



SEDA-COG JOINT RAIL AUTHORITY MEETING MINUTES
Wednesday, August 9, 2023
Union County Government Center, Lewisburg, PA
12:30 p.m.

AUTHORITY MEMBERS

Russ Graham, Centre County
John Gummo, Clinton County
Scott Harvey, Lycoming County
Lisa Hoover, Northumberland County
Bob Hormell, Northumberland County
Rick Jenkins, Columbia County (via teleconference)
Frank Dombroski, Montour County
Brent Jones, Clinton County
Michael Krentzman, Mifflin County
Rick Maloyed, Snyder County
Dave Park, Snyder County
David Schultz, Lycoming County
John Showers, Union County
Jennifer Wakeman, Montour County
Eric Winslow, Union County

JRA OPERATOR

Jeb Stotter, President & CEO
Diana Williams, Treasurer/Controller

GUESTS

Andy Richards, Vice President of Bellefonte Historical Railroad Society
Russ Peterson, Carload Express
Baron Emery, Carload Express
John Ashbridge, Carload Express

JRA LEGAL COUNSEL

John Bee, Esq., McQuaide Blasko
Tom Schrack, Esq. McQuaide Blasko (via teleconference)

JRA CONSULTING PROFESSIONALS

Dan Mazur, Operating Agreement Consultant
Jason Shura, P.E., Stiffler McGraw
Jeff Stover (via teleconference)

JRA STAFF

Michelle Ballou, Program Assistant

Steven Beattie, Executive Director

Kyle Postupack, Property & Maintenance of Way Manager

CALL TO ORDER

Call to Order

The Chairman called the meeting to order at 12:31 p.m.

Pledge of Allegiance

The Chairman led the Pledge of Allegiance.

Welcome – Chairman’s Statements

The Chairman 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.

Public Forum

The Chairman asked if there is any public comment to come before the Board. There were no public comments.

ADMINISTRATIVE ITEMS

Approval of the July 12, 2023, JRA Meeting Minutes

Mr. Hormell made a motion for the Board to approve the July 12, 2023, Joint Rail Authority Meeting Minutes; Mr. Maloyed seconded the motion; motion carried.

Treasurer’s Report

Mr. Harvey presented the Treasurer’s Report for the month of July 2023, as well as the JRA’s Loan Summary, Money Market Account Financial Statement, the PIB Loan Financial Statement, and the JRA’s detailed accounting associated with the operating fees paid by the Operator.

Mr. Park made a motion for the Board to accept the Treasurer’s Report for the month of July 2023; Ms. Wakeman seconded the motion; motion carried.

2022 Audit Approval

Mr. Beattie stated that Mr. Hartzell, CPA of Baker Tilly presented the JRA's 2022 draft audit at the June meeting. There were no major findings of fact, concerns, etc. found during the 2022 audit.

Mr. Harvey made a motion for the Board to accept the 2022 Audit Report; Mr. Gummo seconded the motion; motion carried.

Close JSSB Rail Freight Advisory Committee Checking Account

Mr. Beattie stated that a Jersey Shore State Bank checking account related to expenses incurred from the now dormant PA Rail Freight Advisory Committee has existed for many years; it is no longer used day to day. The current account total is approximately \$12,000.00, Mr. Beattie proposes to withdraw the funds, close the account, and forward a cashier's check to PennDOT Bureau of Rail, Freight, Ports and Waterways.

Mr. Winslow made a motion to approve closing the Jersey Shore State Bank PA Rail Freight Advisory Committee checking account and returning funds to PennDOT Bureau of Rail, Freight, Ports, and Waterways; Mr. Dombroski seconded motion; motion carried.

Staff Report and Events Calendar

- Mr. Beattie summarized the status of various construction projects and calendar highlights.
- JRA staff hi-railed the LVRR in early August with Director of Maintenance of Way from North Shore Railroad.
- Mr. Beattie attended the Montour County, Union County, and Columbia County Commissioner's meeting for introduction, presentation of framed Rail Map and open Q & A.
- Mr. Beattie shadowed the North Shore Railroad train crew on the North Shore Line to understand day to day operations.
- Bellefonte Yard Improvements is out for bid. The bids are due August 30th. The Prebid meeting with contractors will take place Thursday August 10, 2023.
- The Joint Rail Authority and North Shore Railroad staff attended the National Night Out, to educate the public on railroad safety.

Operator Status Report

A copy of the Operator's Report was provided to Board members via email and copies were provided to Board members at the meeting. Mr. Stotter provided the Operator's activities and rail traffic overview.

OLD BUSINESS

Bridge Engineer's Report

- Mr. Shura reviewed the Bridge Engineer's Report provided in the meeting packet.

