SEDA-COG JOINT RAIL AUTHORITY MEETING
WEDNESDAY, MARCH 8, 2017
SEDA-COG, LEWISBURG, PA
12:30 P.M.

AUTHORITY MEMBERS
Stephen Bridy, Northumberland County
Russ Graham, Centre County
John Gummo, Clinton County
Scott Harvey, Lycoming County
Tom Herman, Montour County
Brent Jones, Clinton County
Michael Krentzman, Mifflin County
Dave Park (via conference phone)
Rob Postal, Mifflin County
Don Purcell, Northumberland County
John Showers, Union County
John Spychalski, Centre County
Jerry Walls, Lycoming County
Eric Winslow, Union County

JRA OPERATOR
Tom Avery, Director of Operations
Gary Shields, President
Jeb Stotter, Vice-President & Chief Operating Officer
Pete Symons, Director of Maintenance of Way
Diana Williams, Treasurer/Controller

GUESTS
Allen Bubb, West Shore Railroad
Ken Holdren, Montour County
Stephen Dunkle, Mifflin County
Alex Lang, Carload Express
Steve Miller, Carload Express
Dennis Shaffer, Reading & Northern Railroad

LEGAL COUNSEL
John Bee, Esq., McQuaide Blasko
Tom Schrack, Esq., McQuaide Blasko

JRA CONSULTING PROFESSIONALS
John Conrad, P.E., Bridge Engineer
Paul Jannotti, Jannotti Rail Consulting
Dan Mazur, Operating Agreement Consultant
JRA STAFF
Kay Aikey, Program Assistant
George Fury, Property & Maintenance of Way Manager
Jeff Stover, Executive Director

SEDA-COG Staff
Liz Regan, Communications Manager

CALL TO ORDER

Call to Order

Chairman Showers called the meeting to order at 12:30 p.m.

Pledge of Allegiance

Chairman Showers led the Pledge of Allegiance.

Welcome – Chairman’s Statements

Chairman Showers stated that the use of audio or video recording devices at the public meeting is permitted. The Authority does not require pre-registration for recording purposes; however, any individual intending to record all or any part of the meeting must notify the Chairman or the Executive Director in advance of such recording. If the Authority recesses to Executive Session, no recording of that session shall be permitted.

Chairman Showers asked if anyone would be recording the meeting. No one expressed an intention to record the meeting.

Public Forum

Chairman Showers recognized guests Stephen Dunkle, Mifflin County Commissioner, and Ken Holdren, Montour County Commissioner.

Mr. Gummo was recognized by the Chair and expressed admiration for the individual donations made for the benefit of former JRA Board member Don Kramer, care of his wife, Frannie.

Mr. Gummo distributed a “Save The Date” postcard from the Railroad Museum of Pennsylvania for an upcoming event in April.

Mr. Bubb was recognized by the Chair and reported that Scott Brouse, past President of the Central PA Chapter of the National Railway Historical Society, recently passed away. Mr. Stover mentioned that Kay Aikey purchased a condolence card for Scott’s family that was being passed around the table.
ADMINISTRATIVE ITEMS

Approval of the February 8, 2016 Meeting Minutes

Dr. Spychalski made a motion for the Board to approve the February 8, 2017 meeting minutes; Mr. Winslow seconded the motion; motion carried.

Treasurer’s Report

Mr. Harvey presented the Treasurer’s Report for the month of February 2017 as well as the JRA’s loan summary.

Mr. Gummo made a motion for the Board to accept the Treasurer’s Report for the month of February 2017 and file for audit; Mr. Walls seconded the motion; motion carried.

Events Calendar

Mr. Stover presented the events calendar for March and April as well as the staff report.

Mr. Stover stated that Scott Brouse passed away on February 14, 2017. He was a long-time President of the Central PA Chapter of the National Railway Historical Society (NRHS) at the White Deer Station and at times attended JRA meetings out of interest in the partnership between the JRA and his group. The family has asked for memorial donations be made to the NRHS Chapter at White Deer.

Mr. Walls made a motion for the JRA to make a $100 donation to the Central PA Chapter of the National Railway Historical Society in memory of Scott Brouse; Mr. Bridy seconded the motion; motion carried.

Mr. Stover referred to the letter dated February 14, 2017, from Operation Lifesaver that was included in the meeting packet and stated that Operation Lifesaver does good work in improving grade crossing and railroad safety. The JRA’s public relations program could be a real asset to Operation Lifesaver to get its message out. A donation to Operation Lifesaver could be used as a springboard for a PR campaign. The SEDA-COG public relations program is working on an updated “Rail Blast” and a news release tied to the donation.

Mr. Gummo made a motion for the full Board to authorize a $250 donation to Operation Lifesaver PA and follow up with the JRA’s PR campaign related to that; Mr. Herman seconded the motion; motion carried.

Mr. Walls asked that staff share a draft of what is being proposed to be done as he has some suggestions as to who it could be sent to as it relates to trail groups.

