation Authority
- **MC** - Maine Coast RR
- **MDOT** - Maine Dept. Transp.
- **MPO** - Metropolitan Planning Organization
- **MTQ** - Québec Ministry of Transport
- **NECR** - New England Central RR
- **NHDOT** - NH Dept. of Transp.
- **NHVT** - NH & VT RR
- **NNEPRA** - Northern New England Passenger Rail Authority
- **NSDOT** - Nova Scotia Depart. of Transp.
- **PW** - Providence & Worcester RR
- **SLQ** - St.Lawrence & Atlantic RR (Québec)
- **SLR** - St.Lawrence &Atlantic RR
- **VAOT** - Vermont Agency of Transportation
- **VRS** - Vermont Rail System (Green Mt. + Vermont Ry + Clarendon&Pittsf ord)
CN train will move the New England-bound boxes directly from Halifax to Ayer in 36 hours. This will put them into New England before the ship next docks in New York. Also, New England customers now can catch the last outbound traffic.

Kellaway is also negotiating with two other Asian lines. He anticipates as many as 200 boxes a week within six months.

With the speedy time and lower expenses in Halifax [and Boston’s loss of the Grand Alliance, of which P&O Nedlloyd was a partner], CN is finally able to realize its dream of the Atlantic Clipper.

The train
CN has said it will run the dedicated train as long as it has 50 or more boxes. According to GRS Executive Vice-president David Fink and Kellaway, CN or NBSR power will move the train from Halifax via Saint John onto NBSR tracks as far as Mattawamkeag, Maine. From there, GRS power and crews will run the train non-stop to Ayer.

Next step
Kellaway said he expected the first train to run in the next two weeks [the Grand Alliance leaves Boston as of 1 July]. He does not look for competition from SLR’s Auburn facility, which will also try Halifax service [see below]. SLR will serve the “big importers” in Maine such as LL Bean, but probably not Boston. Importers like to work within a 150-mile radius of a ramp. \{ANR&P discussions 19 June.00\}

CSXT
1 June. \textit{SOME INTERESTING INFORMATION CAME FROM THE STB FILING} made by the railroad in the General Oversight hearing the STB has initiated on the Conrail split.

Atlantic Northeast industrial development
Since the split date, 1 June 1999, 35 companies on Conrail lines announced new or expanded industrial development, with total carloads estimated at 24,400. Of these, 10 are in Massachusetts and one in Connecticut:

- Metals Mgmt
- ECDC
- Bechtel Power
- Cerestar
- Millis Ind.
- Delta Bulk
- Barrett Whse
- Price Brothers
- Norwood Contr
- Allied Cold St
- Sanford & Hawley

\begin{tabular}{ll}
Metals Mgmt & North Haven CT  \\
ECDC & Beacon Park MA  \\
Bechtel Power & Charlestown MA  \\
Cerestar & Framingham MA  \\
Millis Ind. & Freetown MA  \\
Delta Bulk & Leominster MA  \\
Barrett Whse & Mansfield MA  \\
Price Brothers & Northboro MA  \\
Norwood Contr & Norwood MA  \\
Allied Cold St & Southboro MA  \\
Sanford & Hawley W. Springfield & lumber \\
\end{tabular}

MBTA
On-time performance of the T has reached 98% since the split date, exceeding the 96% set in the 31 October 1997 agreement with the Commonwealth of Massachusetts.

\textbf{East of the Hudson Task Force}
As a requirement of the split, the STB asked CSXT to cooperate in studying improvements to New York cross-harbor movements. The Task Force, convened by US Representative Jerrold Nadler and including representatives from railroads and economic development officials, has looked at raising vertical clearances on Long Island to permit Plate F boxcars, and permitting 286,000-pound freight cars. To date, New York area passenger agencies have opposed the use of the heavier cars.

CSXT has also agreed with the New York & Atlantic Railroad to develop three new transload facilities at 65th Street in Brooklyn, Maspeth in Queens, and Farmingdale in Nassau. These will operate in the summer of 2000. CSXT is also participating in a study of the feasibility of an intermodal/transload facility at Islip in Suffolk County. \{STB Finance Docket 33388 (Sub-No.91) CSX-1, 1 June.2000\}

\textbf{SLR - MATT JACOBSON}
18 June, Auburn ME. \textit{THE MATT JACOBSON LEGACY}. On this, the final day of Matt Jacobson’s tenure as president of Emons Transportation’s subsidiaries SLR, SLQ, and Maine Intermodal, \textit{ANR&P} presents an interview with him.

\textbf{Reasons behind the resignation}
The SLR president, who departs as of 18 June, listed two fundamental reasons for his departure at this time. First, he has a chance to spend many days with his wife this summer, sailing off the coast of Maine. She’s doing her medical residency in Portland and will have a significant amount of time off in the next few months. “We’ve both been working 60+ hours a week and want to take this opportunity.”

Second, Jacobson has accomplished much of his vision for the railroad:

- He sees Amtrak running to Montréal from Portland within five years. “Getting the go-ahead for the new bridge in Portland provided the key [see \textit{Maine}].” With Amtrak sharing the cost of track maintenance, the higher speeds on the line will enable the railroad to capture even more traffic.

- Passenger upgrades will also allow the SLR to solve the 286 problem [moving cars weighing 286,000 pounds] enabling it to remain relevant as bigger cars come on line.

- Carloads have doubled during his tenure. "And for the most part we’re not stealing that traffic from other railroads. We're taking it from long-haul truckers." But don't take Jacobson as anti-truck: he just wants to convert the long-haul truck to the short-haul truck. "We're now the largest generator of truck trips in Maine, because of the transloading and intermodal operations."

- The railroad is serving ports, beginning with Vancouver and soon Halifax. Four years ago, SLR looked at moving product via boxcar to ports. “This never worked out because of high rates. But now, with containers, the new ZIM West Coast traffic has proven this possible.”