- 2023 Bridge safety inspections on Nittany Bald Eagle Railroad (NBER), Lycoming Valley Railroad (LVRR), Juniata Valley Railroad (JVRR), and North Shore Railroad (NSHR) are complete, and final reports have been submitted to Joint Rail Authority staff. Field inspection and report preparation for all Shamokin Valley Railroad (SVRR) bridges has been completed. The final inspection report will be submitted to JRA staff upon completion of Quality Assurance review.
- Mr. Shura will be accessing the culvert at Nittany Bald Eagle Railroad mile post 16.10, the timber retaining wall on Lycoming Valley Railroad, and additional culverts at Newberry Yard.
- Nittany Bald Eagle Railroad/ Milesburg Bridges – Progress continues to advance for the final design. General Permit 11 application has been submitted to Pennsylvania Department of Environmental Protection (PA DEP). The contract drawings are currently being reviewed for final quality assurance. They are on schedule to make the structural adequacy submission to PennDOT in August and the final PS&E documents to PennDOT and JRA staff. The project is scheduled to open bids in December 2023.
- 2021 RTAP Bridges – There was one bid opening which will be discussed further under new business. Approval was received from Bureau of Rail Freight to advertise North Shore bridge 191.52 contract. Mr. Shura will work with JRA staff to establish a bid opening and advertisement date. There are two contracts to submit, and the bid opening is anticipated for winter 2023. Expecting wrapping up in the next two months regarding permit submissions and final plans, specification, and estimate (PS&E) documents to PennDOT and Joint Rail Authority staff.
- Shamokin Valley Corridor – The bids were opened. This will be discussed further in the meeting under new business.
- Mr. Shura met with JRA staff to evaluate a potential slide on Geiser Road.

NEW BUSINESS

Approval of Bids & Notice Award; SVRR Grade Crossing Replacement Project

Mr. Shura stated on August 3rd four bids were received. Chesapeake Thermite Welding was the lowest bidder at \$2,534,755.00. The review has been completed on all bids. A letter of recommendation the award to Chesapeake Thermite Welding. This is contingent on PennDOT's notice to proceed and obtain acceptable insurance and bonding.

Mr. Gummo made a motion to approve awarding of the SVRR Grading Crossing Replacement Project to Chesapeake Thermite Welding; Mr. Park seconded the motion; motion carried.

Approval of Bids and Notice of Award; North Shore Railroad Pipe Culvert at Milepost 207.66

Mr. Shura has prepared plans and bidding documents for the permanent pipe replacement. The GP-11 permit has been received. The Bureau of Rail Freight has approved bidding documents and the project has been advertised. Four bids were received. Lycoming Supply was the lowest bidder at \$348,122.00. The permanent repair will be funded by the Bureau of Rail Freight. The project would begin in late fall or early winter of 2023.

Mr. Hormell made a motion to award the North Shore Railroad Pipe Culvert at Milepost 207.66 project to Lycoming Supply for \$348,122.00; Mr. Winslow seconded the motion; motion carried.

Approval of Memorandum of Understanding (MOU) for Danville Business Alliance Passenger Rail Excursion

Mr. Beattie stated the Danville Business Alliance has a planned excursion for September 9, 2023. A Memorandum of Understanding is not in place with this organization. This is a standard MOU used between the Sponsor Organization and The Joint Rail Authority since the inception of Excursions under the 2010 Passenger Excursions Agreement with Penn Valley Railroad.

Ms. Wakeman made a motion to approve the Memorandum of Understanding for Danville Business Alliance; Mr. Dombroski seconded motion; motion carried.

REPORTS FROM COMMITTEES

Property Management Committee

1a. Crown Castle Fiber LLC License Agreement (NBER – Lock Haven) – Crown Castle Fiber LLC will be installing an overhead wire across the Nittany Bald Eagle Railroad in Lock Haven just east of South Hanna St. Crown Castle Fiber LLC will be assessed a one-time \$800 application fee and annual fee of \$2,530.00, which is subject to CPI increases. All plans have been reviewed and approved.

Mr. Jenkins made a motion to approve the Crown Castle Fiber LLC License Agreement; Mr. Jones seconded the motion; motion carried.

1.b Borough of Bellefonte Easements (NBER – Bellefonte) – The borough will be replacing a bridge on Railroad Street in Bellefonte. There will be a temporary structure built adjacent to the existing structure. A portion of the work will be on the Joint Rail Authority right-of-way, which will require temporary construction easements for the temporary bridge and an easement for the new bridge. The Joint Rail Authority will assess a total of \$604.50 for .08 acreage of temporary easement as well as 0.14 acres for permanent right of way required for the Railroad Street bridge project. All plans have been reviewed and approved by JRA staff and JRA Engineer.

Mr. Jenkins made a motion to approve The Borough of Bellefonte Easements; Mr. Park seconded the motion; motion carried.

