

RAILROAD-SHIPPER TRANSPORTATION ADVISORY COUNCIL MEETING

February 8<sup>th</sup> and 9<sup>th</sup>, 2017

SURFACE TRANSPORTATION BOARD ROOM

395 E ST, SW, WASHINGTON, DC

Draft Minutes

The Railroad Shipper Transportation Advisory Council (the "Council"), pursuant to notice, held a meeting on February 8 and 9, 2017 in Washington, DC.

The meeting was called to order at 1:00 PM, on February 8, 2017 by Chairman John McCreavy.

The following members were present: Chairman John McCreavy, SMS Rail Services, Inc.; Vice Chairman Mr. Michael R. Christensen, Port of Long Beach; Treasurer/Secretary: Nate Asplund, Red River Valley & Western; Michael Peters, Genesee & Wyoming Railroad Services, Inc.; Mr. Tom Giovinazzi, Holcim (US), Inc.; Ms. Robin Burns, Occidental Chemical Corp.; ; Robert Byrd, Nucor Corporation; Mr. Tom G. Williams, BNSF Railway; Mr. Wayne Hurst, Agricultural Shipper; Ms. Jeanne Sebring, International Paper; Mr. Lawrence Malski, Pennsylvania Northeast Regional Railroad Authority; Mr. Kevin Murray, Red Gold Inc.; Mr. Tim McNulty, CSX Transportation; Ms. Kelly Levis, Canadian National Railroad.

Acting Chairman Ann D. Begeman, Surface Transportation Board; Vice Chair Daniel Elliott, Surface Transportation Board; Vice Chair Daniel Elliott Deb Miller, Surface Transportation; Michael Lestingi, Federal Railroad Administration

Also Present: STB staff members Brian O'Boyle, James Boles, Chris Diamond, and Katherine Bourdon

Not Present: Shelley Sahling-Zart, Lincoln Electric System

**Day 1 - Wednesday, February 8, 2017**

1. Meeting convened – RSTAC Members Only – Board Room, STB Headquarters
2. Opening remarks by Chairperson John McCreavy
3. A Safety Briefing was conducted by Mike Peters
4. The November 2016 RSTAC Minutes reviewed and approved
5. Financial Report— Nate Asplund –highlighted RSTAC balances and proposed 2017 meeting and event budget guidelines

STB Members joined meeting at 1:30 p.m.

6. Welcoming remarks from STB Acting Chairman Ann D. Begeman and Board

- *Discussed latest developments at STB, transition under the new administration, and continued efforts to expedite board actions*
- *Discussed value of RSTAC feedback and updates to the Board Members and staff*
- *Updated members on board initiatives, possible relocation of STB offices, potential timing of filling two additional board members*

7. Report from January NITL event was discussed by Vice Chairman Deb Miller and Jeanne Sebring

- *Key take aways included continued evolution of the supply chain, and efforts by carriers and other channel partners to evolve services to assure they remain relevant*

8. A presentation and discussion of RSTAC Mission and Clarity of the Role of RSTAC was facilitated by Robert Byrd and Tom Giovinazzi

- *Discussed priorities and actionable output from RSTAC committee and its members*
- *Exchanged need to evolve rail service offerings in order for the industry to retain a viable role in the US/International supply chain.*
- *With the industry in uncharted territory, RSTAC can assist by providing the Commission real-time, accurate, and insightful input on how the industry is responding to key challenges and service issues*
- *Covered tradeoffs between larger efforts at white papers vs. bulletized issue summaries and recommendations*

9. Michael Lestingi, Federal Railroad Administration, discussed priorities set forth by the new Secretary of Transportation, Elaine Chao, which include Safety; Modernizing; and Automation/Technology

10. Day One Field Reports were presented by members

Day One meeting Adjourned approximately 5pm.

## Day 2 - Thursday, February 9, 2017

1. Meeting was reconvened with STB Members
2. A Safety Briefing was conducted by Mike Peters
3. A presentation on railroading in the State of New York was presented by Scott Wigger, Railroads of New York and Mike Fensen, Norfolk Southern Railroad
4. A comprehensive presentation on the US West Coast / Southern California Ports and Rail infrastructure trends was facilitated by Michael Christensen
  - *Discussed the role of ocean carrier alliances, which in April will be reduced from 4 to 3 for major trade routes*
  - *Discussed the impact and possible consequences from consolidation in the shipping industry*
  - *Highlighted major investments being made by LA/LB ports to improve ship to rail fluidity and capacity, including substantial automation*
5. RSTAC committee discussed future meeting dates and events for 2017
  - *Meeting / field visits at both Philadelphia and Corpus Christi, Texas were agreed upon.*
6. An insightful update on US Congress legislative agenda/priorities was presented by Patrick Fuchs, Senate Commerce Committee
  - *Discussed regulatory process reform, potential infrastructure bill, tax reform, healthcare*
7. Linda Darr, President of the American Shortline and Regional Railroad Association (ASLRRRA) facilitated a discussion of the Shortline Railroad Industry state of affairs
  - *Reviewed goals for the preservation of rail service in light of the drive for autonomous vehicles and larger truck size/weight*
  - *Presented the need for balanced modal offerings to meet the nation's economic, safety, and environmental objectives.*
  - *Discussed early wins from the Shortline Safety Institute*
8. Larry Malski and John McCreavy lead a committee discussion of the RSTAC webpage on the STB site and concepts / options for future white papers or other RSTAC committee compilations on industry issues

The Day Two Meeting was adjourned at approximately 2:15 PM