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Issue 04#07A 13 July 2004

*Article unchanged from e-bulletin.

REGIONAL ISSUES

D&H/NS: NS access to Quebec and Maritimes.
CSXT: New Transflo 'net'; new arrangement.
PW: Anticipated coal business not yet here.

CONNECTICUT

New Haven: Trade subsidy for access to PW?

MAINE

Amtrak: NH awaits Maine data.
MERR: First passenger train to Rockland. Amtrak demonstration train too.
MMA: Maine Track Maint. wins Ft.Fairfield work.

MASSACHUSETTS

CSXT: Wainer received first car.* Williams Coal offers transload site.*
GRS: Coop Reserve moves to Billerica.
MBTA: Bill pushes Fall R./New Bedford service.
PVRR: New customer Kleer Lumber.* Lowe’s will break ground in August.

BOSTON: Mystic Piers leased to USG.* Fracas over salt sheds.* Container traffic up 12%, but cement and cars down.

Quincy: Quirk proposes cargo port.

NEW HAMPSHIRE

Road salt: Prices of winning bidders.
Commuter: Nashua may lead, not NHDOT.
GRS: Guv still not putting Salem sale on agenda.
Spaulding Turnpike: Do nothing best option.*

RHODE ISLAND

ProvPort: Scrap yard now in USCG compliance.

VERMONT

Road salt: No decision on bid.

VRS: Starts excursions to Norwich from WRJ.

MARITIMES/QUEBEC

CN: Two other customers in Burnside unhappy.

RAIL SHIPPERS/RECEIVERS

A cross-reference to companies mentioned here.

PEOPLE, POSITIONS, EVENTS

Steve Gray, Mike Pillsbury.

FROM THE PUBLISHER

Upcoming travel
From 14-18 July I go to the Bay Area, in part to meet with Tom Murray, editor and publisher of Rail StockWatch.

From 7-14 August my children and I will go to Long Island to swim in the ocean; from 21-28 August we’ll visit my family home in Intervale, New Hampshire.

Still, you’ll get the roughly one issue a week (counting the e-bulletin).

-Chop Hardenbergh

Next issue: 30 July

REGIONAL ISSUES

MORE ON D&H/NS AGREEMENT

7 July, Norfolk VA. DETAILS ON THE NEW ACCESS OF NORFOLK SOUTHERN TO QUEBEC AND THE MARITIMES was provided by Dan Mazur, assistant vice-president of Strategic Planning for Norfolk Southern Railway (NS):

Amount of traffic. NS traffic in the lane US Eastern seaboard to/from Quebec and the Maritimes comes to 50 cars a day, with the majority for Quebec.

Benefit for southern traffic. Mazur saw the benefit of avoiding the Buffalo-Montreal route as inuring only to traffic between Quebec and the Maritime Provinces and states on the Eastern seaboard. For traffic from the Midwest, the route via Ontario is shorter. Even though NS would keep the cars on its own line longer routing via Albany, the traffic will flow via Ontario. “Usually in the end, the most efficient route wins.”

Why not an NS train to Rouses Point? NS and CPR/D&H already had an agreement which gave trackage rights to NS to run its own trains between Binghamton and the Albany area, as well as haulage rights, but NS and CPR chose to use the haulage only. The new agreement makes two changes:

- It adds a short distance, from Albany to Saratoga Springs, to the trackage rights part of the earlier agreement. With that addition, NS has the ability to run a new train to Saratoga Springs.

- It adds haulage rights between Saratoga Springs and Rouses Point. CPR and NS did not agree on trackage rights.

Why use Saratoga Springs? It made sense operationally. CPR/D&H use Saratoga Springs as a crew change point, so D&H crews will pick up/drop off the NS train there.

What will happen to the cars when they reach Rouses Point? Per Mazur, CPR did not offer trackage or haulage rights into Montreal from Rouses Point. Thus NS traffic can go two ways: interchange to CPR for furtherance to Montreal and possible interchange to short lines such as Montreal, Maine & Atlantic, or interchange to CN for furtherance to Montreal and beyond to the Maritimes. The agreement also permits an NS/CN interchange in Saratoga Springs. [See below.]

Does NS have an interchange agreement with CN? Not yet, said Mazur, “but we are working on it.”

What about traffic already in haulage? The traffic already moving via haulage in the Binghamton-Albany lane, including the Guilford intermodal traffic, will stay in haulage. The trackage rights train will only move traffic that is new to the Rouses Point/Saratoga Springs/Binghamton route.

The new train has only overhead rights
The new train would run overhead to and through Albany to Saratoga Springs non-stop, because the haulage trains will continue. The NS train may not serve any customers between the two points. North of Saratoga Springs, D&H personnel will operate the train. The NS/D&H agreement does not include rights to interchange any customers’ traffic between Saratoga Springs and Rouses Point.

In Rouses Point, the crew would come off and a new, CPR crew would come on to move the traffic to Montreal. The physical train would remain the same, but NS would lose its haulage rate, and the traffic will move under CPR rates to Montreal.

NS cars could also be dropped here for CN, but Rouses Point is not normally an interchange point or switching point. {ANR&P discussion with Mazur and follow-up e-mails} 

Current CN access to CPR, Rouses Point, and south
According to an on-the-spot observer, a CN local comes to Rouses Point once in a while to drop and pick up fertilizer cars for a local farm dealer. It has a yard there of several tracks in bad shape. Once in a blue moon CPR and CN interchange two or three cars for that same dealer.

They do not interchange at Lacolle, though CPR serves LaFarge and other customers, and CN does have a spur to the town. {e-mail to ANR&P from Walt Favro 9.July.04}

In July 2000, CPR and CN announced a five-year agreement providing CN with access to CPR’s Northeastern U.S. network in New York, New Jersey and Pennsylvania. ‘CPR will move CN forest product traffic to distribution centers in New York City, Albany, Philadelphia, and Scranton. CPR also will interchange CN traffic with major U.S. railroads in the Albany area and Pennsylvania, as well as with the New York & Atlantic Railroad at Long Island, N.Y. The agreement may be expanded to other commodities, with CPR receiving reciprocal haulage from CN for those commodities into Ontario, Quebec and the Maritimes.’ {CN news release from website}

STB approval required
According to a question-and-answer sheet provided by CPR, two areas of the agreement require approval of the U.S. Surface Transportation Board:

‘1) Discontinuance of the trackage rights agreement between CPR and NSR, under which CPR currently moves its own trains over NSR track between Binghamton and Buffalo, N.Y.'
2) New trackage rights arrangements under which (a) NSR will operate its own trains over CPR track between Saratoga Springs and Binghamton; and (b) CPR will operate its own trains over NSR track between Detroit and Chicago.

