

STATE OF NEW JERSEY
DEPARTMENT OF TRANSPORTATION

FY 2011 UPDATE
REPORT OF THE
NEW JERSEY RAIL FREIGHT ASSISTANCE
PROGRAM

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CHAPTER I INTRODUCTION

The State of New Jersey has a vital interest in preserving and improving the rail freight system as part of the transportation network in this State and its support of economic development. Since 1975, the New Jersey Department of Transportation has produced annual updates of the *New Jersey State Rail Plan* (SRP) and has been disbursing State funds for eligible projects since 1983.

The program has grown to include fourteen short lines and one regional railroad operating in New Jersey to enhance their efforts to continue and improve rail freight services. The program continues to be a major factor in supporting short line viability as these railroads sometimes have difficulty in securing private funding for capital projects.

This edition of the *New Jersey State Rail Plan* presents the Fiscal Year 2009 list of eligible projects for the preservation, rehabilitation and enhancement of New Jersey's rail freight network. All the projects meet the requirements for funding as established in N.J.A.C. 16:53C.

To implement the projects recommended in this report, we have requested that State Transportation Trust Funds be appropriated for State Fiscal Year 2011 for the period from July 1, 2010 through June 30, 2011.

CHAPTER II PLAN GOALS AND OBJECTIVES

The *New Jersey State Rail Plan* is one component of a wide range of activities undertaken by the New Jersey Department of Transportation to advance the following freight movement goals:

- **Integrated Planning:** To foster increased cooperation and coordination among public agencies and between public agencies and the private sector.
- **Economic Development:** To retain and generate jobs, maintain and increase revenue, and help maintain and enhance the state's competitive position through strategic freight initiatives.
- **Mobility:** To improve access to the national freight system and improve the efficiency of goods movement.
- **Sustainable Investment:** To cultivate and protect freight initiatives which provide lasting returns on public investment.
- **Community and Environment:** To promote freight as a good neighbor and the movement of freight in a socially and environmentally responsible manner.
- **Safety and Security:** To protect people, cargo, and infrastructure.

Building upon the broader State freight goals, the primary objective of the New Jersey Rail Freight Assistance Program is to support economic activity in the state by providing a strong, multi-modal transportation system that makes rail service available and effective for as many businesses as possible.

CHAPTER III

PLANNING PROCESS AND SELECTION CRITERIA

A basic two – step process must be completed before any proposed project or improvement may be initiated. First, each project must be declared eligible for funding. Second, eligible projects must be prioritized and programmed for funding.

PROJECT ELIGIBILITY

The New Jersey Rail Freight Assistance Program is intended to provide funding for capital improvements that result in the continuation of economically viable rail freight services. All projects must show a positive benefit/cost ratio taking into consideration such factors as job creation and increase railroad revenues. Sponsors are also required to continue freight service on the improved line for at least five years after completion of the project. Additionally, proposed projects must be consistent with the following State Policies to be deemed eligible:

- Freight transportation systems will be encouraged which will emphasize operation within the private sector.
- State assistance for rail freight service will be limited to following types of projects:
 - Acquisition Assistance: Funds for the acquisition of a railroad line or property for rail freight service.
 - Rehabilitation or Improvement Assistance: One-time investment of funds to cover the cost of reconstruction, improvement or rehabilitation of rail properties.
 - Rail Facility Construction Assistance: Funds for the construction of rail related facilities for the purpose of improving the quality and efficiency of rail freight service, or providing the benefits of rail service to industries not located on existing rail lines.
 - Rail Bridge Rehabilitation or Reconstruction Assistance: Funds for railroad bridge rehabilitation or reconstruction.
 - Demonstration Projects: Those instances where the quality and efficiency of rail freight service can be improved through a demonstration project having the potential for a long-term cost savings. Such projects will be funded at the discretion of the Commissioner.
- State financial assistance will not be used to subsidize the operating costs of rail freight service.
- Acquisition assistance is limited to those properties identified as part of the State Core Rail System, and only when continued operation of these properties cannot be maintained through ownership within the private sector. Sources other than the State Rail Plan will be sought before SRP funds are expended for ROW purchase.
- Financial assistance for rehabilitation or construction requires contributions to be made by the beneficiaries of the improvement project. Currently, state funding is provided at an amounts ranging from 90% of the total cost with a 10% match by the sponsor to 50% of the total cost with a 50% match by the sponsor.
- Financial assistance may be made available to designated public agencies or private railroads for improving rail and intermodal facilities when the public benefits derived exceed the costs incurred for the specific improvement.

