



The Voice of the Railroad Construction Industry

# NRC Bulletin - July 8, 2015

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## Save the Date: 2016 NRC Conference

The 2016 NRC conference will be held in San Diego, California at the Hotel Del Coronado from Wednesday January 6 and through Saturday January 9.

Attendance at the NRC Conference now tops 1,000 people, the conference features 125+ exhibitors and our conference program is lined with speakers from the rail industry including key engineering and procurement representatives from the Class 1 and short line freight railroads and major rail transit agencies.

If you are a rail industry professional you should be in attendance for this event. Attendees will be afforded many opportunities during the course of the 4-day event to reach out and introduce yourself to many of the industry's leaders face-to-face.

For now, just save the date. Registration will open later this month.

Check online at [www.nrcma.org](http://www.nrcma.org) for more details.

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## NRC New Member Profile

[LRL Construction Co., Inc.](#) specializes in tunnel rehabilitation, ground stabilization, shotcrete, rockfall mitigation, retaining walls and culverts. Based in Tillamook, Oregon, LRL Construction uses their experience beneath the ground to satisfy the distinctive needs of their

[Add Rail Crossing Data to Maps](#)

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customers while completing projects safely and on time. LRL Construction is a proud, family owned business whose work is recognized in the Pacific Northwest and throughout the United States.

For more information contact Dan Laviolette, 503-842-5520, [info@lrlconstruction.com](mailto:info@lrlconstruction.com).

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## New Member

LRL Construction Co, Inc.



[www.lrlconstruction.com](http://www.lrlconstruction.com)

## NRC Scholarship Program Now Open

The NRC scholarship program is now open.

### ELIGIBILITY

To be eligible for consideration, an applicant must:

- \* be a son, daughter, grandson, or granddaughter of a current employee of an NRC member company; and
- \* be enrolled at the time of application as a full-time college student at an accredited two-year college offering an associate's degree or an accredited four-year college or university offering a bachelor's degree, or as a recently graduated high school senior that is enrolled to start college this fall.

## NRC Toolbox Talks

The NRC Safety Committee has revised and updated the NRC's Toolbox Talks. They are available for download at: <http://www.nrcma.org/safety>.

A version is available in PDF format as well as in Microsoft Word so that NRC member companies can make company or job specific changes.

### AMOUNT OF AWARDS

Three scholarships will be awarded as follows: the first place applicant will receive \$8,000, the second place applicant will receive \$4,000, and the third place applicant will receive \$2,000. Scholarship funds, awarded annually, will be sent directly to the student at the beginning of the next term of study. Students must be in attendance for a full year following receipt of the award.

### THE APPLICATION

[Please click here to view and download the 2015 NRC Scholarship Application.](#)

## Member-Get-A-Member Campaign

*Help Grow the NRC and Strengthen our Voice*

Please compile the completed application with all required materials and send directly via electronic mail to: [mbell@nrcma.org](mailto:mbell@nrcma.org) with "2015 NRC Scholarship" in the subject line.

**ALL MATERIALS MUST BE COMPILED IN ONE PDF AND**

Three options to help recruit new members:

1. Reply to this email with names and contact information of potential members and we'll send them a membership information package.

2. Make a quick introductory call, email the potential member and CC [mbell@nrcma.org](mailto:mbell@nrcma.org).

3. Direct a potential new member to [www.nrcma.org](http://www.nrcma.org) where they can learn more about the NRC and join online.

Visit the NRC Bid Notifications page on the NRC website at:

[www.nrcma.org/bids](http://www.nrcma.org/bids)

Publicize your Rail Industry Event on [www.nrcma.org/industry\\_calendar](http://www.nrcma.org/industry_calendar)

If you would like to submit an event for posting on the Industry Calendar, please email [info@nrcma.org](mailto:info@nrcma.org).

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## FRA/NRC Webinar on Part 243 Training Standards Final Rule Confirmation

On Thursday, July 30, 2015, at 2pm EDT the NRC will be hosting a webinar briefing with FRA personnel for NRC members on the requirements of the FRA's Part 243 Minimum Training Standards for Safety-Related Railroad Employees regulation.

As a reminder, on November 7, 2014, the FRA published a final rule for training requirements for all railroad employees **and contractors** who perform safety-related work. The Final Rule requires railroad employees and contractors who perform safety-related work to be trained and qualified to comply with any relevant federal railroad safety laws, regulations, and orders. The rule represents the first time that railroad contractors will be directly regulated by the FRA.