New trackage rights arrangements can be approved in a matter of weeks. Discontinuance of trackage rights typically requires a few months. However, this is entirely in the hands of the STB.

**No termination**

There is no specific termination date.

**Chance of success**

CPR and NSR have a history of successful mutually beneficial arrangements. In 1999, after NSR acquired part of the Conrail assets, D&H began providing haulage services enabling NSR to reach the New England market. More recently, CPR and NSR entered into a trackage rights agreement whereby NSR transferred four trains per day to the D&H south of Binghamton.’  {CPR press release}

**Disappointment for Guilford?**

A trackage rights agreement which permitted NS to haul GRS’ Chicago-Ayer intermodal business might have given the intermodal route faster times. Editor At any rate, GRS is doing a good business. On 10 July, train AYMO (Ayer to Mohawk, NY) departed North Leominster at 2039 after a quick stop for the crew to pick up lunch. Engines 501-500, 20 cars, all loaded intermodals, with 73 TOFC/COFC, no double stacks.  {Dave Wright in NERAIL}

**CSX’ TRANSFLO AND NETS**

30 June. TRANSFLO ANNOUNCED THE SUCCESSFUL LAUNCH OF BUILDERNET, a network of facilities composed of ‘outstanding handlers of building products’ in the eastern United States. These can transload dimensional lumber, panel products, shingles, bricks, etc. They are reloaders only and do not take ownership of the material they handle. BUILDERNET providers belong to one of three classes:

- **Outside** - outdoor facilities capable of handling dimensional lumber.
- **Inside** – indoor warehouses with special market focus or capabilities for handling non-dimensional building materials (shingles, panel products, etc.).
- **Full Service** – facilities with capabilities of handling both indoor and outdoor material.

Since the first member came aboard 6 October 2003, BUILDERNET has grown to a 22-member network. ‘Prospective members must meet strict facility, quality, business, and geographical standards predetermined by the TRANSFLO Distribution Services Team.’ Enrollment will remain open until a maximum of 60 facilities is reached. BUILDERNET is part of the TRANSFLO PREMIER PROVIDERSM marketing initiative to build a strong grid of rail-served, easily accessible, and high-quality distribution providers.  {Transflo press release}

**Massachusetts sites**

- **Eastwood Carriers**, Westfield [our Directory #399]. Inside. Had warehouse on PVRR.

**Connecticut sites**

- **A Anastasio & Sons**, New Haven, [our Directory #648]. Full service, metals & steels, panel products. See map in 29 March 2002 issue, or at website.
- **Shepaug Distribution Services**, [While the Transflo website refers to this as Hawleyville CT, according to Rian Nemeroff, HRRC vice-president for marketing, the Transflo website misplaces the facility. This refers to the Filkins facility in Coltsville, Massachusetts, our Directory #663.] Full service, 12 rail spots, 70,000SF dry storage space. Handles auto parts, canned goods, construction material, consumer products, dimensional lumber, metals & steels, non-hazardous chemicals, panel products, paper rolls, plastics.  **Shepaug Reload**, Hawleyville CT [our Directory #681], 8 rail spots, 5 truck doors, 42,000SF. Handles panel products.

7 July, NJ. SOME CLARITY TO THE TRANSFLO ORGANIZATION WAS BROUGHT by Joe Dugary, commercial manager North, during a discussion today. Transflo, or as it wants to be called, TRANSFLO, a few years ago consisted of a series of bulk terminals either directly owned and operated by CSXT, owned by CSXT but operated by contractors under the TRANSFLO name, or owned and operated by other parties. CSXT also maintained a list of independent warehouses and transloading terminals on its lines, or on adjacent short lines [see below].

**The creation of TRANSFLO Corporation**

On 1 February 2001 CSX Corporation announced the creation of TRANSFLO Corporation, ’a business unit that will provide rail-centric
transloading, materials management and distribution services across North America.’ It would assume the ‘network of more than 160 locations across North America including 72 terminals operated by its subsidiary, Bulk Intermodal Distribution Services Inc (BIDS). TRANSFLO handles more than 400 unique products through the only ISO 9002 certified network of terminals.’ TRANSFLO, a subsidiary of CSX, said it would extend TRANSFLO services to even more commodities, especially non-bulk commodities through cross-docking. {CSX press release} [Thus, the railroad dropped ‘CSX’ from the title. Editor]

Cooperation with Union Pacific
On 22 January 2003, TRANSFLO Terminal Services Inc. [formerly Bulk Intermodal Distribution Services] announced plans to open a network of bulk chemical transloading terminals with Union Pacific (UP) to extend service to non-rail served customers. ‘The program will begin with the conversion this month of four current UP locations: Portland OR, Santa Fe Springs CA, Henderson NV, and Rifle CO to TRANSFLO operated terminals. It is planned to expand the transload service throughout the Union Pacific rail network.’ {Transflo press release}

Dugary said Transflo will eventually operate over 30 sites on the UP network.

Evolution of the ‘nets’
In addition to its own bulk terminals operating under the name Transflo, CSXT had the network of independent warehouses and transload facilities. The network arrangements were transferred to Transflo and became Transflo Distribution Services. On 29 January 2002, Transflo assumed the responsibility for METALNET, a network of metal distribution facilities on CSXT. {CSXT press release}

Thereafter, TRANSFLO decided to simplify its offerings by concentrating on the best independent warehouses and transload facilities. As Dugary described it, Transflo visited each of the facilities interested in the program, to find the few who had best service, an adequate amount of traffic and switching, and other operational needs. In this way Transflo built what it describes as the PREMIER PROVIDER NETWORK, which will ultimately have about 150 of the best facilities. Formerly, when looking at a map of the eastern United States showing the members of the Distribution Services, a customer would have had a hard time differentiating the dots. Now, each state has only a few dots, and their service does not overlap.