PRIORITIZATION AND PROGRAMMING

Proposed projects which meet the minimum eligibility standards enter a project pool and must compete for funding. The cost of all eligible projects in the pool currently exceeds the available resources. In selecting eligible projects to receive funding, the Department will evaluate each according to the degree that they advance the following criteria:

A. ECONOMIC CRITERIA

- Supports and promotes economic activity in New Jersey by preserving and improving the freight transportation system.
- Increases employment potential with new/improved rail freight services and intermodal facilities.
- Increases the number of businesses served by rail freight.
- Protects the Core Rail System.

B. EFFICIENT AND RESPONSIVE FREIGHT DISTRIBUTION CRITERIA

- Ensures freight movement within the State serves customers efficiently and effectively.
- Supports rail and intermodal services that exhibit potential for long-term economic viability.
- Supports competitive freight transportation services where economically viable.
- Provides transportation facilities that satisfy the requirements of freight shippers and the industries they serve.
- Promotes joint private and public funding of rail freight and intermodal improvement projects.

C. ENERGY AND ENVIRONMENTAL CRITERIA

- Maximizes the conservation of energy and reduction in emissions by promoting the use of efficient freight systems.
- Supports energy efficient aspects of rail freight and intermodal transportation.
- Supports rail freight and intermodal services that minimize detrimental environmental impacts and support the goals of the Clean Air Act.

D. HIGHWAY CONGESTION MITIGATION CRITERIA

- Reduces vehicular traffic by providing viable alternative to long haul over the road freight shipments.
- Supports the development of team track with freight distribution and storage facilities.
- Supports the development of transload facilities, intermodal services.

CHAPTER IV
PROJECTS ELIGIBLE FOR INCLUSION IN
THE 2011 STATE RAIL FREIGHT ASSISTANCE PROGRAM

The following table lists all new rail projects deemed eligible for entry into the State Rail Freight Assistance Program for State Fiscal Year 2011. Projects may be completed in a single year or staged over a period of several years. The new projects will be added to prior years unfunded projects, to generate a pool from which projects will be selected from this year's funding. Unfunded projects will remain in the pool for consideration for two (2) subsequent years following receipt of the application. Fourteen (14) new projects valued at \$12,081,449 are being added this year for consideration for inclusion in the FY 2011 Program.

FY 2011 ELIGIBLE PROJECTS
(In Alphabetical Order by Railroad and Candidate Project)

	<u>Sponsor Name</u>	<u>Requested Amount</u>
	<u>Belvidere & Delaware River Railway</u>	
1	Three Bridges "Advance Track"	\$225,000.00
	<u>East Jersey Railroad and Terminal Company</u>	
2	Shook Track Rehabilitation	\$99,060.00
3	Yard 4 Storage Tracks	\$564,325.00
	<u>JP Rail, Incorporated d/b/a Southern Railroad Company of N. J.</u>	
4	Rehabilitate Pleasantville Secondary Track to FRA Class 2 Standards	\$1,110,184.00
	<u>New Jersey Seashore Lines</u>	
5	Tie Renewal Project to serve an Aggregate Transload Facility	\$1,653,000.00
	<u>The New York, Susquehanna and Western Railway, Corp.</u>	
6	Rehabilitate Main Track Between MP 40.0 (Butler, NJ) and MP 50.0 (Stockholm, NJ)	\$972,258.00
7	Rehabilitate Main Track Between MP 63.0 (Sparta, NJ) and MP 73.80 (Hardyston Twp)	\$970,578.00
8	Rehabilitate Main Track Between MP 73.80 and MP 81.20 in Vernon Township, NJ	\$798,357.00
9	Construction of 3,432' Rail Siding between MP 63.71 and MP 64.36 located in Sparta, NJ	\$442,067.00
10	Construct 2,241' Rail Siding Between MP 6.85 and MP 7.25, North Bergen, NJ	\$535,632.00
	<u>Salem County Board of Chosen Freeholders</u>	
11	Salem County Short Line Track Rehabilitation	\$1,500,000.00
	<u>SMS Rail Lines</u>	
12	Pureland Upgrade	\$1,737,825.00
13	Valero Project	\$902,513.00
	<u>Winchester and Western Railroad Company</u>	
14	Seashore Branch Runaround	\$570,650.00
<i>FY 2011 Candidate Projects Total:</i>		<i>\$12,081,449.00</i>