Mr. Stover called on Dr. Spychalski to discuss the amendment to the passenger excursions timetable for 2017.
Dr. Spychalski reported that the 2017 Passenger Excursions Time Table needs to be amended to reflect that the October 7, 2017 dinner train excursions from Sunbury to Paxinos has been canceled.

Dr. Spychalski made a motion for the full Board to approve amending the 2017 Passenger Excursions Time Table by deletion of the October 7, 2017 dinner train excursion; Mr. Herman seconded the motion; motion carried.

Dr. Spychalski stated that any board member, staff member of the JRA, or employee of the freight railroad operator, who wishes to ride on the May 18, 2017 excursion as a guest is welcome to ride on that excursion or any of the other excursions. This excursion is from Sunbury on the SVRR to the end of track.

Mr. Stover stated that all necessary forms and other filings have been made by the JRA with FEMA/PEMA related to the October 21, 2016 flash flood event. Letters of rejection from three insurance companies are needed stating that the JRA cannot get insurance to protect the railroads from flood damage. Mr. Fury stated that when the three letters are received, they need to be submitted to the State Insurance Commission which needs to reject it or accept the fact that insurance cannot be obtained.

Mr. Stover referred to the articles from the Shamokin News-Item and stated that there were a couple of inaccuracies, but a clarification to those inaccuracies was made.

OLD BUSINESS

Operator's Status Report and Business Forecast

Mr. Shields referred to the Operator's Report included in the packet.

Ms. Williams reported that January 2017 operating fees are strong due to two trackage rights payments received in January and car storage numbers.

Bridge Engineer's Report

Mr. Conrad referred to the Bridge Engineer's Report provided to Board members. Mr. Conrad provided an update for the bridge management program and stated that out of 167 structures that he inspects every year, 89% have been completed with field inspections. He stated that all field inspections will be completed by the end of March. Mr. Conrad stated that the FRA mandates that all bridges be updated with their safe capacity rating by September 2017. All JRA's bridges that have steel structures and have drawings have been rated. Most of the JRA bridges, even though they were originally designed with a 263,000-pound load capacity, rate for normal loads of 286,000 pounds and almost all of them rate for maximum loads of 315,000 pounds. Mr. Conrad went on to say that almost 76 special live loads have been requested that are in excess of the normal safe load capacity of 286,000 pounds. Anything over 286,000 pounds the operating railroad needs clearance from the bridge engineer that the bridges can handle the load. Mr. Conrad stated that by the end of April, the bridge
management program will be up-to-date for the FRA as well as all of the load ratings and engineering judgments. By September 2017, the JRA will be in full compliance.

**NSHR 194.07 Bridge Replacement Near Catawissa**

Mr. Conrad stated that PennDOT Bureau of Rail Freight requires that the project bid opening be delayed approximately one month while final approvals are secured for the project.

The proposed revised bid timeframe is:
- Pre-bid meeting March 17
- Bids due April 4 at 2:00 p.m.
- Notice of award April 12
- Notice to proceed May 4
- Completion by October 20

**NSHR – Robinson Lane Curve Track Reconstruction**

Mr. Jannotti stated that last month the Board passed a motion to authorize award of the Robinson Lane Curve Track Reconstruction, upon his approval. For several reasons, the project bid schedule required some changes, but PennDOT Bureau of Rail Freight has yet to issue a final approval to those needed amendments.

It may be necessary for the Board to pass a new motion to authorize award of Contract NBER 2016.02 to the apparent low bidder contingent upon approval by Mr. Jannotti and the Bureau of Rail Freight, with ratification at the April 12, 2017 JRA Board meeting. The bid opening is scheduled for March 10, 2017.

*Dr. Spychalski made a motion for the full Board to authorize the track consultant to award the Robinson Lane Curve Track Reconstruction, proceed with procurement of materials, and ratify at the April 12, 2017 JRA Board meeting; Mr. Herman seconded the motion; motion carried.*

**NSHR – Trespassing in Bloomsburg – Safety Improvements**

Mr. Fury stated that three meetings ago, the Board authorized staff to seek bids for installation of guard rail along the NSHR in Bloomsburg along 6th Street from Iron Street to East Street. Since then, Tom Avery has had discussions with the Chief of Police who stated he would enforce trespassing if specific signage was installed. Due to installation of a fence at Iron Street, a signal cable was severed. The existing signal mast is too far from the track and should be relocated. An adjacent neighbor has paved area up to the tracks at Catherine Street. A “No Parking” area should be painted on the pavement to keep cars at a safe distance.

The previous estimate for guard rail was $25,000. The above work will be borne by JRA (materials purchase) and NSHR (installation) and should come in at least $10,000.

*Mr. Walls made a motion for the full Board to approve the above improvements at a cost not to exceed $10,000; Mr. Harvey seconded the motion; motion carried.*
NEW BUSINESS

Jannotti Report – 2016 Inspections and 2017 Maintenance of Way Plan

Mr. Jannotti presented the 2016 Track Inspection Report and 2017 Maintenance of Way Plan. Members were provided with a hard copy of the reports.