At this point, Transflo offers METALNET, PAPERNET, FOODNET, and BUILDERNET, with COLDNET soon to come, and CHEMNET thereafter. Facilities can qualify under more than one net.

How to become a net member
Companies not only have to go through a qualification procedure to join Transflo Net, but they must also pay in the thousands of dollars for the listing, according to one BUILDERNET member. Dugary noted the payment brought the member a spto on the webpage of all premier providers, and a listing in the network guides which are distributed to customers and the sales force. Complained the BUILDERNET member: “But our listing has not brought us any new customers.” He is considering dropping out next year.

Facilities not part of a net
The facilities which do not join a net, about 450, will move to CSXT. Customer inquiries about using those facilities, or a small warehouse bringing the railroad new business, will be handled by CSXT new business development personnel. {ANR&P discussion with Dugary 7.Jul.04, with BUILDERNET member 6.July.04}

Proprietary Transflo facilities
Transflo Terminal Services, Inc., a part of TRANSFLO Corporation, operates more than 80 terminals in the eastern United States as well as those for UP [see above]. Three exist in New England:

Transflo Westfield terminal [our Directory #402] operated by Savage Industries, served by PVRR.

Transflo Boston terminal [in Beacon Park, our Directory #228] served by CSXT, operated by Savage Industries. See Beacon Park map in 18 July 2003 issue, or at ANR&P website.

Transflo New Haven [in Cedar Hill, our Directory #644]. See map in 29 March 2002 issue, or at ANR&P website.  {Transflo website}

PW COAL BUSINESS
8 July, Worcester. **SOME COAL BUSINESS ANTICIPATED AT THE ANNUAL MEETING HAS NOT MATERIALIZED.** Frank Rogers announced in April [see 13 May issue] that ProvPort would receive two ships for test burns at Bow NH, one in May and one in June. Also, that PW might move some coal to New York State.

Asked what had happened, PW spokesperson and general counsel Mary Tanona wrote: ‘I believe the discussions at the annual meeting regarding anticipated coal business characterized it as just that: "anticipated". In many situations where there is an ongoing commercial relationship, various factors can affect a given shipment. It doesn't mean there is no longer an ongoing commercial relationship.
In general, in discussing the coal business, we point out that market factors can affect what happens with future coal business, including the timing...

‘P&W continues to pursue the coal business discussed at the annual meeting in April. Beyond that, the details are not public information.’ {e-mails to ANR&P 8.July.04}

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**CONNECTICUT**

**PROVIDENCE & WORCESTER/NEW HAVEN**

8 July, New Haven. **DISCUSSIONS CONTINUE ABOUT THE NATURE OF A RAIL SUBSIDY** for two terminals at the port. [The subsidy would cover the cost of draying product from the current railhead to the terminals, because construction is blocking rebuilding of tracks directly to the terminals. See 16 June issue.] Mark Rolfe of ConnDOT listed the following parties: Gateway [our Directory #544] and Logistec [our Directory 545-1], City of New Haven, PW, and ConnDOT. A subsidy would have to include both terminals, not just one. The parties must determine the options and costs, and what is reimbursable.

In addition, Rolfe said, ConnDOT would like to come out of the discussions with something which benefits the Q bridge project as well, since any subsidy will come out of its project funds. A benefit could come from the use of PW’s Belle Dock right-of-way under the current I-95 alignment on the west side of the harbor. If the project could use some of this property, either temporarily to aid the construction calendar or permanently to aid the construction costs, a deal would become more acceptable.

Rolfe reported that discussions will continue, and that he did not expect results for at least a month. {ANR&P discussion}

**The nature of the PW property rights**

The ‘Belle Dock Running Track’, the name used by PW, comes off Amtrak’s Northeast Corridor (NEC) just on the west side of the Quinnipiac River crossing, and heads south. It first encounters the Gateway Terminal yard north of Chapel on East Street, where Gateway handled coal in the past [see 01#02B and 01#06B] and continues to handle steel.

Next, the track splays into the Belle Dock yard, at one point seven tracks wide, some directly under I-95. Finally, as it heads toward the Tomlinson Bridge, one spur serves an outdoor loading dock [our Directory #545]. PW has used the Belle Dock yard (or what remains of it) to make up trains from cars which load in the Gateway yard [see 01#02B].

PW acquired running rights on the NEC in August 1991 [see 01#06B]. It acquired the Belle Dock track itself that same year.

**Origin of Belle Dock in 1840s**

In 1838, ‘the Hartford and New Haven Railroad struggled into operation after having great financial difficulty in completing only 18 miles of its intended route, from steamboat connections at New Haven as far as Meriden. It would be another year, December 1839, before the line was completed and opened to Hartford. The principal boat connection was with the steamer Belle [to New York] and the dock she used at New Haven was called Belle Dock. Although the old steamer has long since departed the scene, Belle Dock is still in existence...’

{Railroad Museum of New England website}

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**MAINE**

**AMTRAK**

8 July, Concord NH. **NEW HAMPSHIRE IS CONSIDERING MAINE’S REQUEST** for financial support to build another passing track, at Dover [see 16 June issue]. NHDOT is awaiting further information from MDOT, to use before the CMAQ committee and the Governor’s Advisory Commission on Intermodal Transportation. {ANR&P discussion with Jim Marshall, NHDOT director of public works and transportation}

**MAINE EASTERN**

9 July, Brunswick. **MDOT AND MERR ANNOUNCED THE FIRST PASSENGER TRAIN TO ROCKLAND.** MDOT Commissioner David Cole described the ‘Lobster Festival Train’ as the first step toward restoring passenger service along the Rockland Branch. It will run between Brunswick and Rockland–stopping in Bath–from 5-8 August; a morning train running north and an afternoon train headed south operated by MERR. Geoff Fuller of Maine Eastern said he hoped to continue weekend service between Brunswick and Rockland through mid-October and to add holiday events like a Santa Train in the winter. {News 8 - WMTW/Associated Press}

Ticket prices: $40.00 adult $30.00 children 2-15. Price includes round trip train transportation from either Brunswick or Bath to Rockland and admission bracelet to the Maine Lobster Festival.
Why not from Portland?
When the concept of such a train was announced, Guilford had offered to have it operate over the GRS freight main and Brunswick branch from Portland to Brunswick [see 16 June issue]. However, insurance costs scotched that plan. Per Patrdicia Douglas, who heads marketing for NNEPRA, Guilford is requesting a fairly standard liability insurance policy of $75 million. To purchase that insurance to operate passenger service over the Portland to Brunswick line would cost in excess of $200,000 for four days.