1c. NorthPoint Auto & Equipment Private Crossing Agreement (NSHR – Point Township) – North Point Auto & Equipment requested a private grade crossing over the North Shore Railroad in Point Township. A portion of the parcel is landlocked by the railroad. The private crossing would be used for personal use to access the landlocked parcel and to fish the Susquehanna River, and only personal vehicles will use the crossing. The business owners were very cooperative during the culvert washout repair at milepost 201.66 on the North Shore Railroad in June. A large section of their sales lot was cleared to accommodate construction vehicles, materials, and traffic. For their cooperation, the Joint Rail Authority waived the \$880.00 application fee and the first two-year rent of the ten-year term. Upon

discussion, Dave Park requested that a private gate, installed by NorthPoint be installed on the west approach to the crossing to keep patrons from driving to the river as extra protection.

Mr. Hormell made a motion to approve the NorthPoint Auto & Equipment Private Crossings Agreement; Mr. Park seconded the motion; motion carried.

1d. West Penn Power Company License Agreement (NBER - Bellefonte) – West Penn Power Company will be temporarily relocating an overhead electrical wire to accommodate the Railroad Street Bridge Replacement Project in Bellefonte. West Penn has entered into a temporary agreement with the Joint Rail Authority. The new License Agreement is in the Joint Rail Authority’s current agreement template and updates the language from the 1957 agreement with the Pennsylvania Railroad (PRR). West Penn Power Company will be assessed a one-time engineering review fee of \$500.00, because it is in the public right of way.

Mr. Maloyed made a motion to approve the West Penn Power Company License Agreement; Ms. Wakeman seconded the motion; motion carried.

1e. South Avis Realty, Inc. Lease Agreement Amendment (LVRR – Avis)

This is an amendment to the original lease agreement for a project that covers an access road on Take a Peek Rd, formerly known as the Woodward Ave Extension. The JRA acquired property for the road to be constructed. The project was completely funded by South Avis Realty. South Avis Realty entered in to a lease with the Joint Rail Authority to maintain this road. The lease was not signed by South Avis Realty. The amendment will be memorializing and acknowledging the terms of the lease as commencing on December 16, 2015. The lease was for five years and expired in 2020. The amendment renews the term of the lease and memorializes South Avis Realty’s exercise of its option to take title to the premises covered by the lease. Also included in the amendment is the parties’ intention for the Authority to quitclaim those premises to South Avis Realty, which will be presented at the September 13, 2023, meeting.

Mr. Gummo made a motion to approve the South Avis Realty Lease Agreement Amendment; Mr. Dombroski seconded the motion; motion carried with Mr. Schultz abstaining.

LEGAL

Bellefonte Historical Railroad Society Limited Rail Passenger Excursion Agreement

Solicitor Schrack presented the final version of the Limited Rail Passenger Excursion Service Agreement with Bellefonte Historical Railroad Society. This agreement allows for the Bellefonte Historical Railroad Society to solely organize and host trains excursions on the NBER in 2023 and 2024, separate and apart from the current Rail Passenger Excursion Service Agreement.

Mr. Winslow made a motion to approve the Bellefonte Historical Railroad Society Limited Rail Passenger Excursion Agreement; Ms. Wakeman seconded the motion, motion carried.

Operating Agreement Consultant's Report

Mr. Mazur presented the Operator's second quarter financials for 2023 via PowerPoint.

2023 Transportation Expense Ratio

- Target: About 40%
- Results for 2Q 2023
 - Lower than Target
 - Higher than 2022
 - Lower than Budget

2023 Maintenance of Way Ratio

- Target: About 21%
- Results for 2Q 2023
 - Higher than Target
 - Higher than 2022
 - Lower than Budget

Solicitor Schrack stated he has nothing further to discuss in public session and recommended that the Board recess into executive session.

Shamokin Area Businesses for Economic Redevelopment One Time Excursion

Mr. Beattie stated that the proposed one-time excursion with the Shamokin Area Businesses for Economic Redevelopment was unable to move forward due to an unresolved insurance issue, and the excursion was therefore cancelled.

Chairman Graham recessed the regular meeting at 1:13 p.m. to convene into executive session at 1:20 p.m.

Chairman Graham reconvened the regular meeting at 2:19 p.m.

Solicitor Schrack stated that the JRA Board held an executive session with Mr. Mazur and the Operator. After Mr. Mazur finished the confidential and proprietary portion of his report, he and the Operator's representatives left the executive session. Solicitor Schrack stated that the JRA Board then held an executive session with solicitors and JRA staff concerning a brief discussion addressing confidential personnel matters, potential real estate acquisitions, and updates in the litigations pending in Clinton and Columbia Counties. No action was taken in executive session and no action is recommended to be taken.

With there being no further business to come before the JRA Board, Chairman Graham adjourned the meeting at 2:19 p.m.

Respectfully submitted,



Steven M. Beattie, Executive Director

I hereby certify these minutes were approved by the SEDA-COG Joint Rail Authority Board of Directors on September 13, 2023.



Secretary/Assistant Secretary