The requirements include minimum training standards for each type of safety-related railroad employee, with the FRA reviewing and approving each employer's training program to determine that each employee will be qualified to measurable standards. The rule also calls for greater use of structured on-the-job and interactive training.

To register, go to <https://attendee.gotowebinar.com/register/2424124439642272769>.

If you have questions on this rule or the webinar, please email the NRC's VP of Regulatory and Legislative Affairs Matt Ginsberg at [mginsberg@nrcma.org](mailto:mginsberg@nrcma.org).

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**NRC Legislative and Regulatory Update from NRC President Chuck Baker**

**Passenger rail/Amtrak Reauthorization:** The Senate Commerce Committee has now (on June 25) passed its own passenger rail/Amtrak reauthorization/rail safety bill (<https://www.congress.gov/bill/114th-congress/senate-bill/1626>), as a counterpart to the House-passed passenger rail/Amtrak reauthorization bill (<https://www.congress.gov/bill/114th-congress/house-bill/749>) from March 4. Theoretically (if you remember "I'm Just a Bill" from Schoolhouse Rock) the next step would be action on the Senate floor, but a more likely scenario in this case would be moving directly to an informal conference committee between the two bills.

The Senate bill contains some additional positive provisions beyond what was included in the House version, including authorizing more funding for Amtrak (\$1.65b/year average vs \$1.45b/year), authorizing more funding for States to invest in intercity passenger rail projects (\$570m/year average vs \$300m/year), additional RRIF loan program improvements, and aggressive project expediting/permitting improvements. The permitting streamlining changes mostly mirror what was in the Blunt/Manchin Track, Railroad, and Infrastructure Network (TRAIN) Act (<https://www.congress.gov/bill/114th-congress/senate-bill/769>) - they ensure that historic preservation protections do not apply to active rail lines, and also provide more efficient project development procedures for rail projects that require federal approval, similar to the process created for highway and transit projects in MAP-21.

The bill also notably did not include proposed provisions that would have expanded the applicability of rail labor laws, such as the Railroad Retirement Act, Railway Labor Act, and Railroad Unemployment Insurance Act. Unfortunately, neither the Senate nor House bills contemplate the idea of providing predictable and dedicated funding for intercity passenger rail expansion, instead relying on the status quo funding model which has generally resulted in 'limp-along' funding and a mediocre passenger rail system.

The NRC will continue to work with Congress to further improve the bill before passage into law.

**Positive Train Control:** The Senate Commerce Committee passed a bill on March 25 (<https://www.congress.gov/bill/114th-congress/senate-bill/650>) that would delay the PTC implementation deadline from 2015 until 2020, with 2 additional 1 year extensions available on a case-by-case basis. A smaller group of mostly CA

and NY Senators introduced a competing bill on April 16 (<https://www.congress.gov/bill/114th-congress/senate-bill/1006>) that would only offer 3 possible 1 year extensions on a case-by-case basis. Negotiations to settle on a compromise between those positions remain underway. As the Amtrak accident in Philadelphia was a PTC-preventable accident, the discussion has temporarily stalled, but the reality that a delay is needed has not changed, and December 31, 2015 creeps ever closer.

**Fiscal Year 2016 Transportation Appropriations:** The Senate Appropriations Committee has now approved its FY16 transportation appropriations bill as a counterpart the House-passed bill. Not surprisingly given the tight overall budget for domestic discretionary investments and allocations given to the transportation sub-committees on both sides, the funding for the accounts that the NRC is most interested in is insufficient:

	FY14 Actual	FY15 Actual	Administration FY16 Proposal	House FY16 Proposal	Senate FY16 Proposal
TIGER	\$600m	\$500m	\$1,250m	\$100m	\$500m
FRA including Amtrak	\$1,603m	\$1,626m	\$2,693m	\$1,377m	\$1,678m
<ul style="list-style-type: none"> <li>Rail Safety Grants Program</li> </ul>	\$0	\$0	\$0	\$0	\$50m
<ul style="list-style-type: none"> <li>RRIF Subsidy Grants</li> </ul>	\$0	\$0	\$0	\$0	\$4m
High Performance Passenger Rail	\$0	\$0	\$2,325m	\$0	\$0
Section 130 Grade Crossing Set-Aside w/in Highway Contract Authority	\$220m	\$220m	\$220m	\$350m	\$220m
FTA New Starts	\$1,943m	\$2,120m	\$3,250m	\$1,921m	\$1,585m
FTA Formula	\$8,595m	\$8,595m	\$13,914m	\$8,595m	\$8,595m