Jacobson reported more expansion of international trade. CN and SLR are running a trial for APL from Halifax and
Vancouver.

While he anticipates that Emons will hire a new president from outside, he does not see much change occurring in the railroad’s forward progress. “The people and budget are in place for one year.” Besides, Jacobson maintained, “one person cannot make that much difference...it’s all the people at SLR working together who have grown it so much.” {ANR&P interview 2.June.00; coverage of NERS 30.Mar.00}

The response of others to the departure
Jacobson’s vision of passenger trains, running on time, and his vision for other advances on the railroad was mentioned most often by those regretting his departure. {Lewiston Sun Journal 9.June.00}

Ford Reiche, president of Safe Handling, described him as "well-respected by his employees, his customers, other railroads, and state governments....Who can do as well as he has with Maine DOT?" {ANR&P discussion 12.June.00}

FOR THE RECORD:
REGION
A $250,000 NORTHERN NEW ENGLAND RAIL PROJECT was funded by the US Environmental Protection Agency and others in April. Nancy Girard, head of the Concord office of the Conservation Law Foundation, said Mark Sinclair of CLF’s Vermont office had submitted a grant to the EPA. As one of 27 projects funded out of 1000 applicants, the EPA will give CLF $200,000 over the next two years to craft and pursue a strategy to revitalize rail in Maine, New Hampshire, and Vermont. CLF will work with, and receive matching funds from, the NH Department of Environmental Services, VAOT, TrainRiders/Northeast, the American Skiing Company, the City of Concord, and a host of communities and regional planning commissions. The matching funds bring the total to $250,000, including $120,000 for CLF and $50,000 for consultants to work on technical assistance on the rail plan, rail projects, and other contracts.

Working as the Northern New England Rail Action Project (NNERAP), the group envisions a 1000-mile network with significantly reduced travel times, an increased number of trains, and increased reliability. Specifically, NNERAP wants to provide more double-stack clearance in Vermont and New Hampshire, develop more intermodal facilities, and implement a passenger service from Boston to Montréal via Concord and Burlington.

The group wants state DOTs to provide at least 5% of their outlays to rail, to add 1.5 million rail passengers a year, and decrease the number of trucks.

As a first step, a steering committee will meet around 1 July to develop a planning process and a work plan. In October, NNERAP will spend a year preparing a strategic assessment, rail plan, and business plan. In the final months, the group will move rail projects forward, broaden the coalition, develop public/private partnerships, and conduct a full regional outreach. A final report is due 30 June 2002. {Edith Tucker in Coos County Democrat 10.May.00}

The EPA made two other grants were made in New England:

Vermont received $124,125 for a project to develop plans and guidelines for addressing sprawl “hot spots” along the state’s interstate exchanges. The Rockingham (NH) Planning Commission received $96,000 to help with efforts to find alternative zoning and planning methods that will help the Seacoast region manage growth. {EPA press release from EPA website}

[ Twelve officials wanted the Boston-Burlington line designated a high-speed rail corridor—see 14 April issue. NNE governors like a coordinated effort—see 27 August 1999 issue. CLF was looking to the Jeffords-Snowe bill as a means to fund the project—see 5 February 1999 issue]
system as required by the STB. As an alternative to its test vehicle, TTC had proposed using two railcars, but Murray prefers to use the test vehicle. He expects to receive a proposal from TTC covering the use of the test vehicle in late June, and to start up testing in September or October.

The tie gang “is finished” having reached Rigby Yard in South Portland, according to GRS Executive Vice-president David Fink. The rail gang has gone east of the Berwicks to milepost 230 in Wells.

On 18 June, workers completed the last of three concrete bridge replacements, each requiring a 30-hour outage of the main line.

**Trestle across Back Cove**

Russ Spinney, head of Multi-modal Project Development at MDOT, said MDOT on 1 June selected a consultant team to do the engineering for the trestle bridge. Geotechnical engineers Haley and Aldrich of South Portland lead the team and will locate the piers; HNTB of Westbrook will do the structural design for the bridge; Sebago Technics will run the permitting and public outreach; and Thomas K. Dyer of Lexington MA will handle the rail work.

Spinney described the bridge design as relatively simple: the rail will rest on a ballast deck. The team will have the most difficulty siting the piers, and getting the non-opening bridge through US Coast Guard review.

The New York office of the Coast Guard handles all new bridges over navigable waters. Unlike the current, inoperable rail bridge, the trestle will not open for ship traffic. [None should be expected since the Back Cove itself is surrounded by park land. The only possible customer, the Burnham and Morrill baked bean factory which lies upriver from the existing trestle, has not used ships for a very long time.]

According to Spinney, the consulting team contract calls for design by 1 July 2001, and construction consultation through to completion of construction 1 September 2002. The team’s work covers tying in the trestle to the end of Union Branch [just off Marginal Way behind the AAA building], but may expand to include construction of the corridor along I-295.

**Purchase of Union branch**

Ron Roy said MDOT is awaiting completion of the appraisal process. Purchase of the branch will follow. {ANR&P discussions 14-19 June 00}

**Bayside corridor**

MDOT is also working on the design of the new Bayside rail corridor along I-295. Commissioner John Melrose said that engineers are drafting plans for both street-level and above-street crossings. Aesthetics, cost, and timetables may determine which option is finally selected.

“My suspicion is that when people see what the above-grade looks like - building more berms in the city - people may have doubts.” Melrose would not even speculate about the cost of building three new spans, or who would provide the money. The state first must buy the Union Branch from GRS, he said.

