



**PRESERVING
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SERVICE**

SEDA-COG JOINT RAIL AUTHORITY MEETING

Wednesday, February 10, 2021

Virtual Meeting via Teleconference – 1:00 p.m.

AUTHORITY MEMBERS

Russ Graham, Centre County
Scott Harvey, Lycoming County
Lisa Hoover, Northumberland County
Bob Hormell, Northumberland County
Rick Jenkins, Columbia County
Brent Jones, Clinton County
Michael Krentzman, Mifflin County
Dave Park, Columbia County
Rob Postal, Mifflin County
David Schultz, Lycoming County
John Showers, Union County
John Spsychalski, Centre County
Jennifer Wakeman, Montour County
Eric Winslow, Union County

JRA OPERATOR

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

GUESTS

Erik Bergenthal, Esq., Houston Harbaugh (for Carload Express)
Alex Lang, Carload Express
Kelly O'Brien, BIDA
Mark Rosner, Carload Express
Ed Sigl, First National Bank of Pennsylvania
Sam Simon, Esq., Houston Harbaugh (for Carload Express)
Courtney Solomon, CPA, Herring, Roll & Solomon

LEGAL COUNSEL

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

JRA CONSULTING PROFESSIONALS

Dan Mazur, Operating Agreement Consultant
Jason Shura, P.E., Stiffler McGraw

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SEDA Council of Governments



SEDA-COG Joint Rail Authority serving the counties of

CENTRE • CLINTON • COLUMBIA • LYCOMING • MIFFLIN • MONTOUR • NORTHUMBERLAND • UNION

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JRA STAFF

Kay Aikey, Program Assistant

Kyle Postupack, Property & Maintenance of Way Manager

Jeff Stover, Executive Director

Olivia Zavrel, Intern

CALL TO ORDER

Call to Order

The Chairman called the meeting to order at 1:05 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. No one expressed any comments.

ADMINISTRATIVE ITEMS

Approval of the January 13, 2021 JRA Meeting Minutes

Dr. Spychalski made a motion for the Board to approve the January 13, 2021 JRA Meeting Minutes; Mr. Winslow seconded the motion; motion carried.

Treasurer’s Report

Mr. Harvey presented the Treasurer’s Report for the month of January 2021, as well as the JRA’s loan summary, the JRA 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 January 2021 and file for audit; Mr. Graham seconded the motion; motion carried.

Presentation of Draft 2019 Audit

Courtney Solomon, CPA from Herring, Roll & Solomon presented the JRA's draft 2019 Audit. A copy of the draft audit was emailed to JRA Board members prior to the meeting.

Mr. Postal stated that it would be useful if there could be a column showing the previous year's figures in order to see what the variances are. Ms. Solomon stated that this is an option that can be done with future audits. Other board members expressed agreement with Mr. Postal's suggestion. The JRA's 2019 audit will be finalized for the March meeting for action by the Board.

Staff Report and Events Calendar

Mr. Stover summarized the status of various construction projects and calendar highlights.

Mr. Postupack provided an update on the work that has been done at the LVRR offices and warehouse and provided a slide showing the improvements that have been done.

Operator's Status Report

The Operator's Status Report was provided to Board members prior to the meeting. Mr. Stotter stated that a maintenance of way meeting regarding this year's plan will be held on Thursday, February 11, 2021 with JRA staff and consultant. Mr. Mazur will be in the operator's office in March to go over the close of the 2020 financials as well as the 2021 budget. A comprehensive update on those matters will be provided at the March 10th JRA Board meeting. Mr. Stotter thanked the JRA for the improvements done at the LVRR office and facilities.

OLD BUSINESS

Bridge Engineer's Report

The Bridge Engineer's Report was included in the meeting packet. Mr. Shura provided the following updates:

- SVRR bridge 14.93 (Shamokin): Awaiting contractor drug and alcohol program and final certificate of insurance to issue notice to proceed. Construction will start later this spring.
- NBER Bridge 33.84 (Curtin Bridge) Rehabilitation (RTAP Project): Received review comments from the Bureau of Rail Freight and resubmitted those documents. Received

approval of the bid packet. Project was advertised on February 5, 2021. A pre-bid meeting will be held on February 23, 2021 with bids due March 9, 2021. Bids will be reviewed and will be presented for recommendation for award at the March 10th JRA Board meeting.