As shown above, there are some meaningful differences between the House and Senate accounts (TIGER, FRA, grade crossings, New Starts), but the bigger problem is an insufficient total investment level. The NRC, along with many other groups, will look to work with Congress to increase the funding for these accounts before enactment into law later this year. The best hope likely lies in a "grand bargain" that Congress would need to strike, which would result in increasing the budget caps for both defense and domestic discretionary investments, with the possibility of reduced entitlement spending as an offset. In the absence of an agreement to increase the spending caps (across many segments of the economy such as science, health, National Parks, Veterans Affairs, agriculture, foreign relations, etc, not just transportation), a government-wide shutdown looms this October.

**Truck Size and Weights:** After a highly visible and public debate in 2012, MAP-21 did not change TSW limits but instead included a two year study of the issue. The initial study results have concluded that current laws and regulations should remain unchanged. In the meantime however, advocates of larger and heavier trucks continue to push to make piecemeal changes in State laws, and also to make changes to Federal law through the appropriations process. The NRC will continue to oppose these changes, with the opposition being led by safety groups. The House appropriations bill discussed above does include multiple provisions allowing and even mandating certain types of bigger trucks, and the Senate appropriations bill also includes a provision allowing for the 'Twin 33's' configuration of two 33 foot trailers, vs the current limit of two 28 foot trailers . The NRC is opposed to these changes and will continue to work with allies to prevent passage into law.

**PHMSA/FRA Crude by Rail Rulemaking:** A final rule was released by the USDOT on May 1, 2015, which addressed

- o New standards for oil tank cars and phase out schedule of existing DOT-111 tank cars
- o Electronically controlled pneumatic (ECP) braking requirements
- o Speed restrictions, routing, and information sharing requirements for key trains

The AAR and ASLRRA both offered extensive comments opposing and supporting various provisions of the rule. The railroads' position is that the tank car and speed restriction portions of the rule are generally reasonable, with some slight changes needed, but that the ECP braking requirements are not likely to improve safety and are exorbitantly expensive, thus diverting resources from more productive uses. They are appealing to the USDOT for reconsideration. In addition, the Senate passenger rail/rail safety bill discussed proposes an adjusted phased in schedule for ECP implementation, which would be an improvement over the current rule.

**Surface Transportation Board/Regulation:** The Senate Commerce Committee also passed a freight rail economic regulation bill on March 25 (<https://www.congress.gov/bill/114th-congress/senate-bill/808>), and this bill has now passed the full Senate via 'Unanimous Consent.' The bill would re-authorize the Surface Transportation Board and make some changes to the economic regulation of freight railroads. While the NRC generally believes that the current balanced regulatory system is working well, and thus is not actively supporting this bill, we also recognize that this bill falls short of a drastic re-regulation of the industry, and thus we are also not actively opposing the bill either. House action awaits. A House hearing on the issue, timed with the 35th anniversary of the Staggers Act, took place May 13 and largely enforced the NRC position that the current system isn't broken, and thus doesn't need to be fixed, while at the same time acknowledging that there is marginal room for improvements in STB processes.

**Surface Transportation (MAP-21) Re-Authorization:** The current legislation, which funds the Highway Trust Fund and the Mass Transit Account (essentially all federal funding for rail transit other than New Starts), was set to expire May 31, 2015, and has now been extended to July 31, 2015. Full re-authorization discussions are underway, but the key issues of funding source and funding levels are unresolved. At current rates, the HTF and MTA spend about \$53b/year while only taking in \$35b/year.

Beyond overall funding levels, specific provisions of interest to the NRC that will be considered include:

- Intercity passenger rail funding
- Multimodal freight project funding
- Flexibility for State DOTs to use non-gas tax funds for rail



projects

- Expediting project delivery
- Maintaining dedicated funding for the Section 130 grade crossing program
- Funding a PNRS/TIGER program
- PTC funding and implementation issues
- Expanding TIFIA
- Infrastructure Bank/Infrastructure financing authority
- Maintaining current truck size and weight maximum laws

The Senate EPW Committee (one of the four relevant committees on the Senate side alone) has now put forward their DRIVE Act (<https://www.congress.gov/bill/114th-congress/senate-bill/1647>) proposal. This bill is a 6 year bill, which would spend \$278b on the highway portion of the legislation. The transit proposal would still need to come from the Senate Banking Committee. The bill is about \$2.7b/year over the previous \$41b/year baseline highway spending, so a 6% bump - not nearly sufficient to address our country's pressing infrastructure needs, but a welcome start.