Insurance for the Brunswick-Rockland run is covered by MERR’s existing $20 million policy. Douglas said the state, as the owner of the track, is not asking for a higher coverage. 'This situation is no one's fault - it's just a sign of the times we live in. All partners have been cooperative and we have all been working together to make this pilot program successful. Remember, this is only the beginning and we've really accomplished a lot in a very short time. We hope that this service will be well received and serve as a building block for the years to come.'

Amtrak demonstration train
Douglas added that Amtrak will use the Downeaster equipment (idled because of the Democratic convention) to operate a train from Portland to Brunswick on 24 July. The demonstration train will carry legislators and town officials to illustrate the long-term vision. MERR that same day will run a train from Rockland; they will meet nose-to-nose in Brunswick. {ANR&P discussion 12.Jul.04}

MONTREAL, MAINE & ATLANTIC
8 July, Fort Fairfield. MAINE TRACK MAINTENANCE WAS THE ONLY BIDDER for the trackwork here to revive rail access, according to Tony Levesque, Town of Fort Fairfield economic director, and his amount came in $215,000 over the available money. [See 1 July issue.]

So the town awarded Maine Track Maintenance (principal Randy Pike) the contract with a change order reducing the amount $215,000, for a total of $1,427,125.47. Most of the reduction came out of road crossing work; the town hopes that MDOT and MMA can supply some funds, and its public works crew can do some of the work. In addition, the type of ballast was changed, cutting the cost by $29,920.

Next step
Pike has ordered material. Levesque will meet with the Maine Department of Environmental Protection (DEP) on 13 July. Because one of the new sidings will serve the Boralex co-generation plant, and it has a DEP permit, the plant needs to modify the permit.

Levesque said the contract states 1 November as the completion date. {ANR&P discussion}
CSX TRANSPORTATION

2 July, New Bedford. **WAINER RECEIVED ITS FIRST CAR IN LATE JUNE.** Henry Wainer, principal of Sid Wainer & Sons, said the former JJ Alden property his company purchased has two purposes.  

The farm

“We are putting up a farm on this property, which will be the only inner city farm, the only one of its kind in United States. A greenhouse is going up today,” on a former brownfield site.

The public transload

The siding which Wainer has resurrected [see 3 June issue] has already accepted its first car, a load of potatoes. “It’s available to other businesses to help them,” stated Wainer. “We’ll enter into a daily license for its use.” He already has several potential customers, “some in excess of 100 carloads a year. We want to build industry back up in New Bedford. The mayor and City Council have been more than helpful.” [Maritime International is interested, see 3 June issue.]

To improve the facility, Wainer will add a truck loading dock, so that material can be cross- docked. {ANR&P discussion}

6 July, Braintree. **WILLIAMS COAL AND OIL NO LONGER USES RAIL,** explained Brian Williams, president of the company. He had brought in coal by rail “up to a year or so ago,” but now brings it in by truck from mines in Pennsylvania or West Virginia. “We don’t do the volume of coal we used to.”

Plus, he explained, with low volumes of coal underneath the company’s trestle used for unloading, the kids who had played on the trestle had a long way to fall. He has recently installed a fence around it.

Open for third-party use

In years past, the spur and trestle (both owned by Williams) were also used to transload sand for Logan Airport, and to unload cement. Brian Williams said he is open to offers from companies who want a transloading site. The spur will remain after Greenbush construction, at least according to what state officials have told Williams. {ANR&P discussion}

Greenbush impact on the spur

The construction of a commuter rail line from Braintree to Scituate, the ‘Greenbush line’, began this year. The Environmental Impact Statement of 2001 on the project said this about Williams: ‘There will be no significant permanent impacts to operation of freight trains on the Fore River spur or to the coal delivery spur (Williams Coal) in East Braintree.’ {text of EIS}

GUILFORD RAIL SYSTEM

8 July, Billerica. **COOP RESERVE MOVED ITS LUMBER OPERATION HERE** about two weeks ago. Richard Bickford, assistant manager of the Cooperative Reserve Supply Company Inc, [our Directory #209], explained that the coop supplies lumber and plywood to its members, lumber dealers in eastern Massachusetts.

Five years ago, the coop realized it was outgrowing the site at 115 Fawcett Street in West Cambridge, and purchased a site formerly used by Penn Culvert. The polluted acreage needed remediation via the Superfund, so only in late June could the coop actually begin to use the site. Located in Iron Horse Park across from George McQuesten [our Directory #206], it has rail access, a siding owned by the coop, and a 90,000SF building for inside storage.

Bickford estimated that he does about 400 carloads a year. {ANR&P discussion}

MASSACHUSETTS BAY

9 July, Boston. **GOVERNOR MITT ROMNEY SIGNED THE BILL PUSHING FALL RIVER/NEW BEDFORD RAIL** ahead. Earlier in the month, the House 128-21 and Senate 37-1, gave final approval to H.4866 which allowed the state to take 1.3 acres of open space land from the town of Bourne and in exchange give Bourne more than four acres of land, a new firehouse and a visitor’s center. This will permit a rotary at the Sagamore Bridge over the Cape Cod Canal to proceed.

Commuter rail part

As part of a political deal, the measure also requires that the state complete all permitting necessary and take other specific actions for the extension of commuter rail services to New Bedford and Fall River:

**SECTION 6.** The Massachusetts Bay Transportation Authority and all other agencies of the commonwealth shall commence and complete all federal, state, and local permitting necessary for the extension of commuter rail services to the cities of New Bedford and Fall River and
shall expend any and all necessary funds in the furtherance of this purpose. The New Bedford Fall River Commuter Rail Extension project shall be eligible and shall be a priority project for participation in any wetland banking program created by the commonwealth in order for the project to satisfy all potential and partial mitigation requirements. The secretary of the executive office of transportation and construction shall commence and complete all negotiations for right-of-way interests with the CSX Corporation for the extension of commuter rail services to the cities of New Bedford and Fall River. The secretary of the executive office of transportation and construction shall make all efforts necessary to renew, reopen and complete negotiations with the Southeastern Regional Planning and Economic Development District for the extension of commuter rail services to the cities of New Bedford and Fall River.