*Mr. Postal made a motion for the full Board to approve the track consultant’s 2017 Maintenance of Way Program; Mr. Jones seconded the motion; motion carried.*

LVRR – Maynard Street Grade Crossing Reconstruct

Mr. Fury stated that the Maynard Street grade crossing in Williamsport will be rebuilt this summer; both the crossing signals and surface will be upgraded using Section 130 funds.

This project will require a grade crossing closure of 4-7 days. There will be an extensive communication and PR program so that all parties are fully informed well in advance. Those parties include the public, City of Williamsport, Penn College, Maynard Street businesses, Williamsport-Lycoming Chamber of Commerce, PennDOT, County of Lycoming and surrounding municipalities. Work will proceed after the local schools and colleges have adjourned for the summer, and will avoid the Little League World Series timeframe.

Mr. Stover stated that eight bids were received. Bids were opened on February 23, 2017. The results are:

- K. W. Reese $173,949.00
- Armond Cassil $184,449.75
- Railroad Constructors $192,220.00
- ACME $193,264.25
- CTW $206,000.00
- CPS Railway Services $206,000.00
- Amtrak of Maryland $228,802.00
- Rhinehart Railroad Construction $252,614.14

Mr. Jannotti reviewed the bids and recommended awarding the contract to K. W. Reese in the amount of $173,949.00.

Mr. Walls asked what the net cost will be to the Authority. Mr. Fury replied that there is $153,000 that Section 130 can go towards the crossing work. There is a $20,000 difference that the JRA will split with the railroad to cover the maintenance portion.

*Mr. Herman made a motion for the full Board to award the contract to rebuild Maynard Street grade crossing to K. W. Reese in the amount of $173,949; Mr. Graham seconded the motion; motion carried.*
NBER – Milesburg Flood and Stormwater Issues

Mr. Fury stated that the flash flood event of October 21, 2016 (7 inches of rain overnight) has triggered detailed investigation whether roadway and rail bridges, and pipes need to be upgraded.

Mr. Fury stated that he and Mr. Conrad have spent considerable time assessing what capital upgrades could be done to mitigate any future flooding. Mr. Conrad presented a PowerPoint titled Moose Run Flood Mitigation, NBER Main and Bellefonte Branch, Milesburg.

No action is being sought on this matter.

REPORTS FROM COMMITTEES

PROPERTY MANAGEMENT COMMITTEE

PPL Easement (LVRR)

Mr. Fury stated that PPL has approached staff requesting an easement for relocation of an existing 12.4 kV service line. As no easement exists for the current transverse occupation, one is required. The current crossing is at Tombs Lane, across the tracks from the airport; the new location is ±550 track feet east at M.P. 189.34.

All plans have been received and approved. Annual easement fee is $400 subject to CPI increase. An application fee of $700 is assessed.

Mr. Walls made a motion for the full Board to approve this easement and authorize its execution by the Chairman and Secretary; Mr. Harvey seconded the motion; motion carried.

CUDD Lease Termination (LVRR)

Mr. Fury stated that as required by its lease, CUDD has provided a letter requesting termination of its lease with the Authority for land in the Newberry Yard. The current lease expires December 31, 2019, equating to $147,000 in lost rents over three years.

Staff has negotiated with CUDD for retainage of facilities in lieu of remaining rent. The JRA would retain 1) 25,000 square foot concrete pad storage building; 2) truck scale; and 3) the 2 concrete pits. The value of these items is estimated to exceed $200,000.

Attorney Schrack has drafted a Termination Agreement.

Attorney Schrack stated that the lease agreement with CUDD does not provide for an early termination by the tenant, so technically they are on the hook for the rent for the remainder of the lease term.
Dr. Spychalski made a motion for the full Board to approve the lease termination for CUDD and authorize execution of the agreement by the Chairman and Secretary; Mr. Walls seconded the motion; motion carried.

Governance Committee

Committee Chair Jerry Walls stated that a Governance Committee meeting is planned for Tuesday, March 14, 2017, beginning at noon at SEDA-COG. Committee Chair Walls stated that there are a number of subjects that need to be addressed. Committee Chair Walls stated that he has consulted with Mr. Stover and Attorney Schrack on a number of topics. One of the major items the committee will be doing is reviewing and updating the JRA’s bylaws. The committee will also be looking at member county relationships and addressing the need for improvements in the way the Authority functions with the use of consent agenda to shorten the JRA Board meetings, among other things.

LEGAL

Attorney Schrack recommended that the Board recess into executive session to discuss the ongoing RFP litigation.

Chairman Showers recessed the regular meeting at 2:29 p.m. for an Executive Session, which will convene at 2:33 p.m.

Chairman Showers reconvened the regular meeting at 3:00 p.m.

Attorney Schrack stated that the Authority Board recessed into executive session to have discussion with the solicitor concerning the ongoing RFP litigation. No action is recommended to be taken by the Board.

Chairman Showers adjourned the meeting at 3:04 p.m.

Respectfully submitted,

Jeffery K. Stover, Executive Director

I hereby certify these minutes were approved by the SEDA-COG Joint Rail Authority Board of Directors on April 12, 2017.

Secretary/Assistant Secretary