

THE FREIGHT INTERCHANGE

Alabama Railway Association

RailComm
iTrack

Pag. 2

STB Proposed
Rule

Pag. 3

Welcome!



I am excited about our first edition of *The Freight Interchange*, a newsletter from the Alabama Railway Association. I hope this newsletter will provide you with useful information on the rail industry in Alabama and our Association members.

In order for the newsletter to be successful, **I need your help!** If you have any news you would like to share with our members, please submit it to me. We want to feature your new products, promotions, ribbon cuttings, special events, etc. This newsletter will be distributed to all of our members and legislators interested in the rail industry. This is your chance to tell your company's story.

I look forward to hearing from you. As always, please reach out to me with questions, concerns, or information.

Maeci Walker | Executive Director
334.264.0598 | mwalker@christiestrategygroup.com

2016 Annual Meeting

By Maeci Walker

The Alabama Railway Association gathered in Tuscaloosa in October for the 2016 Annual Meeting.

Members of the Alabama Railway Association gathered at the Embassy Suites in downtown Tuscaloosa for the 2016 Annual Meeting on October 17 - 18.

On Monday night, we enjoyed dinner at The Side by Side restaurant where several legislators joined us. The food was delicious and the conversations meaningful.

We started the meeting by hearing from Tuscaloosa Mayor, Walt Maddox. He emphasized the importance of infrastructure, including rail, to Tuscaloosa's economy.

We also heard from a panel of distinguished legislators including the Speaker of the House, Senate Majority Leader, and House and Senate Transportation Chairmen. They outlined their plans for the 2017 legislative session and updated us on the status of several legislative items of interest. We also heard from Public Service Commissioner Jeremy Oden

who serves on the transportation task force with the National Association of Regulatory Utility Commissioners. Commissioner Oden said his goal on the task force is "to develop guidelines that will ensure a safe and efficient transportation system without creating burdensome regulations that will negatively impact the private sector."



Following the meeting, several members enjoyed a fascinating tour of the Mercedes-Benz U.S. International plant in Vance, AL. We were able to see the entire manufacturing process and learn about the culture at MBUSI.

Association members also nominated a new Executive Committee during the business meeting. For a full list of the Executive Committee, visit our [website](#).

Thank you to those who attended and sponsored. Look for a survey via email seeking important feedback regarding the 2017 annual meeting.

2016 ANNUAL MEETING



Mike Russell, Chairman Gerald Allen, Steve Yoder



Chairman Lynn Greer, Michael Garriga



Rep. Kyle South, Joe Arbona



Elizabeth Lawlor, Speaker Mac McCutcheon, Karen Monroe



Chairman Lynn Greer, Majority Leader Greg Reed, Chairman Gerald Allen, Speaker Mac McCutcheon



Martin Christie moderating the legislative panel.



RailComm iTrack: No more “lost cars”

Appearing in *Railway Age*

RailComm’s new, patented iTrack Intelligent Yard Inventory system has been successfully deployed at Terminal Railway Alabama State Docks (TASD).

“iTrack solution is a new capability of RailComm’s yard automation portfolio,” says President Joe Forgione. “It is a real-time, fully automatic railcar inventory system that allows yard personnel to identify and follow the location of every car and locomotive entering the facility. The solution integrates with the RailComm DOC system, Car Identification Portal (which includes cameras) to detect every railcar—even a car with defective AEI tags—as it enters and exits the yard, and includes our Insight monitoring and analytics platform, which provides a dashboard with live video feed and system health monitoring and analytics. Wheel sensors located at each turnout provide automatic and continuous railcar tracking railcar throughout the yard.

“As railcars move through the yard, the system knows their exact location, which can be searched at anytime from anywhere via a graphical Web-based interface. The system and data reside on our secure and reliable Cloud infrastructure.”

iTrack is designed to provide managers, supervisors and customers with the yard-status information they need to make decisions, such as the ordered list of cars on a track, car dwell times, track length availability, and car arrival and departure times. iTrack also keeps track of missing AEI tags, or tags with incorrect car information, and allows the user to make corrections. With analytics and reporting capabilities, the system supports management with decision-making.

TASD serves customers mostly in chemicals and bulk goods, including containers, coal, metal products, lumber/building supplies, paper, chemicals, petroleum products, aggregates, cement, grains, and agricultural products, and also handles movement and storage of freight cars for CSX, Norfolk Southern, CN, Kansas City Southern, Alabama Gulf Coast, and CG Railway.

Read the full article [here](#).

QUOTE OF THE DAY

“If you’re not doing something that you’re passionate about, you’re compromising yourself every single day.”

- [Chris Gardner](#)



Operation Lifesaver ended its 40 City Tour in Montgomery with Mayor Todd Strange, ALDOT, various railroads, the trucking association, and ARA were on hand for the celebration.

Alabama Operation Lifesaver 40 city tour

By Nancy Hudson

Alabama Operation Lifesaver (ALOL) is a national non-profit public education program dedicated to reducing deaths and injuries at railroad crossings and along railroad property. The program started in 1976, and by the end of 1986, there were 2,896 collisions, injuries, and deaths in Alabama.