{Beacon Hill roll call by Bob Katzen in Milford Daily News 4 July 04; text from General Court website}

PIONEER VALLEY

6 July, Westfield. **KLEER LUMBER WILL BECOME A CUSTOMER.** This producer of PVC trim boards, moldings and sheet stock has leased a warehouse formerly used by Greif Brothers, located on what is still called Greif Way just north of the Turnpike (I-90). The site has its own spur, which was rehabbed by W.I.Riegel & Sons; the cost was shared by PVRR and the landlord, according to PVRR General Manager Mike Rennicke and Riegel sales engineer Tony Jewell. The company has installed two 65-foot silos for plastic pellets.

Production will begin in late August. Tom Loper, the president of Kleer Lumber, said he would talk more about the company and its strategy in about a month. For competitive reasons, he declined to provide further details at this time. But he reported satisfaction with the location: “Springfield is at the crossroads, and Westfield is next to Springfield. It allows us to support our major customers at this time.” {ANR&P discussions}

6 July, Westfield. **LOWE’S WILL BREAK GROUND FOR ITS DISTRIBUTION FACILITY** on 21 August, said Rennicke. At the same time, construction will begin on the siding to the site [see 14 April issue]. Lowe’s is putting construction of the siding out to bid; PVRR may participate in the bid process as a subcontractor to one of its vendors. The siding may be used before the facility is complete, if only to bring in stone for the site.

**Distribution before completion**

RDS will continue to handle the distribution business until the new facility is completed next year. RDS presently serves 30 stores throughout New England and eastern New York. This will actually expand as additional stores are added in the next several months. {ANR&P discussion}

BOSTON - MASSPORT

1 July. **MASSPORT LEASED MYSTIC PIERS 48, 49 & 50 TO US GYPSUM,** for six months with a six-month option. USG already occupies an adjacent parcel [see map], and plans to park there the trucks used its trucker, Catalano Brothers. USG is also evaluating the possibility of using the site to expand current wallboard (it makes the brand Sheetrock) processing. {e-mail to ANR&P from Deb Hadden, deputy director property & transportation 6 Jul 04} USG produces gypsum wallboard at its facility at 200 Terminal Street, adjacent to the Autoport. {USG website}

The Authority had offered the site on 30 January [see 1 April issue]; it was formerly used by Eastern Salt [see 2 February 2004 issue].

**USG will examine its options**

The USG website does indicate rising demand for Sheetrock: first quarter 2004 set a record for sales of 2.7 billion square feet. The company has not yet decided whether it would expand production in Boston, and if so whether it would need the 3.5 acres of Massport property in addition to the seven acres it owns, according to Bob Williams, company spokesperson.

It leased the property because acreage next to an existing USG production plant (it has 40 around the country) rarely comes on the market. The six-month lease with the six-month extension will give USG the chance to look at expansion in its only New England location. Once the company has leased the property, “we’re in a better position to negotiate” with Massport for a long-term situation. {ANR&P discussion 7 Jul 04}

6 July. **THE MEDFORD STREET TERMINAL IS NOT YET LEASED.** Massport offered it on 4 December [see 17 December 2003 issue]. That property includes the former Revere Sugar refinery and Somerville Lumber warehouse, as well as rail access via GRS.

Hadden wrote: ‘We only received one proposal in response to our Dec. 4th RFP for Medford St. Terminal and it was for import/storage/distribution of road salt. As you can see from the attached letter [excerpts below], we are reluctant to proceed with a lease for such a use if the DEP is considering enforcing against it. We are continuing to accept proposals for the site. To date, we have not received any formal proposals since the last RFP due date, however we understand that several firms are contemplating a submission.’ {e-mail to ANR&P}

**Problem about salt facility locations**

According to a 9 February letter from Massport Maritime Director Mike Leone to Robert Golledge, commissioner of the Massachusetts Department of Environmental Protection, a Massachusetts statute, Chapter 85 section 7A, was amended in 1992 to require all road salt piles
within 200 yards of a river or estuary to be stored in a solid frame storage shed. Leone wrote: ‘While we believe this statute can be interpreted so as not to apply to salt import and distribution terminals in the Port of Boston, we understand that others believe that it does apply to these port facilities.’

Leone’s letter went on to argue against requiring a solid frame storage shed for road salt terminals in the Port of Boston, with these points:

- ‘Based on our discussions with numerous international salt companies as well as port authorities throughout the U.S., we are not aware of a single salt import terminal at any port in the world that has been required to be enclosed in a solid frame shed. This is not surprising, since we are not aware of any data indicating that properly managed salt terminals in ports cause environmental impacts. Further, such a shed appears to be operationally infeasible since the cranes used to offload the salt from the vessels would not be able to place the salt in a solid framed storage structure, not to mention financially infeasible. For this reason, we assume that any salt terminal proposals we receive will not include construction of a solid frame storage shed.’

- ‘Requiring a frame could drive the existing terminal (Eastern Salt in Chelsea) out, and prevent Massport from leasing the Medford Street Terminal to a party who wants to use it as a salt terminal. ‘At a minimum, road salt costs would increase for customers throughout Massachusetts due to reduced competition for bids, increased transportation costs and/or fines that would be passed along to users. This is of great concern to Massport, since we rely heavily on road salt to keep our airport roadways, maritime facilities and the Tobin Bridge operational and safe during freezing conditions, as well as to MHD, MTA and local municipalities. In addition, this would significantly impact the Port of Boston since road salt is the leading dry bulk commodity imported through the Port and typically a significant source of revenue for Massport as well as a source of employment for longshore labor in the Port.’