The bill includes two new programs which would have the potential to benefit freight rail projects:

- a \$2.2b/year freight program which has some limited eligibility for intermodal projects; and
- a \$400m/year Assistance for Major Projects Program (AMP), which is a TIGER-like program which has some limited eligibility for rail projects.

The bill also continues a few longstanding programs that are of interest and benefit to NRC members, including:

- continuing to dedicate \$220m/year to the Section 130 grade crossing program
- continuing the TIFIA loan program, although dropping the funding from \$1b/year to \$675m/year
- continuing the Surface Transportation Program at \$10.7b/year, which is mostly a road program, but does contain some flexibility for local governments to use funding for multi-modal projects.

In general, the NRC is pleased with the proposal. Further House and Senate action before July 31 awaits. Any extension beyond July 31 will require new money. The NRC favors getting a new long term bill done by July 31, but realistically we expect that another extension will be necessary. Regardless, the question still looms of how to fund this program on a long-term basis.



**Short line Tax Credit:** Legislation to extend the short line railroad tax credit bill continues to gain co-sponsors. H.R.721

(<https://www.congress.gov/bill/114th-congress/house-bill/721>) now has 218 (the magic number in the House!) co-sponsors and S.637 (<https://www.congress.gov/bill/114th-congress/senate-bill/637>) has 31 co-sponsors. Action likely won't be until much later this year, and timing will depend on the status of efforts on broader economy-wide tax reform.

**Rail-Term "Rail Carrier" Case:** As a reminder, the STB recently re-affirmed its decision in the Rail-Term case that Rail-Term is indeed a rail carrier. Rail-Term is appealing the case in Federal court, and the NRC is still considering in what way to participate in the appeal.

**Local Hiring:** As a reminder, the USDOT issued this release regarding allowing for local hiring preferences in competitive contracting:

<http://content.govdelivery.com/accounts/USDOT/bulletins/f52882>.

As summarized in the Federal Register: "The USDOT proposes to amend its regulations in 2 CFR Part 1201 implementing the Government-wide Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards to permit recipients and subrecipients to impose geographic-based hiring preferences whenever not otherwise prohibited by Federal statute." The NRC, along with other major contracting organizations, opposes this rule, and has commented to the USDOT. Our concerns are that this would decrease the ability of NRC member contractors to use your own trained and experienced personnel, would raise hiring costs, would raise employee turnover, and would risk safety.

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## **Sound Transit taps NRC Members Oldcastle Precast, Stacy & Witbeck for 'Floating' Light-Rail Segment**

Sound Transit has partnered with NRC members Oldcastle Precast and Stacy & Witbeck to engineer and manufacture a 450-foot-long prototype section of precast concrete "floating" rail for the University Link light-rail line.

The new rail will be utilized along a two-mile stretch that will pass

under the University of Washington's Physics Department. In order to receive funding, the project needed to maintain pre-construction vibration levels.

The prototype is composed of heavyweight concrete slabs that will rest on 7.5-inch thick elastomeric isolation bearing pads, which will allow the rail system to "float."

*Sources: Progressive Railroading, Oldcastle Precast, Stacy & Witbeck*

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## **R. J. Corman Railroad Company Reaches Agreement to Acquire Carolina Southern Railroad**

R. J. Corman Railroad Company has agreed to acquire the Carolina Southern Railroad for \$13.9 million, with plans to rehabilitate and operate the short line.

R.J. Corman was selected as the owner/operator by a two-state rail committee formed to sell the short line, which was shut down in 2011. The line extends from Mullins, SC, to Whiteville, NC, and to Conway, SC, where it connects to a line owned by Horry County, SC, that reaches Myrtle Beach.

*Sources: Progressive Railroading, R.J. Corman Railroad Company*

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## **NRC Member Siemens Wins 30 Year Contract with All Aboard Florida**

All Aboard Florida (AAF) awarded NRC member Siemens a 30-year contract to maintain and service all aspects of the passenger railroad's trainsets.