2016 marked ALOL's 40th anniversary and presented a great opportunity to celebrate with a 40-city tour across the state. ALDOT and the railroad companies chose 40 cities based on collision/incident data. At each stop, we offered a press conference and safety activities.

The safety activities we offered included 1) Safety presentations for the schools, civic groups, and/or city employees; 2) Crossing blitzes to hand out safety brochures to drivers as they approached crossings; and 3) Specialized training classes to emergency responders.

The tour kicked off on April 12 in Montgomery at Union Station. We criss-crossed the state for seven months and ended with the grand finale held on November 17 in Montgomery. For a full list of the cities we visited, click [here](#).

We consider the 40 City Tour a great success. We were warmly welcomed at each location, and I am thrilled that there are people in 40 cities throughout Alabama that know Operation Lifesaver and our safety message - "See Tracks? Think Train!"

We plan to continue our efforts throughout 2017 with an additional 10 City Tour. Our goal is to reduce incidents at highway-rail grade crossings to zero, and educating key people and the general public is tantamount to reaching our goal.

For free rail safety presentations, contact Nancy Hudson at 205.275.4655 or alol@att.net.

Sign up for AAR's newsletter

Sign up to receive "The Signal," a brief for the larger railroad and policy community, to stay apprised on the freight rail industry.

UPCOMING EVENTS

Alabama 2017 Legislative Session: 02/07/17

[Railroad Day on Capitol Hill:](#) 03/02/17

[Rail Safety Seminar:](#) 04/10-11/17

[ASLRRA Connections:](#) 04/22-25/17

[Rail Safety Day:](#) 06/01/17

[Railway Interchange:](#) 09/17-20/17

IN CASE YOU MISSED IT

[OneRail Report Says Rail is Safer than Ever](#)

[Rose to DOT: We'll Sue and Win](#)

[BNSF, CSX Join Forces to Ship 1,000 Tons of Relief Supplies to Haiti Hurricane Survivors](#)

['Roll Tide', 'Title Town' Sign Gives Northport Train Bridge New Look](#)

[Who is Jeff Sessions? Alabama Senator is Donald Trump's pick for Attorney General](#)

[AAR Presents Priorities to Trump Transition](#)

[Rep. Oliver Robinson Retiring from Alabama House](#)

[Luther Strange Announces He is Running for Sessions' Seat](#)

Alabama Railway Association Executive Committee

President: [Mike Russell](#), Terminal Railway

Vice President: [Joe Arbona](#), Genesee & Wyoming

Secretary/Treasurer: [Elizabeth Lawlor](#), Norfolk Southern

At-Large Member: [Jeremy Cole](#), Southern Electric Railroad

At-Large Member: [Jane Covington](#), CSX Transportation

Associate Voting Members: [Steve Faulkner](#), Birmingham Rail & Locomotive; [Eddie Horton](#), Stella-Jones



AAR responds to proposed rule by Surface Transportation Board that would force railroads to open up lines to competitors

Association of American Railroads (AAR) President and CEO Edward R. Hamberger made the following statements today in response to the Notice of Proposed Rulemaking (NPRM) by the Surface Transportation Board (STB).

"The freight rail industry acknowledges the complexities the STB had to take into consideration in arriving at this proposed rule, but, at the end of the day, the Board should have dismissed the petition without further proceedings, as imposing new regulations like this are a step backward from the deregulatory path that has allowed railroads to make the capacity investments required to meet customer demand and further modernize a nationwide rail network that benefits shippers and consumers.

The freight rail industry's position remains unchanged: forced access is an ill-conceived approach that compromises the efficiency of the entire network by gumming up the system through added interchange movements, more time and increased operational complexity."

Hamberger added: "Forced access would be a step backwards for the supply chain in our country as railroads would ultimately require more resources to move the same amount of freight, which would impact operational efficiencies introduced under the Staggers Rail Act."

Hamberger noted existing STB regulations already protect rail shippers as railroads voluntarily switch traffic under the current system, and by law, if freight can get from its origin to final destination only if it is carried by two or more railroads, railroads must cooperate to move the shipments.

For the STB's NPRM, click [here](#).

For CSX, a workforce of the future is an integral part of a 'railroad of tomorrow'

Appearing in *Progressive Railroadng*

Coal isn't king for CSX anymore. The commodity now generates a small portion of the railroad's annual revenue instead of the lion's share.

So, the Class I is in the early stages of adopting a "CSX of Tomorrow" strategy that calls for realigning its network to de-emphasize coal traffic, and optimize intermodal and merchandise business; deploying more automation; and honing service performance to boost reliability and responsiveness.

There's one other main component of the CSX of Tomorrow: a Team of Tomorrow (ToT). To help carry out the strategy, the Class I seeks to develop a more diverse, versatile and highly skilled workforce. Such a team will up the ante on working collaboratively, making decisions quickly, embracing new technologies and finding ways to boost productivity, says CSX Senior Vice President and Chief Administrative Officer Cressie Brown.

But first, ToT developers are defining what skillsets employees need to be an integral part of the CSX of Tomorrow.