- ‘Currently, the only Massport property used for road salt storage is the Boston Autoport. This salt pile was allowed by Massport as a temporary use based on full implementation of accepted Best Management Practices (BMPs), including storage under a tarp but not enclosed within a solid frame structure.’ [International Salt used this temporarily beginning the second half of 2003. {e-mail to ANR&P from Deb Hadden, Massport deputy director property & transportation 12 Jul. 04}]

- ‘If [Section 7A] is deemed to apply to salt terminals in the Port, our only viable compliance alternative appears to involve placement of any road salt piles at least 200 yards away from the water’s edge. While this is logistically feasible on several of our properties, it would move the salt piles closer to the neighborhoods and would require use of trucks to move the material from the dock to the storage site. This would result in unnecessary (and possibly unacceptable) community, environmental and economic impacts.’

**Mediation attempt**
Leone’s letter continued: ‘Massport actively participated in a salt-related interagency working group established by DEP, as well as a mediation process related to the Eastern Minerals/Salt pile in Chelsea. However, neither of these processes has made any progress toward resolving the conflict and the mediation process (which Massport took a lead role in initiating and co-funded with DEP and others) formally ended in the beginning of February. {text of letter from Massport}

According to one of the participants, nothing further has happened in the process. {ANR&P discussion 6 Jul. 04}

**8 July. BOSTON HAD DOUBLE-DIGIT GROWTH IN CARGO FOR THE FIRST SIX MONTHS** of 2004 versus the previous year. TEUs (twenty-foot equivalent units) processed through Massport’s Conley container terminal rose 12% to 83,443 from 74,538. Overall container tonnage rose 17% to 643,073 tons from 551,073 tons.

‘With direct service to and from the Far East firmly established in the Port of Boston, exports from the New England region are showing pronounced growth. When comparing the first six months of 2004 to 2003, export tonnage alone grew to 227,554 tons from 189,317 tons, accounting for a 20% increase during this period....

‘Since Far East service from Boston began two years ago, the ratio of imports to exports has narrowed from 2.5:1 to 1.6:1. One of Boston’s largest export commodities is forest products including timber and waste paper. Waste paper is often recycled overseas where it is made into cardboard boxes or packing material and used to ship imported goods to the west.

‘The Port of Boston is the largest port serving the New England region. Top imports include: alcoholic beverages, frozen fish, footwear and furniture. Top exports include: hides, logs and lumber, paper and paper ware including waste paper and metal ware.’ {Massport press release}

**Autos, cement decline**
Cargo through other Massport marine facilities, per Massport website.

<table>
<thead>
<tr>
<th>Category</th>
<th>1st half 04</th>
<th>1st half 03</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autos processed</td>
<td>5,680</td>
<td>6,060</td>
<td>-6.3%</td>
</tr>
<tr>
<td>Cruise passengers</td>
<td>43,690</td>
<td>43,206</td>
<td>1.1%</td>
</tr>
<tr>
<td>Salt tons</td>
<td>0</td>
<td>0*</td>
<td>0</td>
</tr>
</tbody>
</table>

*Note: 0 indicates an unspecified or negligible number.*
Cement tons

<table>
<thead>
<tr>
<th></th>
<th>50,678</th>
<th>85,592</th>
<th>-38.6%</th>
</tr>
</thead>
</table>

* International Salt [see salt story] did not begin using the Autoport until the second half of 2003.

Cement terminals
These consist of Coastal Cement, LaFarge Cement, and St. Lawrence Cement [see 12 March 2003 issue]. Only Coastal [owned by Dragon Cement and served from Maine by barge—see 27 April issue] counts as a Massport facility, located in City/EDIC land. [e-mail to ANR&P from Deb Hadden, deputy director property & transportation 12.Jul.04] The drop is not surprising, as much of the cement was used by the Big Dig, which is now nearly complete. Editor

QUINCY
8 July. A PROPOSAL FOR A CARGO PORT HERE was put forward by car dealer Daniel Quirk. In January 2003, Quirk bought the Fore River shipyard at a bankruptcy; he stores about 3,000 cars there but has said he wants to bring in industrial and maritime uses. He has filed plans with local conservation and planning boards, which propose filling the existing dry docks and starting commercial cargo shipping at the more than 100-acre site on the Quincy-Braintree line, which has been virtually shuttered for more than a decade. Quirk said he is talking to companies that ship industrial products, and has ruled out natural gas, asphalt or hazardous materials.

Work would open up seven acres of space where goods such as lumber, engines, equipment or computers could be unloaded and kept there for distribution. The cargo could come in on vessels as large as 1,000 feet long and 100 feet wide. Products would move in trucks headed down Route 53 or Route 3A or in trains of the nearby Fore River railroad.

Thomas Watson, best known as a one-time assistant to Alexander Graham Bell, opened the facility in 1884. Eventually it became the second-largest in the country, employing 17,000 people at its peak and building aircraft carriers and battleships during World War II, and later massive liquified natural gas tankers. Bethlehem Steel owned the yard from 1913 to 1963, and General Dynamics ran it from 1964 until 1986. The shipyard closed in 1987.

A mid-1990s shipbuilding venture there failed, leaving behind a 10-acre unfinished shell of a building. No ships were built.

The shipyard is one of only 11 designated port areas in the state, which means most development there must be water-dependent unless the state approves another use. Richard Armstrong, executive secretary for the Seaport Council, a state advisory board that encourages harbor commerce and development, said he expects East Coast commercial shipping to grow in the next 10 years as the highways become more congested. The Fore River shipyard some day could be an attractive alternative to the busier and much bigger Boston ports. “There is this incredible potential out there,” said Armstrong, who is port development director for the state.

“It’s incredibly encouraging. I think (Quirk’s) right on the mark and I hope he gets as much community and public support that should be out there for this.”

Other maritime activities
Horizon's Edge Casino Cruises LLC, which operates gambling boats in Lynn and Gloucester, reportedly approached Quirk last year about basing a gambling cruise on the Fore River.

The United States Naval Shipbuilding Museum is located there today, home to the U.S.S. Salem, the world's only preserved heavy cruiser.

And Jay Cashman exports autos. [See box.]

CASHMAN USE OF SHIPYARD
In November 2003, Jay Cashman Inc., a major contractor purchased 12.5 acres of land and pier space for $2.21 million from the Massachusetts Water Resources Authority.

In May, the company, owned by Quincy native Jay Cashman, completed the relocation of its headquarters from South Boston to the former Fore River Shipyard.