**Interim station**

The Portland City Council agreed on 4 June to build a $200,000, 3200SF interim station on Sewall Street, as part of the Concord Trailways bus terminal. Ultimately, city and state officials hope to build a permanent station as part of an 80,000SF footprint building on Marginal Way, in the city's Bayside neighborhood. In fact, the deal Portland has with the rail authority is considered better than an earlier plan that would have required the city to spend $500,000 for a temporary station. In addition, the state is building a park-and-ride lot with 700 parking spaces. {Mark Shanahan in Portland Press Herald 5 June 00}

**Startup of service**

The NNEPRA board has accepted the delay until 13 April 2000, said Wells Town Manager Jonathan Carter, chair of NNEPRA’s board [see 16 May issue]. Wells, Old Orchard Beach and Saco all will have their stations ready by December. "The delay (of Amtrak service) is an opportunity, quite honestly, to get ourselves ready," Carter said. "This is going to happen." {Mark Shanahan in Portland Press Herald 31 May 00}

According to NNEPRA Executive Director Mike Murray, the authority had to hire a new marketing agency when McDonald Communications, chosen earlier, declared bankruptcy. The NNEPRA board will choose the new agency soon, and extensive marketing will begin in mid-July.

**Generation of sprawl?**

At a conference in Saco 15 June sponsored by the US Environmental Protection Agency, attendees addressed the question of sprawl in general and in particular, how the arrival of rail might affect sprawl in southern Maine. Murray said, most agreed that the movement of people into southern Maine will continue. The Amtrak service will only speed the movement. “We have always anticipated that 14% of our riders would commute, 21% will be taking business trips” and the commuters plus some of the business people will move into southern Maine.

**MAINE COAST**

1 June, Augusta. **AMERICAN TISSUE IS NOT YET USING RAIL.** On this day American Tissue Corporation of Hauppauge NY completed its purchase of the Augusta plant, which will be operated under the name of American Tissue Mills of Maine, LLC.

The plant was immediately restarted under mill manager Bob Jackson. The 60 workers produce rolls which are trucked to American Tissue conversion plants to be cut down and packaged for retail sale. The parent company has plans to infuse $10 million into the century-old plant during the first year of operation. It already has invested more than $2 million to restart a mill that last produced paper 23 November 1997. {Kennebec Journal/Waterville Sentinel 2 & 9 June 00}

**Rail?**

Ken Newman of the company said the mill may receive inbound scrap paper, but that depends upon whether the shipper has a rail siding, and the cost of the shipment. The siding needs work in any case.
As for outbound, when the mill operated as Statler Tissue it produced the final product, which was light enough to reach the outbound siding on the third floor. But neither the elevator nor the third floor can take the 1.5-ton weight of the mill’s current product, jumbo rolls. {ANR&P discussion 16.June.00}

SLR - MAINE
1 June, Portland. COMMUTER RAIL BETWEEN PORTLAND AND LEWISTON may begin this autumn, under plans of the director of the Libra Foundation, Owen Wells. The service would provide transportation to people from both cities to reach the Pineland Center in Pownal. The Libra Foundation, with $300 million principal as a bequest from philanthropist Betty Noyes, must give away 5% of it per year. It has purchased the former facility for the mentally retarded and plans to convert it into office and commercial space with an eventual 1,000-1,500 people.

Wells believes frequent operation (every half-hour, of the Buddliner type) and low rate (maybe a dollar) will make the commuter service a success. Initially he had thought of a van service, but Matt Jacobson pointed out that for about $500,000 the SLR can build a half-mile of track directly to the Center. {Jan Greico in The Forecaster 15.June.00; ANR&P discussion with Jacobson 1.June.00}

12 June, Auburn. SAFE HANDLING WILL OPEN AN ASPHALT TRANSLOAD FACILITY this summer, said President Ford Reiche. To move it, the company is creating steam-heating plant; the steam will move into the asphalt car’s jacket to heat the asphalt to 350-degrees so that it will flow into trucks for draying to a plant to make masonite.

Facilities outside the region
Safe Handling has operated a facility for CN in Montréal near Dorval Airport for some time. June 2000 was a record month for the transload of sugar, pelletized plastic, and other bulk materials from rail cars to trucks, or into containers. “We’re putting 200 containers a month into ships out of the port,” said Reiche.

The company will participate in CN’s new reach into Pennsylvania as well. CN will move cargo over some NS Ohio trackage (won in the Conrail breakup) to the Wheeling and Lake Erie (WL&E) in Toledo. WL&E will move it to Everson Pennsylvania for interchange with the Southwest Pennsylvania Railroad (SWPR). The SWPR will bring the loads over a newly-built spur to a new facility in New Stanton Pennsylvania.

Safe Handling will operate a 50,000SF warehouse, and buy an interest in SWPR. The target market lies within 150 miles of the facility; it will handle intermodal cargo, wood, and chemicals, mostly inbound. {ANR&P discussion with Reiche:Rail Business 5.June.00}

MASSACHUSETTS RRs

FOR THE RECORD
FINALLY A BOND BILL! In the legislature for more than a year, the MBTA portion of the transportation bond bill passed the House and Senate the week of 12 June. Shani Inge, staffer of the Transportation Committee, expected a partial veto by the governor on the route choice for Fall River/New Bedford service. The bill supports the Stoughton/Raynham routing which the T would like to use. [See rail portions of bill in 18 February issue.] {ANR&P discussion 13.June.00}

According to State Representative Frank Hynes (D, Marshfield), under the bill “the MBTA will no longer need authorization from the legislature to spend money for capital projects. The MBTA will now be on its own in that regard.” {Seth Jacobson in Scituate Mariner 15.June.00}

NHDOT RAIL PURCHASES
Kit Morgan, NHDOT rail administrator, reported the following:

Maine Central to Québec
Earlier in June, NHDOT bought a part of the line MEC formerly operated into Québec: the short section between Québec Junction and Waumbeck Junction. This will evolve to trail use.