Some important traits: that they be innovative, to think outside the box; flexible, to help flex CSX's resources; and geared toward service excellence, which is vital "because of the service-sensitive markets we'll be in," says Brown. Ultimately, CSX aims to get beyond traditional promotion schemes and training programs to help employees develop new skills in such critical areas as emerging technologies, analytics and customer insight.

Read the full article [here](#).

Mott MacDonald positioning for unprecedented growth in North America

Global engineering and management firm Mott MacDonald is accelerating its growth plans in North America with the addition of over 2000 professionals and 62 offices from the former Hatch Mott MacDonald joint venture. The move strengthens its existing specialist service businesses which range from infrastructure finance to alternative energy to climate resilience.

Mott MacDonald's offering for North American clients now spans all aspects of transportation, water, wastewater, oil and gas, power, pipelines, tunnels, buildings, stadiums, education, health and international aid. Clients in all infrastructure sectors can also take direct advantage of Mott MacDonald's experience in public-private partnerships (P3) which saw the firm advise on transactions worth more than US\$31 billion in 2015 alone.

Read the full press release [here](#).

did
you
know?

One train can carry as much freight as several hundred trucks. It would have taken approximately 9.4 million additional trucks to handle the 169.9 million tons of freight that moved in Alabama by rail.*

The taxman cometh: Making sure your railroad is protected from unfair tax valuation assessments & discriminatory taxes in Alabama

By Al Teel

As important drivers of the state's economy and proud members of the local community, railroads have paid their fair share of taxes. And, for years, tax assessments were left unchallenged. Railroads were easy prey for state and local tax assessors because they were "nonvoting, often nonresident entities, and because they cannot easily remove their rights-of-way and terminals from the state." Congress even recognized that states frequently practiced this discrimination against carriers by classifying their property at tax rates higher than property owned by other commercial and industrial concerns.

The Railroad Revitalization and Regulatory Reform Act of 1976 (4-R Act) was passed to prohibit states and their subdivisions from discriminating against interstate commerce by assessing rail transportation property at a value that has a higher ratio to the true market value of the rail transportation property than the ratio that the assessed value of other commercial and industrial property in the same assessment jurisdiction has to the true market value of the other commercial and industrial property. In addition, states and their subdivisions may not levy or collect ad valorem property taxes on rail transportation property at a tax rate that exceeds the tax rate applicable to commercial and industrial property in the same assessment jurisdiction.

More recently, railroads have fought back against unfair tax assessments. Currently, throughout our state and others, railroads have challenged state property assessments by using other accounting methods to show that a state's accounting method violates the 4-R Act. To challenge a state tax under the 4-R Act, a railroad need only show, by a preponderance of the evidence, that the tax has a discriminatory effect; it need not show that the State intended to discriminate. Railroads are not the only plaintiffs that can sue under the Act. Companies that lease specialty railroad cars to shippers can bring an action to enjoin state agencies from collecting discriminatory property taxes on their leased equipment

For the 2016 tax year, the Alabama Department of Revenue (Department) significantly raised the valuation of railroad property in Alabama. Railroads need to be prepared when the taxman cometh because if these assessments are left unchallenged, the valuation increase will surely continue on for subsequent years.

For the full article, click [here](#).



(L-R): Chris Worth, CSX Assistant Division Manager; Stephanie Lane, CSX Industrial Development; Rashard Howard, CSX Industrial Development; Glenn Smith, Wayne Farms; Derrick Smith CSX VP Strategic Business Development; Tom Marchese, CSX Trainmaster; Brian Wronko CSX Sr. Account Manager

CSX Industrial Development Partnership Award presented to Wayne Farms representative

By Rashard Howard

Wayne Farms, one of the largest feed mill operations in the United States, is a valued CSX customer. Wayne Farms first approached CSX with interest in establishing a feed mill in Alabama several years ago. After an optimal customer experience, Wayne Farms chose to establish a feed mill operation in Ozark, Alabama. This location is slated to begin shipping cars in mid January 2017. This location will be able to hold 110-car trains with a loop track and express unloading.

Additionally, Wayne Farms representative, Glenn Smith, was recently awarded CSX's Industrial Development Partnership Award. This award is given to those who best understand and implement the principles of Industrial Development. Glenn has been a fundamental factor in ensuring the Wayne Farms project was initially secured and that the project developed smoothly. Glenn embodies this Partnership Award and is an invaluable stakeholder for the CSX family.

The Alabama Railway Association is a non-profit association that was founded in 2003. We are a trade organization that represents all railroads in Alabama, from Short lines to Class I Railroads, along with many Associate Members that supply services and/or materials to support our operations.

The purpose of the Alabama Railway Association is to promote and support Alabama railroads within the state of Alabama, to assist in improving rail service within the state of Alabama, to increase railroad safety awareness within the industry and to the public, and to provide for interchange of ideas and cooperation among railroad businesses and state and local governments.

THE
FREIGHTINTERCHANGE

Alabama Railway Association

www.alabamarailwayassociation.org

[ALRailroads](#) | [Alabama Railway Association](#)