Most employees spend their time in the field, but about 50 will work out of the former building 19 at the shipyard until Cashman determines what to do with other buildings on the property. "We're going to retrofit one of those buildings or build something new," he said. He anticipates investing $3 million to $5 million in the property over the next several years.

Along with the property, Cashman purchased a 1,000-foot-long pier. He estimated that he could fit as many as 20 barges along the piers, although the company has never had more than 10 of its 120 vessels in for repairs at the same time.

Current shipping
Jay Cashman, a major Big Dig subcontractor, does both land and marine contracting. It works on projects along the entire East Coast. For the past 10 years, the company has shipped cars to the Caribbean from its location in East Boston. The cars are typically sent by immigrants back to their families in other countries, Cashman said.

The company received a permit from the Quincy Licensing Board to park a limited number of cars on the property before they are shipped. He said he ships between 50 and 100 cars and small trucks a month on one or two vessels, currently to Haiti.

The business is a sideline but he said he hopes to expand it. Usually, the cars are also packed with goods that are hard to come by in the Western Hemisphere's poorest nation. "They send everything from dog food to clothes to any canned goods. For the same price it costs to ship vehicles, they can ship all kinds of cargo," Cashman said.
Objection to Quirk use
Cashman is asking a federal judge to award him the bulk of the shipyard property, saying the U.S. Maritime Administration violated its chartered mission to support the maritime industry by awarding the shipyard to Quirk. While his initial bid of $5 million for the shipyard and its contents was less than the $9 million bid the administration accepted from Quirk, Cashman alleges that the federal agency violated a provision in its charter to preserve maritime property by selling the land to Quirk.

Cashman’s suit states that his company would have put the yard to a better maritime use than Quirk, and that the administration should have awarded it to him.

Quirk is currently storing as many as 3,000 cars at a time on the Braintree portion of the shipyard. He has hired a planner to develop a master plan for the property. {Julie Jette in Quincy Patriot Ledger 12.May.04}

Next step
Quirk needs the following permits to start the work:

— A Chapter 91 waterways license from the state Department of Environmental Protection.

— A special permit and site plan review from the Braintree Planning Board for work within the 100-year flood plain. Quirk wants to remove the gantry structure to fill the dry docks in Braintree with 70,000 cubic yards of fill and pave the surface to create space on which to unload ships.

— Permission from the Quincy and Braintree conservation commissions for work within a designated port area and on land subject to coastal storm flows.

He must also file a notice of intent with the U.S. Environmental Protection Agency outlining his storm water management plan. {Jessica Fargen in the Quincy Patriot Ledger 7.July.04; Boston Business Journal 8.Jul.04}

NEW HAMPSHIRE
ROAD SALT

Prices increased over last year about seven dollars a ton in District One, and about twelve dollars a ton in District Six.

<table>
<thead>
<tr>
<th>District</th>
<th>rock salt provider</th>
<th>price</th>
<th>tons*</th>
<th>rock salt pile location/delivery</th>
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</thead>
<tbody>
<tr>
<td>1 Northern NH</td>
<td>Sifto</td>
<td>46.49</td>
<td>31,700</td>
<td>Montreal/ship</td>
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<tr>
<td>2 Western</td>
<td>Cargill</td>
<td>40.85</td>
<td>31,330</td>
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<tr>
<td>3 Eastern</td>
<td>International Salt</td>
<td>44.71</td>
<td>30,200</td>
<td>Portsmouth - Market Street</td>
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<tr>
<td>4 Southwest</td>
<td>Cargill</td>
<td>40.95</td>
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<tr>
<td>5 South Central #</td>
<td>International Salt</td>
<td>42.89</td>
<td>46,990</td>
<td>Portsmouth - Market Street</td>
</tr>
<tr>
<td>6 Southeast #</td>
<td>International Salt</td>
<td>40.86</td>
<td>29,850</td>
<td>Portsmouth - Market Street</td>
</tr>
</tbody>
</table>

# District five bid applies to central Turnpike locations, and District six bid to eastern Turnpike locations.
* Approximate annual tonnage figures from Request for Bids document.
NASHUA COMMUTER RAIL

12 July, Nashua. **NASHUA IS SEEKING TO MOVE THE PROJECT FORWARD**, by possibly becoming the lead agency, according to Stephen Williams, Nashua Regional Planning Commission (NRPC) acting executive director. NHDOT is facing the sunsetting of the US New Starts funding on 30 September because it cannot find the matching funds [from the gasoline tax for the project, extending MBTA commuter rail service from Lowell to Nashua—see 27 April issue]. Responding to the department’s request for an extension, US Representative Charles Bass told NHDOT recently that he would not request the extension because the state had not taken the necessary action.

Since the lead can be taken by any agency, the City of Nashua is considering assuming that role, with NRPC as the planning agency. Since NHDOT cannot take any financial role, it is willing to bow out. If the city leads, then the environmental assessment process can move forward. Consultant Parsons Brinckerhoff has nearly completed the first draft, but it cannot be published without a lead agency. Other steps, per Williams, include some modelling, and a finding of no significant environmental impact.

Advocates of this approach hope that Bass will be satisfied with the city’s willingness, and that he will request an extension. But the city’s Board of Alderman must decide to become the lead agency; it has requested more information from NRPC before making that decision.

Williams was not daunted by the planning necessary. “This is much less complicated than a highway project; the issues are bureaucratic and funding, rather than technical issues” which are relatively straightforward.

What about matching funds?
Before getting to the question of supplying funds to match the federal funds, the environmental permits must emerge. FTA will permit federal funds for actual engineering studies and for actual construction.

Williams anticipated that the “earliest we’ll be ready for preliminary engineering would happen in fall 2005, and final design in fall 2006.” {ANR&P discussion 12.Jul.04}

GUILFORD/NHDOT

8 July, Concord. **THE GOVERNOR IS STILL REFUSING, TO THE SALE OF THE SALEM INDUSTRIAL TRACK**, a place on the agenda of the Governor and Council twice-monthly meetings. Thus, the sale of track cannot be approved. [See 1 July issue about GRS lawsuit relative to sale.]