Salem Industrial Track
Following the formal abandonment by GRS [see below], the department has talked “a bit” with Guilford. Morgan expects the railroad to get a price to present for the sale.

Conway branch
No discussions here. {ANR&P discussion 13.June.00}

NH COMMUTER RAIL
10 May. THE NEW HAMPSHIRE GOVERNOR’S ADVISORY COMMISSION ON INTERMODAL TRANSPORTATION approved several rail-related items which would receive funding under the federal CMAQ program: equipment for the Nashua service, a platform for eventual service to Manchester, and funding for a Plaistow startup. [See box for more on the Advisory Commission]

A LOOK AT VARIOUS PASSENGER RAIL EFFORTS
[New Hampshire is rapidly catching up with Maine and Vermont in terms of energy and funds devoted to rail. Congratulations to NHRRA for assisting in this.]

Nashua
According to Morgan, RFPs for preliminary engineering on the track from Lowell to Nashua went out at the end of May [see 21 January issue]. The department is asking for responses to the RFP by the end of July. In the meantime, Morgan is meeting with FTA to discuss the next steps. He could not say when the project might get underway, but estimated a couple of years.

CMAQ funds for $12.2 million will be used to purchase a locomotive and six coaches for the MBTA, which will pick up
the cost of operation in return for the capital investment.

**Plaistow**

The Advisory Commission approved $976,000 to build a rail platform in FY03 and FY04 at the Plaistow park/ride facility on Westville Road off Route 125, and to provide three years of subsidy for the train’s operation.

**Next steps.** The state must negotiate with the MBTA to extend its commuter service from Haverhill to Plaistow [see 22 November 1999 issue], and with Guilford to get access to the tracks [see 22 November 1999 issue]. GRS opposes the idea [see 12 November 1999 issue] because of congestion. GRS Executive Vice-president David Fink said GRS is running 10–12 trains plus the new Halifax service [see above], and Amtrak will operate 8. Until the line is double-tracked, commuter service won’t fit. Morgan pointed out that because of the Amtrak service to Maine, the track is already upgraded, while the Nashua service will require a track upgrade.

He anticipated beginning discussions with the two railroads before project construction begins.

**Manchester-Lawrence**

The Advisory Commission approved $9.1 million to build a rail platform, 600-space parking lot, and transportation center in Manchester, all in FY03 and FY04. The center will sit at the north end of the yard in Manchester, so it may serve both Nashua traffic (Phase II of the Nashua service will go to Manchester for which the center is designed), and Lawrence traffic (which may yet come to pass, if it can go through or around the airport).

The legislature set up a Study Committee which will look at both the Northern [see below] and Manchester-Lawrence; members are Representatives Mosher, Flanders, and Katsakouris; Senators Below, Pignatelli, and Klemm. The organizational meeting will occur on 21 June.

**Rail line through the airport.** The Conservation Law Foundation elected to appeal the NHDOT decision that it had complied sufficiently with the statute which requires the state to maintain rail corridors [see 14 April issue]. According to CLF attorney Tom Irwin, oral argument before the Railroad Appeals Board is scheduled for 22 June. {Irwin e-mail to ANR&P 14 June 00}

**Northern**

State Representative Bill Mosher, who may become chair of the study committee, would like to bring in people from along the line, especially those who would put traffic on the railroad. Then he would like to hear from Dan Sabin, the chief operating officer of the B&A System, about his intention for the line.

“I think we could get the line going in five, six years, with Amtrak Express service to Montréal,” Mosher said.

**Eastern**

The legislature has set up a task force to look at extending rail from its current Newburyport terminus all the way to Kittery Maine. Members are Representatives Mosher and Flanders; Senators Cohen and Klemm. The organizational meeting will occur on 21 June. {ANR&P discussion with Morgan 13 June 00; with Mosher 14 June 00; text of letters from Flanders}

**NHVT**

4 June, Whitefield. ONLY A TRACKCAR TRIP THIS DAY has interrupted the stillness on the NHVT and its sister railroad, TSRD. Some 46 enthusiasts ran from Whitefield to Groveton, and observed many empty boxcars at Coos Junction [waiting for the startup of the Gilman mill?]. {NERAIL post by George Kenson 6 June 00}

**No Gilman mill startup**

Mike Gooden, general manager of the railroad, reported his company is still trying to meet with the managers of American Tissue of Vermont to ascertain how to start up rail again. {ANR&P discussion 13 June 00}

**CONCORD CLAREMONT/ LEBANON**

14 June, Lebanon. THE RE-BORN BRANCH RECEIVED SUBSTANTIAL SUPPORT at a public forum, attended by some 100 people. Lori Barnes, CCRR general manager, told the audience that the railroad has already cleared brush along the tracks and plans to have a limited number of trains serving businesses such as Twin State Sand & Gravel and Irving Oil by fall. Barnes anticipated 2,800 freight cars over six months or about 20 cars per day in blocks of five moving at 3 to 5 miles per hour.

Some were concerned about noise, vibrations and safety, but comments at the meeting mostly favored of the return of freight service, or at least did not oppose it. “This has been a railroad town, it has always been a railroad town and it would not be what it was today if it wasn’t for the railroad,” said resident John Rogers.

The state made clear at the meeting that it is obligated to use the rails it owns to provide freight service, but that it wanted to work with the city and its residents. “We expect approval of the contract with the railroad to be the beginning of a partnership with them and with the city,” said Kit Morgan, administrator of the state’s Bureau of Rail and Transit.

**Rail with trail**

Several people wanted to keep the rail yard, and especially the railroad bridge that crosses the Connecticut River between West Lebanon and White River Junction open to pedestrians after the trains return. Jim Marshall, director of public works and transportation for the New Hampshire Department of Transportation, said there are many examples of safe rails with trails and that the DOT is willing to consider this for the Westboro yard.