NOTE: Descriptions of the above listed candidate projects shown in the enclosed document entitled "FISCAL YEAR 2011 STATE RAIL PLAN APPLICATIONS ELIGIBLE FOR FUNDING"

FY 2006 – 2010 RAIL FREIGHT ASSISTANCE PROGRAM SUMMARY
 (Projects shown in **BOLD** denote Selection for Grant Awards under the indicated Fiscal Year (FY))

FY 2006 RFAP Candidate Projects

<u>Candidate Project</u>	<u>Sponsor Name</u>	<u>Requested Amount</u>
	<u>Canadian Pacific Railway</u>	
1 Rail Safety Scale		\$196,600.00
2 Concrete Pad		\$100,000.00
	<u>Consolidated Rail Corporation</u>	
3 Robbinsville Track Rehabilitation		\$2,472,500.00
4 Tie Replacement on the Southern Secondary		\$504,000.00
5 Pemberton Industrial Track Runaround		\$505,000.00
	<u>East Jersey Railroad and Terminal Company</u>	
6 Station 1 Rehabilitation		\$493,790.00
7 Shook Track		\$91,400.00
	<u>Morristown & Erie Railway</u>	
8 Kenvil Succasunna Branch Rehabilitation		\$3,834,270.00
9 Cedar Knolls- Siding, Scale, Track		\$1,305,457.00
10 Kenvil Transloading		\$245,000.00
	<u>New York Susquehanna and Western Railway</u>	
11 Sparta Sidings		\$643,500.00
12 Public bulk facility at Sparta		\$877,200.00
13 Expansion of Intermodal Facility		\$3,000,000.00
14 Welded Rail Elmwood Park to Sparta		\$1,250,000.00
	<u>Raritan Central Railway</u>	
15 Rehabilitation of Main Line		\$78,470.00
16 HO-RO / Riviana		\$277,250.00
17 Rehab of Riviana/ KTN Lead		\$122,625.00
18 Rebuild Pershing Avenue Extension Tracks		\$1,346,300.00
19 Dual Track on Pershing Lead		\$118,350.00
	<u>J P Rail d/b/a Southern Railroad Company of N. J.</u>	
20 Secure Hazmat Storage Yard		\$795,000.00
21 Reconstruct Port Branch W. Broadway		\$197,000.00
22 Anchor Lead Curve		\$165,000.00
23 Oldmans Creek Trestle		\$2,000,000.00
	<u>SMS Rail Lines</u>	
24 Paulsboro Branch		\$968,095.00
25 Bridgeport Branch		\$904,297.00
	<u>Winchester and Western Railroad Company</u>	
26 Track Welding Southern Main Branch		\$165,600.00
27 Rail Replacement Seashore Branch		\$223,250.00
28 Bridgeton Junction Yard Track		\$447,620.00
29 Millville Runaround Track		\$571,500.00
	<i>FY 2006 Candidate Projects Total:</i>	\$23,899,074.00

FY 2007 RFAP Candidate Projects

<u>Candidate Project</u>	<u>Sponsor Name</u>	<u>Requested Amount</u>
<u>Canadian Pacific Railway</u>		
1 Asphalt Road		\$791,050.00
2 Concrete MSW Loading Pad		\$450,000.00
3 Running Track Construction		\$850,000.00
<u>Cape May Seashore Lines</u>		
4 Woodbine Secondary Track Expansion		\$2,121,000.00
<u>Consolidated Rail Corporation</u>		
5 Rehabilitate Beesleys Point Secondary Track from Richland to Tuckahoe		\$487,425.00
6 Upgrade Salem Running Track from Swedesboro to Woodbury		\$6,622,646.00
7 Wenonah Bridge Improvements & Rail Upgrade, MP 12.22, Vineland Secondary		\$1,422,000.00
<u>CSX Corporation</u>		
8 North Bergen Intermodal Terminal Security Improvements		\$609,000.00
9 Upgrade Crossover at West Trenton Train Station		\$2,419,000.00
<u>Morristown & Erie Railway, Incorporated</u>		
10 Kenvil Team Track		\$237,875.00
11 Lake Junction Yard Rehabilitation		\$609,988.00
12 Roseland Rail Spur		\$181,500.00
<u>New Jersey Rail Carriers</u>		
13 Double Track at Central Avenue		\$307,780.00
14 Lead Track at Central Avenue		\$599,000.00
15 Six Tracks at Jak-Jon Property		\$4,200,000.00
16 Two Tracks and One Turnout at Central Avenue		\$261,580.00
<u>New York Susquehanna and Western Railway Corporation</u>		
17 Access Road at Sparta Salt Unloading Facility		\$660,000.00
18 Jersey City Access Track to 100-acre Site		\$1,115,004.00
19 Marion Yard Siding		\$551,760.00
20 Various Sidings in North Bergen		\$904,860.00
<u>Port Jersey</u>		
21 New Team Track for Jersey City Paper Trans-load Facility		\$141,900.00
<u>Raritan Central Railway</u>		
22 Food Grade Terminal at Raritan Center Industrial Park		\$412,000.00
23 Steel & Lumber Trans-loading Terminal at Pershing Avenue		\$610,000.00
<u>SMS Rail Lines</u>		
24 Upgrading Weight Capacity on Paulsboro Track		\$08,875.00
<u>Winchester and Western Railroad Company</u>		
25 Seashore Branch Track Rehabilitation		\$419,940.00
<i>FY 2007 Candidate Projects Total:</i>		<i>\$26,994,183.00</i>