Jim Marshall, NHDOT director of public works and transportation, said Commissioner Carol Murray “has tried numerous times to advance it on the agenda, to no avail.” {ANR&P discussion}

LETTER TO EDITOR RE SPAULDING TURNPIKE

2 July, Belmont MA. **YOUR ARTICLE ABOUT IMPROVEMENTS FOR THE SPAULDING TURNPIKE** [see 1 July issue] brings to mind two basic problems of conventional highway alternatives analysis.

Rail not close enough
First, the Dover-Portsmouth rail passenger option doesn't work unless both trip ends are close enough to the rail stations and the stations far enough apart for rail to be more convenient. How many of the trips expected to be diverted are likely to be within a mile of Dover or Portsmouth stations? Also, unless the service frequency is such as to be tremendously costly, average trip time by rail will exceed that of alternate routes. Frequency (the lack thereof) is well known to be a major cause of perceived modal impedance especially for short trips.

Do nothing: better in the long run
Second, it appears that the study missed the most obvious option - do nothing. It seems to be alleged that highway capacity on the Spaulding Turnpike must be increased or alternative forms of transportation provided. Not so. Not increasing transportation capacity between two points will in the long run constrain the number of trips. If this is done with enough highways, the result will be to motivate people to live closer to where they work, thus substantially reducing travel miles, energy consumption, etc. From a public policy point of view, isn't that better than constantly increasing transport capacity at the expense of ecology, environment and reduced open space?

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19 Holden Road, Belmont, MA 02478
RHODE ISLAND

PROVPORT

1 July, Providence. A **SCRAP METAL YARD HERE CAME INTO COMPLIANCE WITH SECURITY REQUIREMENTS**. On 29 June, the yard was one of a handful of U.S. port facilities that could be shut down 1 July because it hadn't implemented security plans required by the U.S. port security law, a Coast Guard official said. Only 32 of the 3,200 port facilities had not made security upgrades required by the new law, according to Coast Guard documents reviewed by The Associated Press. The facilities include a passenger terminal for casino cruises, a container-cargo yard, a bulk salt facility and the scrap metal yard. A Coast Guard official told the AP on condition of anonymity that the scrap-metal facility was in Providence, but did not identify the business. {AP 30 June 04}

On 12 July, a US Coast Guard representative for the area office in Providence, which has responsibility for Rhode Island and Massachusetts up to Plymouth, said by 1 July all facilities in her area were in compliance. Coast Guard District One headquarters in Boston also issued a press release saying ‘100% of the facilities subject to the Marine Transportation Security Act within the district [Maine to New Jersey] are in compliance.’ {ANR&P discussion 12 Jul 04; USCG website}

**Which scrap metal yard?**

No official would identify the yard. ProvPort has these:

- **Metals Recycling.** Ships out scrap metal. Rails out scrap and auto shredder residue [our **Directory** #491].

- **Three Flags Stevedoring.** Ships out scrap metal for sister company State Line Scrap [our **Directory** #464] in Attleboro, Massachusetts. About 75% of State Line’s throughput went out by ship in 2002-2003, according to General Manager Joe Peixoto. {ANR&P discussion 27 Mar 03}

VERMONT

HIGHWAY SALT

12 July, Montpelier. **VAOT HAS STILL NOT DECIDED WHETHER TO ASK FOR BIDS.** Judy Jamieson at VAOT’s Central Purchasing said, “There are still things we are considering,” but the agency hopes to have a decision by the end of this week. {ANR&P discussion}

VERMONT RAIL SYSTEM

3 July, White River Junction. **GMRC BEGAN OFFERING EXCURSION TRAINS TO NORWICH,** north on the ConnRiver line, four times a day. {VRS website} Near the end of May, a crew began clearing the land inside the wye at White River Junction for a loading platform. The state, which owns the land, had to evict a large number of homeless [hoboes? - *editor*] from camps within the trees. In the depression of the wye, workers recovered the remains of the ball signal which controlled the diamond there. {Scott Whitney in BLHS Bulletin 7.04}

On 12 July, Whitney reported that the ‘current outlook is hopeful for continued and improved service.’ {e-mail to ANR&P}

QUEBEC/MARITIMES

CANADIAN NATIONAL

6 July, Dartmouth. **TWO CUSTOMERS IN BURNSIDE ARE NOT GETTING TWO SHUNTS A DAY.** Roy Rozee, manager of CanWel at 120 Ilsey Avenue, said he is doing upwards of 300 carloads a year, but does not even receive one shunt a day, despite frequent complaints to CN.

“When I first started here, we were getting two shunts five days a week, and an additional shunt on Saturday if we had extra traffic. For the last several years, I have gotten one shunt a day if that....Since I am at the end of the line, CN tells me when it misses a shunt that the crew ran out of time.” For example, Rozee said, one day last month he could see the car he needed on the adjacent team track, but CN could not that day provide the shunt to bring it to his facility. “Service is not good,” but, he lamented, he had no choice. {ANR&P discussion}
Pierceys has problems too

While two customers at the park (Cantrax and Dartmouth Metals) are getting two shunts a day during a trial period [see 16 June issue], neither CanWel nor Pierceys' Building Supplies Limited is receiving the same service. CN is laying on a second crew to do the second shunt. Why cannot it provide the second shunt to CanWel or Pierceys?

Dave Porter, a Pierceys official, said his company uses rail (about 50 cars a year) to bring in lumber, plywood, and oriented-strand board. It uses domestic intermodal (48- or 53-foot containers, about 200 a year) for other building materials; it uses a drayage firm to deliver the boxes from the Halifax Intermodal Terminal. "Intermodal is quicker, and very consistent" though it does cost more.

More about Pierceys

This company operates four retail building supply stores in the metro Halifax area, beginning service in 1915. Only the Burnside Park location receives by rail; it serves as a distributor for the other three locations. Pierceys uses wholesale outfits such as Weyerhaeuser or CanWel, but, said Porter, it uses so much of some products that bringing its own carload or containerload makes sense. {ANR&P discussion 7 Jul 04; Pierceys website}

More about CanWel

CanWel Building Materials Ltd. is one of Canada's leading distributors of building materials and related products, serving the Retail and Industrial markets. In March the company name changed from CanWel Distribution Ltd. to CanWel Building Materials Ltd. The company has a national office in Vancouver, and twelve locations across Canada. Dartmouth is the only location in the Maritimes, though Deer Lake NF and Quebec City have facilities. {website}