**Option in purchase, other terms**

NHDOT and the railroad said the 10-year contract under consideration gives the railroad an opportunity to purchase the property at the end. The state would have to approve major physical changes to the rail yard. The railroad hours of operation would be mostly during daylight, 12 hours maximum per day, in tune with the operating hours of the businesses being served. The state is responsible for cleaning up the oil, asbestos and
other contamination at the rail yard. {Kristina Eddy in Valley News 16.June.00}

Next steps
Barnes said NHDOT will now take the agreement to the Governor and Council on 14 July for approval. Assuming that to happen, the railroad will begin brushing out and repairing the track. By autumn, Twin State and possibly Irving will be moving traffic. {ANR&P discussion 19.June.00}

RHODE ISLAND RRs

SEAVIEW TRANSPORTATION
15 June, Davisville. THE RAILROAD IS DOING WELL, according to Bruce Hamilton. SVTC was incorporated in the mid-1970s, when it won the right to operate in the Quonset-Davisville Port and Industrial Park. Hamilton took over the corporation in 1988. Traffic has increased from 779 in 1988 to about 1756 in 1999.

In the first quarter of 2000 business was “fantastic.” Increased traffic has required SVTC to hire two more people, to “catch up on maintenance.” During May, business was “pretty good”; the railroad did 151 cars.

But since SVTC’s switching fee is kept low to “keep the customers happy,” the railroad is not rolling in cash, said Hamilton.

Current customers (1996 and 1999 car counts)
Toray Plastics (751 - 920) Johnson Brothers (77 - 70)
BB&S Treated Lumber (434 - 599) Star Gas (108 - 99)

General Dynamics Electric Boat (15 - 0) Seafreeze (51 - 27)

All-American Seafood [See map.]
PW, which was handling the track installation, did work “above and beyond” what it was planning to do for the company’s new siding, Hamilton related. “It cost more than was planned.”

The first car was delivered on 9 June. {ANR&P discussion 6.June.00; Master Plan Quonset Davisville Port and Commerce Park 12.97}

Hosting repair of T cars
Bombardier, under contract from the MBTA [see Massachusetts], is rebuilding for the MBTA 200-series Pullman coaches. Bombardier has subcontracted to the New England Locomotive Services (NELS) to retrofit the anchor post brackets in the suspension system.

Locomotive Services owner, David Pena, has rented a stall in Seaview Transportation’s engine house to do the work. Some 50 cars will be done in cuts of 3-4 over a 20-week period, with the first moved into the engine house around 13 June. Both NELS and Bombardier personnel will work on the coaches, to supply the necessary labor. {ANR&P discussion with Pina and Hamilton 15.June.00; NERAIL e-mail list notes from David Watelet and George Chiasson 14.June.00}

ABOUT NEW ENGLAND LOCOMOTIVE SERVICES
David Pina founded this company in 1997, after working for BCLR for 11 years servicing its equipment. The company is growing rapidly, handling work for 15 companies: the US Army railway battalion, Fletcher Granite, Norton Abrasives, CSO (a man on site five days a week), New England Fertilizer, Wheeling and Lake Erie, Bombardier, Rio Grande and Pacific, Quaboag
Vermont Railroads

Lamoille Valley

June. What's happening with the effort to Revitalize this Line? When last we looked, the state had refused to fund any work on the line, and had run into an STB problem with getting Clyde Forbes off the lease. Some people are working on transferring the lease to a northern Vermont outfit.

Regional non-governmental consortium
The Mountain Valley Corridor Consortium will probably hold the lease. More about that in the White Paper and the Minutes below {texts from Lamoille County Planning Commission}:

White Paper - Proposal Concerning the Transfer of Lamoille Valley Railroad

Purpose. The proposal under consideration is to create a not-for-profit organization to oversee and administer the primary lease and potential uses of the 96-mile Lamoille Valley Railroad corridor. The organization would act as an intermediary for the State of Vermont to implement practical and affordable uses of the lease property.

Mission: To ensure that long-term public ownership of the entire corridor is preserved

History: The line was built in 1866 from Swanton to St. Johnsbury. This 96-mile east-west railroad was owned and operated by the Boston & Maine from 1884 to 1955. In December of 1973, the line was purchased by the State of Vermont and renamed the Lamoille Valley Railroad. At this time the State of Vermont has invested about $22 million into roadbed refurbishment. In 1989 the line was leased to a Florida company [Lamoille Valley Railroad Company, owned by Clyde Forbes] but the historical sources of freight were in rapid decline. Use completely terminated in the early 90's. Since then two major floods caused significant and minor washouts, primarily between Wolcott and Hardwick, additionally the Walden railroad bridge was recently removed by the Agency of Transportation.

Ownership transfer
The State of Vermont has expressed an interest in transferring the oversight and general management of this underutilized asset to a local organization representing the counties through which the line runs. The lease of this corridor will soon be available as a "carrier" transfer from the Florida Company to such an organization this spring. The State of Vermont will hold the organization Harmless in all activities associated with this rail line, assuming both general and any associated financial liability.

Proposed Organization: The organization envisioned and discussed by representatives of the three counties through which the line runs will oversee various multiple uses of the corridor. It will be a not-for-profit corporation.

Probable Directors: Representative members from each Regional Planning Commission, Economic Development Corporation and Regional Marketing Organization as follows: Northern Vermont Development Association (1), Northeast Kingdom Chamber of Commerce (1), Northeast Kingdom Travel and Tourism (1), Lamoille Economic Development Corporation (1), Lamoille County Planning Commission (1), Lamoille Valley Chamber of Commerce (1), Northwest Regional Planning Commission (1), St. Albans Chamber of Commerce (1), Franklin County Industrial Development Corporation (1) and the Vermont Agency of Transportation (1).