The maintenance work includes inspections, corrective and preventative maintenance, and provisioning of parts and labor.

Siemens will perform the work at a new facility south of Orlando International Airport and at a smaller complex to be built in West Palm Beach, FL.

*Sources: Progressive Railroading, Siemens*

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## **Progressive Railroading Highlights NRC Members in Ballast-Related Products and Services Article**

NRC members Balfour Beatty, Ballast Tools Equipment, Brandt Road Rail Corp., Georgetown Rail Equipment Co. (GREX), Harsco Rail, Herzog Railroad Services, Loram Maintenance of Way, NMC Railway Systems, Plasser American Corp., Progress Rail Services, and Rail Construction Equipment Co. (RCE) were highlighted in an article in

Progressive Railroading. The article provides an overview of each supplier's ballast maintenance solutions.

To read the full Progressive Railroading article, [please click here](#).

*Source: Progressive Railroading*

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## **Google, FRA Team Up for Safety; Will Add Rail Crossing Data to Maps**

Google has agreed to partner with the FRA to make rail crossings safer for drivers and their passengers.

Google has agreed to integrate FRA's GIS data, which pinpoints the location of the nation's approximately 250,000 public and private railroad crossings, into its mapping services. Adding railroad crossing data to smartphone mapping applications makes sense - it means supplying drivers and passengers with additional cues that they are approaching a crossing. For drivers and passengers who are driving an unfamiliar route, traveling at night, or who lose situational awareness at any given moment, receiving an additional alert about an upcoming crossing could save lives.

To read more about the FRA Crossing Locator App, [please click here](#).

*Source: FRA*

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## **SDUSD Construction Expo**

By request, we are distributing this information on San Diego's preeminent construction-focused procurement event for contractors, architects, engineers, and construction-related vendors, suppliers and manufacturers. Location will be the Stanley Foster School of Engineering, Innovation and Design (formerly construction Tech Academy) at Kearny High School (parking at Mesa College Dr and Linda Vista Rd.)

July 22, 2015, 9:00 a.m. to 1:00 p.m.

7651 Wellington Street

San Diego, CA 92111

Register for this free event at [sdusdconex2015.eventbrite.com](http://sdusdconex2015.eventbrite.com).

For more information, Contact: Alma Banuelos - 858-573-5852  
abanuelos@sandi.net.

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## **KCS Commits Over \$20M to Line Improvements in Missouri and Illinois**

Kansas City Southern (KCS) will invest approximately \$20.9 million in 2015 on construction and improvement projects on the Mexico and Roodhouse Subdivisions, with work planned between Clark, Mo., and Roodhouse, Ill. The investment improvements will include the replacement of four miles of rail and 132,000 crossties, as well as improvements to more than 60 crossings. Communities that KCS will work through include Clark, Centralia, Mexico, Laddonia, Farber, Vandalia, Curryville, Bowling Green and Louisiana, Mo., as well as Pleasant Hill, Nebo, Pearl, Hillview and Roodhouse, Ill.

*Sources: KCS, RT&S*

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## **Caltrans Transfers Management of Intercity San Joaquin, Surfliner Routes**

California Department of Transportation (Caltrans) transferred the management of intercity rail services for the San Joaquin and Los Angeles - San Diego - San Luis Obispo (LOSSAN) (Pacific Surfliner) corridors to two Joint Powers Authorities (JPA).

The signing of the transfer by Caltrans Director Malcolm Dougherty and JPA executive directors and board chairs completes the requirements that authorize Caltrans to enter into interagency transfer agreements between the state of California and the LOSSAN Agency and San Joaquin Joint Powers Authority. The agreements become effective July 1.

Caltrans will provide oversight and will continue funding these two corridors with an estimated investment of \$98.9 million annually.

*Sources: Caltrans, RT&S*

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## **Philip Stephens Appointed PB Senior Principal Technical Specialist**

Philip Stephens was appointed senior principal technical specialist in the Chicago office of Parsons Brinckerhoff. He'll serve as a quality task lead for the Illinois Department of Transportation's Chicago-to-St. Louis high-speed rail program. He'll also oversee all program management sub-consultants and contractors. Stephens has more than 20 years of management experience in applying quality standards for the design and construction of large transportation infrastructure projects.

*Sources: Progressive Railroading, Parsons Brinckerhoff*

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