FY 2008 RFAP Candidate Projects

<u>Candidate Project</u>	<u>Sponsor Name</u>	<u>Requested Amount</u>
	<u>Belvidere & Delaware River Railway</u>	
1	Goat Curve Rail Project at MP 14.1	\$385,000.00
	<u>Consolidated Rail Corporation</u>	
2	AJM Rail Spur	\$540,562.00
	<u>Morris County Board of Chosen Freeholders / Morristown & Erie Railway, Incorporated</u>	
3	Chester Branch Rehabilitation	\$4,679,730.00
	<u>Morristown & Erie Railway, Incorporated</u>	
4	Cedar Knolls Siding, Scale and Track Rehabilitation	\$1,804,424.00
	<u>New York New Jersey Rail, L.L.C.</u>	
5	Marine Rail Bridge Rehabilitation	\$4,739,500.00 (\$1,000,000.00 funded)
	<u>New York Susquehanna and Western Railway Corporation</u>	
6	Rehabilitation between Hawthorne and Sparta (NJT Bergen/Passaic Project)	\$1,000,000.00
7	Rehabilitation between Butler and the NYS Line (NJT Bergen/Passaic Project)	\$1,953,375.00
8	Rehabilitation between Stockholm and Sparta, including a siding at Newfoundland (NJT Bergen/Passaic Project)	\$1,458,875.00
9	Welded Rail Between Sparta and the NYS Line (NJT Bergen/Passaic Project)	\$2,207,750.00
10	Bridge Repairs at MP 38.17	\$80,000.00
11	Welded Rail from MP 8.30 to 10.80	\$425,000.00
12	Electric Welding of 500 Joints from MP 23.00 to 81.20	\$250,000.00
	<u>Raritan Central Railway</u>	
13	Loop Track – Waterfront Area	\$2,279,750.00
14	Grant’s Lead	\$350,000.00
	<u>SMS Rail Lines</u>	
15	Bridgeport Transload	\$949,570.00
	<u>South Jersey Port Corporation</u>	
16	Rehabilitation of the Broadway Terminal Track	\$98,000.00
	<u>Winchester and Western Railroad Company</u>	
17	Construction of a Runaround Track and Rehabilitation of a Siding	\$413,410.00
<i>FY 2008 Candidate Projects Total:</i>		<i>\$23,614,946.00</i>