Primary function of the Corporation: The major function of the envisioned corporation would include requesting/receiving/reviewing and responding to proposals for use of the corridor by interested parties. Successful candidates would be awarded sections of the corridor on a short-term sub-lease basis (ex. 1 yr.). Directors may need to meet on a regular basis to act upon outstanding issues that relate to the corridor. The organizations recommendations will be advanced to the State of Vermont for final approval.

Funding: The Vermont Agency of Transportation is proposing an annual sum of $25,000.00 per fiscal year to pay for general administration and promotion. This money could be used toward administration, marketing, labor cost (brush cutting, maintenance, etc), and capital improvements to the line.

Other revenue streams (sub-lease) could be used for whatever this board deems necessary and prudent.

Mountain Valley Corridor Consortium
Meeting Minutes May 23, 2000

Members Present
Catherine Dimitruk, Northwest Regional Planning Commission
Heather Streeter, St. Albans Chamber of Commerce
Charles Carter, Northern Vermont Development Association
The State will be using an existing track while providing a trail in the interim. The Scope of Work option of placing fill over the tracks as an alternative for trail evaluation process. The State would also like to explore the use recreation path on alignment or parallel where appropriate. Class III, as well as alternatives to convert the line to a multi-corridor assessment completed by the end of July. This may include replacing/upgrading culverts, ballast, bridges, etc. The corridor assessment will be done in sections to aid in the evaluation process. The State would also like to explore the option of placing fill over the tracks as an alternative for trail conversion. This would ensure preservation of the existing track while providing a trail in the interim. The Scope of Work will be made available to the consortium prior to its award.

Catherine Dimitruk inquired about the status of the existing four proposals that were submitted to the State in January 1999, in particular the two which had received a "green-light" to proceed. Susan stated that with the abandonment proceeding falling through, all proposals have been placed on hold. The group may want to have the proposals resubmitted for review in the fall.

The consortium reviewed and amended the mission statement to read as follows: "To ensure that long-term public ownership of the entire corridor is preserved."

The Group then worked to develop a name. It was agreed that the consortium would be called "The Mountain-Valley Corridor Consortium".

Catherine offered to have her staff work on a logo and letterhead for the new group.

Jeff LeFebvre will draft a press release for the group to review. He also draft the RFP for review at the next meeting.

Charlie Carter suggested that we contact the Economic Development Council of Northern Vermont as a resource for future aid in this effort.

Meetings for this group will be held the fourth Monday of every month. The next meeting will be held on 12:10 in the LCPC conference room.

On 14 June, LeFebvre said the board, in addition to the ten ex-officio positions, would have three citizen members from the towns through which the line passed. He hoped the group would announce itself officially on 1 July.

The consortium hopes to issue the RFP on use of the line by September.

Interested parties, including Vermont Rail Link

Lefebvre said all parties which earlier were expressed [see ] were again working on proposals: Peter Snyder, the University of Vermont, the Vermont Association of Snowmobile Travelers, the Trout Unlimited, Cambridge Greenways, and so forth. The Consortium may well hold a meeting before issuing the RFP, to discuss it.

Vermont Rail Link was recently formed by Peter Snyder, who has a long-standing interest in revitalizing the line, and Brad Worthen. The two have spent some time investigating the traffic potential, and have purchased a bulldozer and hi-rail pickup to inspect the line.

Worthen and Snyder plan to meet with select boards and planning commissions in all 15 towns through which LVRC runs, said Worthen, in an effort to convince them that rail is the best use of the line. "I have nothing against snowmobiles and they do contribute a lot to the economy, but they already have thousands of miles of trail," said Worthen. "We shouldn't be deciding that 100 years from now our grandchildren don't need (the rail line) - of course they'll need it."

Worthen says he has 15 shippers ready to use the right-of-way immediately if they could. "That alone is halfway to profitability for this line," he said, adding a tourist-focused summer excursion line would bring it even closer to a
money-making operation. He said, though, that the biggest focus would be shipping freight.

Peter Poulin, president of Poulin Lumber in Hardwick, said rail transportation is a cost-effective way to transport goods and help to keep heavy trucks off the highways. “We have supported rail transportation for many years and would like to see it continue as well as grow in its possibilities,” said Poulin.

Robert J. Bellavance, manager of Rural Gas in Hardwick, said there is a need for the railroad. “The supplies needed in this area are more than our roads can handle. I am referring to the traffic without a bypass in our small towns. We are seeing bumper-to-bumper traffic for at least a mile coming and exiting these towns.”

Amerigas, which is the largest propane supplier in the country, has declared in a letter that utilization of the Lamoille Valley Railroad at its Hardwick facility would allow it to off-load propane at a lower cost per gallon than it currently has to pay. “If our cost is lower, the customer cost would be lower. It would also eliminate the need for heavy trucks transporting hazardous material on Vermont roads,” said Jeffrey M. Stanton, sales and service manager for Amerigas in Morrisville.

“Lots of people are frustrated with seeing the line abandoned for so long,” he said. "We can start operating with some work, beginning with the west end first and the goal being to make sure we can tie the whole state in.” Worthen said. Vermont Rail Link would work closely with Iron Road, feeding each other freight traffic.

Worthen also believes an excursion line can attract up to 50,000 riders over the course of a summer.

The cost to get the line repaired to Class II status, he said, is unknown, and he has recommended the state hire an independent group to survey the line. [The MIT study indicated that immediate repairs would require less than $1 million, though a $15 million investment would be necessary to increase operating speeds for the entire line to more than 10 mph for freight and 15 mph for passenger service.] Worthen said the west end of the line is in better shape than the Northeast Kingdom end, which has a number of significant washouts. Still, he figures, there is a mile or less total damage that would need repair. And with federal and state dollars being poured into railroads, he said he also believes some should be directed toward the LVRC. U.S. Sen. Jim Jeffords’ office has poured into railroads, he said he also believes some should be directed toward the LVRC. U.S. Sen. Jim Jeffords’ office has

Worthen said the west end of the line is in better shape than the Northeast Kingdom end, which has a number of significant washouts. Still, he figures, there is a mile or less total damage that would need repair. And with federal and state dollars being poured into railroads, he said he also believes some should be directed toward the LVRC. U.S. Sen. Jim Jeffords' office has already pledged to assist in providing funds for rails, ties and ballast, “which is pretty significant,” he said. {Gail Montany in already pledged to assist in providing funds for rails, ties and ballast, “which is pretty significant,” he said. {Gail Montany in St.Johnsbury Caledonian-Record 13.Apr.00; Roger LeCours in St.Johnsbury Caledonian-Record 13.Apr.00}

FOR THE RECORD:

VERMONT

NEGOTIATION OF THE WELLSPRINGS RIVER OPERATING AGREEMENT will resume on 19 June. According to Sue Compton, director of VAOT’s rail division, the agency will present a draft lease to NVR officials to which they will respond. Because the GMRC operating agreement expires, the agency gave that railroad an extension of up to six months, depending on how soon the NVR agreement is reached. {ANR&P discussion 14.June.00}

******

THE STB AGREED THAT VERMONT DID NOT NEED ITS IMPRIMATUR to assume ownership of the Wells River branch. Vermont had filed a motion to dismiss the verified notice of exemption under which GRS (actually, its B&M railroad) transferred the line to the state. Vermont states that it will not acquire, and has no interest in acquiring, the freight service easement (the exclusive right and obligation to conduct freight operations) and, as a consequence, contends that the transaction is not subject to the Board’s jurisdiction. The STB granted the motion to dismiss, agreeing that since the B&M had transferred the right-of-way and track structure to Vermont, but the operating rights to GMRC, the board did not need to approve the right-of-way transaction. {STB Finance Docket No. 33830 8.June.00}

******

WHETHER THE BURLINGTON SALT SHAFT IS EXEMPT from state regulation will become the topic of oral argument before the Vermont Supreme Court on 20 June. A decision will come down several months thereafter. {Kimberly Sturtevant, representing the city, e-mail to ANR&P 13.June.00}
**Maritimes/Québec RRs**

**CN-Nova Scotia/New Brunswick**

15 June. **The Railroad is Planning to Remove Double Track** in much of the Moncton-Halifax corridor. While CN plans to do the Halifax-Windsor Junction section this year, pending the municipality’s decision, the rest will probably occur next year.

**Halifax removed stayed for commuter use**

Double track from mile 7.0, just north of the Rockingham yard to mile 15.8, Windsor Junction. Per Scott Roberts, CN spokesperson, the 1 September deadline remains in effect, with the offer to continue the doubletrack if Halifax will pay rental [see 2 May issue].

According to Marcus Garnet, a Halifax Regional Municipality official, the municipal staff has prepared a report on the proposal to engage CANAC for a feasibility study, which will go to the Council in the near future.

Garnet wrote: ‘The staff report recommends against the CANAC proposal for a number of reasons (including a policy against single sourcing), points out costs of commuter rail compared to existing buses, but cautiously supports some continued in-house work. The Planning Services department is preparing an analysis of the population and commuting patterns in the rail corridor.’ {Garnet e-mail to ANR&P 14 June.00}

Rebecca O’Brien, who works for the local transit advocacy group TRAX?, noted that the federal government has made available a $2.05 billion fund for green infrastructure improvement in municipalities. Halifax, she maintained, should apply for some of those funds to preserve the second track, even if it does not want to pay to start actual commuter service. {ANR&P discussion 15 June.00}

**Truro area, total 10.2 miles**

Bedford sub (Halifax to Truro) existing double track from Hyde to Truro. CN plans to remove the South main track from mile 61.5(Hyde) to mile 64.0(Truro) of the Bedford Sub, except mile 63.0 to mile 63.5 which will remain as a siding to service a Co-Op feed mill.

Springhill sub (Truro to Moncton) existing double track Truro to Belmont (7.7 miles). CN plans to remove the South main track from mile 0.0 to mile 0.1 on the Springhill sub, and the South main track to be removed mile 6.7 to mile 7.7(Belmont)

The North main track will be removed from the balance of the 7.7 miles except mile 0.5 to mile 0.6 will connect "A" Yard lead to main(South) track, and mile 3.5 to mile 6.0 will serve as a signalled siding.

The North and South tracks will be connected on curve at mile 0.1 (west end of VIA station platforms), and on curve mile 6.7 (west of Crowes Mills Road crossing, mile 6.32).

Moncton track

Existing double track on the Springhill sub 117.5 (Painsec Junction) to Moncton 124.9 and on the Sussex sub from Marsh Junction (mile 0.0) to Bend(mile 2.1). CN has already begun removing the South track between Marsh Junction and Bend. The railroad is leaving the track in place from Bend to Fundy (mile 2.8). {ANR&P discussion with Roberts 16 June.00; e-mail from Mark Rushton of Truro NS}

**CBNS**

15 June, Sydney. **Two Parties are Interested in Sydney Steel** as a going concern. Jennifer MacIsaac of Bristol Communications, who is handling public affairs for the provincially-owned company, said the management company Ernst & Young is handling the plant and its sale. The province has directed Ernst&Young to receive proposals which will keep the plant as a going concern run as a private enterprise, or proposals to sell the assets only for dismantling.

Media reports indicate that Ernst and Young have received proposals to dismantle the plant and two proposals to keep the plant as a going concern: North American Metals, a special consortium in which the steel workers union is involved; and Swiss firm Duferco, which came to Sydney a week ago to talk to the union.