FY 2009 RFAP Candidate Projects

<u>Candidate Project</u>	<u>Sponsor Name</u>	<u>Requested Amount</u>
<u>Belvidere & Delaware River Railway</u>		
1	Three Bridges Interchange Improvements	\$245,000.00
<u>Consolidated Rail Corporation</u>		
2	Flashbutt welding and new turnouts; Beesley Point Secondary	\$500,000.00
3	Rehab of Occidental Lead Track	\$250,000.00
4	Track Improvements at Marisol and Reagent Chemical	\$593,825.00
<u>CSX Corporation</u>		
5	West Trenton, Replace Crossover Switch	\$2,557,000.00
<u>Morris County Board of Chosen Freeholders</u>		
6	Dover & Rockaway Line Track Repair	\$366,044.00
7	High Bridge Line Surfacing	\$854,920.00
8	Kenvil Team Track Expansion	\$223,200.00
<u>Morristown & Erie Railway</u>		
9	Roseland Runaround	\$305,225.00
<u>New Jersey Rail Carriers</u>		
10	Containerized Barge to Rail Operation	\$800,000.00
<u>New York New Jersey Rail, L.L.C.</u>		
11	Marine Rail Bridge Rehabilitation	\$4,739,500.00
<u>New York Susquehanna and Western Railway Corporation</u>		
12	Weld-in-place between MP 13.8 & 18.6	\$960,000.00
13	Rehabilitation between Ridgefield Park (MP 18.6) and Hawthorne (MP 23.3)	\$1,754,500.00
<u>Raritan Central Railway</u>		
14	Passing Sidings Project	\$348,150.00
15	Vesuvio Lead	\$194,600.00
<u>SMS Rail Lines</u>		
16	#10 Switch in SMS's yard	\$988,000.00
<u>Salem County Board of Chosen Freeholders</u>		
17	Salem County Short Line Track Rehabilitation	\$1,500,000.00
<u>South Jersey Port Corporation</u>		
18	Track Rehabilitation and Upgrading of the Broadway Terminal	\$2,745,000.00
<u>JP Rail Incorporated d/b/a Southern Railroad Company of N. J.</u>		
19	Construct Two Passing Sidings	\$1,028,058.00
20	Rehabilitate Line to FRA Class I Standards	\$498,580.00
<u>Winchester and Western Railroad Company</u>		
21	Runaround, Siding Track	\$613,000.00
<i>FY 2009 Candidate Projects Total:</i>		<i>\$22,064,602.00</i>

FY 2010 RFAP Candidate Projects

<u>Candidate Project</u>	<u>Sponsor Name</u>	<u>Requested Amount</u>
	<u>Belvidere & Delaware River Railway</u>	
1	Raritan River Bridge 14.01 Capacity Upgrade	\$395,000.00
	<u>Consolidated Rail Corporation</u>	
2	Pemberton Industrial Runaround Track	\$505,000.00
3	Upgrade Robbinsville Industrial Track	\$2,576,950.00
4	Rehabilitation of Vineland Running Track MP 119.1 to MP 122.8	\$795,000.00
5	Up-Grade Salem Running Track between Swedesboro and Woodbury	\$7,625,479.00
	<u>Morris County Board of Chosen Freeholders</u>	
6	Kenvil Team Track Expansion	\$349,133.00
7	High Bridge Branch Resurfacing	\$1,585,000.00
8	Dover & Rockaway Repair	\$677,500.00
	<u>Morristown & Erie Railway</u>	
9	Whippany Line Rail Replacement	\$1,138,850.00
10	East Fredrick Place Culvert	\$996,519.00
11	Eagle Rock Bridge, Roseland, NJ	\$693,830.00
	<u>New York Susquehanna and Western Railway Corporation</u>	
12	Renew 3.2 Miles of Rail	\$2,001,428.00
13	Removal of Bridge at MP 24.79	\$566,950.00
14	Rehabilitate Track Between MP 10.8 and MP 23.3	\$2,065,875.00
15	Rehabilitate Track Between MP 63.0 and MP 81.20	\$1,880,550.00
16	Rehabilitate Track Between MP 40.0 and MP 50.0	\$1,156,827.00
17	Rail Siding MP 63.71 to MP 64.36	\$609,858.00
18	Rail Siding MP 6.85 and MP 7.25	\$459,095.00
	<u>SMS Rail Lines</u>	
19	Pureland Industrial Park	\$1,367,192.00
20	Valero Refinery – Paulsboro	\$929,453.00
	<u>JP Rail Incorporated d/b/a Southern Railroad Company of N. J.</u>	
21	Rehabilitate Pleasantville Secondary Track to FRA Class 2 Standards – Segment 1	\$300,000.00
22	Rehabilitate Pleasantville Secondary Track to FRA Class 2 Standards – Segment 2	\$1,108,228.00
23	Rehabilitate Pleasantville Secondary Track to FRA Class 2 Standards – Segment 3	\$1,884,960.00
24	Rehabilitate Pleasantville Secondary Track to FRA Class 2 Standards – Segment 4	\$1,031,184.00
	<u>Winchester and Western Railroad Company</u>	
25	Additional Yard Trackage – Bridgeton Junction	\$479,600.00
<i>FY 2010 Candidate Projects Total:</i>		<i>\$33,179,461.00</i>