When Ernst and Young has a recommendation, expected in a couple of weeks, it will present it to the SYSCO board of directors. The board in turn will forward the recommendation to the provincial government.

The mill rolled its last order in May, and is now down to a skeleton staff. {ANR&P discussion}

**Devco RR**

14 June. **One Party is Negotiating to Purchase All of Devco** including the railroad, according to Brad Hardie of the firm Nesbitt Burns, handling the sale for the federal government. “We are shooting for a late summer close.” {e-mail to ANR&P}

The federal government is also negotiating about pensions and severance payment to the coal miners who may become redundant. On 2 June an arbitrator ordered the government to improve the package.

Miners also want guarantees hundreds of them will be hired by the private company expected to buy DEVCO’s last operating mine. But Natural Resources Minister Ralph Goodale says that’s not possible. "I’m not in a position, nor should I, on behalf of the government of Canada to wade into a commercial negotiating process." {CBC news website 3 June.00}

**For the Record: Québec/Maritimes**

The study on rail to Bayside has reached the halfway point, according to Peter Fullarton of NBDOT. ‘We had an update meeting with FGA Consultants, where they provided a brief summary of progress up to the midway point of the project. Not a lot to report at this time.’

********
ATLANTIC NORTHEAST PORTS

FOR THE RECORD: HALIFAX
GOOD NEWS, BAD NEWS FOR HALTERM.

Cabinet blocks CTA hearing
Halterm Limited (Halterm) announced on 19 June that it had filed a motion in the Federal Court of Canada for judicial review of Cabinet’s 9 June decision to rescind a Canadian Transportation Agency (CTA) finding that it had jurisdiction to deal with Halterm’s ongoing dispute over the terms of its ten year lease renewal with the Halifax Port Authority (HPA). Halterm based its motion on the basis that Cabinet acted contrary to the Constitution and crossed into the domain of the courts by deciding upon a legal matter.

"Cabinet took the unprecedented step of deciding matters of law in this case rather than deciding upon matters of policy," Halterm Vice President Doug Rose said. "Furthermore, the decision was made without the benefit of complete information and without Halterm having a fair opportunity to present its case."

The cancelled hearings, scheduled for 9 June, were scheduled to examine the unfairness of the HPA's rental demands of Halterm. (Halterm press release 19.June.00)

Federal Court agrees to hear case
On 16 June, the Federal Court of Canada decided it has the jurisdiction to hear the dispute between Halterm and the Halifax Port Authority (HPA) with respect to Halterm’s 10-year lease renewal. It denied HPA’s 13 December 1999 motion to dismiss on the grounds the Federal Court did not have jurisdiction to hear Halterm's application for judicial review.

Halterm asked the Federal Court to declare that the HPA exceeded its jurisdiction by setting rates which are grossly unfair and unreasonable negotiating in bad faith and acting for an improper purpose.

In addition, Halterm asked the Federal Court to order the HPA to set fair and reasonable rent for its lease renewal. Halterm has also asked the Federal Court to issue an interim injunction order barring the HPA from taking any steps that would be inconsistent with Halterm's exercise of its lease renewal option. The Court is being asked to rule the HPA's actions are contrary to its statutory mandate under the Canada Marine Act.

"The Federal Court's decision is a welcome one", said Doug Rose, Vice President, Halterm. "We look forward to putting our facts before the Court and remain confident in the outcome of that process." (Halterm press release 19.June.00)

New cranes
Halterm on 1 June took delivery of the two post-Panamax cranes it had ordered in 1999. They will go into operation in early July. (Tom Peters in Halifax Herald 2.June.00)

OTHER HALIFAX PORT NEWS

New container line
On 13 June, the first of two 1100-TEU container ships of the Costa Line, headquartered in Genoa Italy, will initiate calls connecting Canada and the Mediterranean. It currently operates container and reefer services between the Mediterranean and South America. (Port press release 2.June.00)

ZIM's new ships
The steamship line has ordered six new, larger ships to replace its 3029-TEU ships. To be built in the Hyundai shipyard and holding 4800 TEUs, they will sail in ZIM's pendulum service between Europe and Asia via the Panama Canal. They will go into operation in 2002, to handle the capacity crunch experienced by the line right now. (Tom Peters in Halifax Herald 31.May.00)

Service to Ayer [See Region.]

Traffic up
For the first four months of 2000, container traffic in Halifax rose 17% to 177,000 boxes over 1999's 154,000. Oceanex's Yvon Dufour, manger of operations said ro-ro business was very good, especially moving seafood from Newfoundland for transshipping to international destinations. "New automobiles are up, project cargo is up, trailer biz is up, and we’re doing a lot of fish."

CN has seen comparable growth, and has handled it by increasing the length of its trains. (Tom Peters in Halifax Herald 3.June.00)

PEOPLE, POSITIONS, EVENTS

The moving force behind the government part of reviving the Lamoille Valley Railroad [see Vermont] ended his work at the Lamoille County Planning Commission on 16 June. Jeff LeFebvre, senior transportation planner, will return to work for the Navy at Pearl Harbor as an project engineer on 26 June. Bill Rossmassler (brossmassler.lcpc@pshift.com) will cover his work until a replacement can be found.

Two former colleagues at the Atlantic Provinces Transportation Commission have formed a partnership, SVG Consulting, to provide a twice-monthly newsletter. Peter Vuillemot and Mona Savoie recently introduced the Atlantic Provinces Transportation Watch, provided by e-mail. The newsletter will keep the private and public sectors informed on the latest transportation developments and issues affecting the region. Contact: monas@nbnet.nb.ca

VAOT is deciding among several candidates for the position of director of the rail division. Sue Compton, the interim director, did interview for the job. Sources at VAOT do not expect a decision until the end of June, when Secretary Brian Searles returns from vacation.

E-MAIL ISSUE