- LVRR Antlers IT Bridge 179.44 (Iron Bridge) Rehabilitation Project: Review comments were received from the Bureau of Rail Freight. Comments will be addressed and those documents resubmitted. Will work with JRA staff to do the advertisement, pre-bid meeting and bid opening date.
- NSHR Bridge 195.88 2015 RTAP Project (Bear Camp Bridge): Plans and specifications are complete and pending submission to the Bureau of Rail Freight.
- Continue to work with JRA staff and Ms. Wakeman on the SEEDCO site. A field meeting was done on January 29, 2021. Working on a cost estimate.
- Limited bridge safety inspections have been done due to the weather. 2021 bridge inspections will begin when weather improves.
- Plans for the Newberry Yard parking lot were submitted to JRA staff. Will continue to work with JRA staff and Hawbaker to get an estimate. Will continue to see that the project moves forward.
- PSU Altoona Bridge Instrumentation Plan: Will be meeting with the folks at PSU on February 18, 2021 to take a look at a few bridges on the NBER and LVRR. Additional updates will be given at the March JRA Board meeting relative to this program.

Mr. Winslow asked Mr. Shura if it would be possible for him to do some type of board level presentation on how the PSU Altoona Bridge instrumentation works and what is actually being measured. Mr. Shura replied that some of the details are still being worked out and will be discussed at the field meeting on February 18th. PSU is looking at instrumenting steel bridges to monitor stresses under load and monitor movement and stresses as these bridges expand and contract due to temperatures. The data will be recorded on a real time basis and will be available at any time to JRA staff and PSU staff and will be updated to a web-based platform for that access. The data can be downloaded and reports can be generated from that data. The steel bridges that were recommended are all structures that have relatively low load ratings or have general deterioration. Will be looking at critical locations on those bridges as well. More information will be presented in the bridge engineer's report for March.

CFA Matches for Port Matilda and Milesburg Multimodal

Mr. Stover stated that staff previously communicated with the Board relative to the local share for the Port Matilda and Milesburg Multimodal applications to the Commonwealth Financing Authority (CFA).

Staff from DCED contacted staff seeking audits and financial documents for all those entities providing local shares. Audits were provided for the JRA, Centre County and the two boroughs.

The remaining issue is the proposed local shares from the NBER. DCED is asking the operator to provide proprietary financial information.

Without some resolution of the data request, neither application can be considered for approval. DCED agreed that if the JRA could "backstop" the operator's share, the applications could proceed. If approved, both would be 2022 projects.

Both applications were submitted last fall to the CFA. The JRA was the applicant for the bridge in Milesburg which is a single structure that carries the Nittany Main Line and also a Borough street known as Railroad Street. The Port Matilda project was submitted by the Borough with JRA staff assistance.

The Milesburg Bridge project requires the JRA share to increase by \$100,000 from \$155,000 to \$255,000. The other two local shares remain the same: Milesburg Borough committed \$100,000 and Centre County's local grant is \$45,000.

In the case of the Port Matilda Borough application, the JRA local share doubles from \$50,000 to \$100,000. The Centre County grant remains at \$55,000.

Dr. Spychalski made a motion for the full Board to ratify the increase in the JRA's local share for the Milesburg Bridge CFA Multimodal project from \$155,000 to \$255,000; Ms. Wakeman seconded the motion.

Mr. Graham asked if the JRA will be "back stopped" by the operator in 2022 for reimbursement to the JRA for the funds. Mr. Stover stated that the JRA can budget for it. That request will need to be made.

Mr. Winslow stated he has a concern that a lot of things are going to happen and the JRA needs to be prepared to go into this with it being the JRA's money.

Motion carried.

Dr. Spychalski made a motion for the full Board to ratify the increase in the JRA's local share for the Port Matilda CFA Multimodal project from \$50,000 to \$100,000; Mr. Hormell seconded the motion; motion carried.

PROPERTY MANAGEMENT COMMITTEE

The Good Samaritan Mission Easement (NSHR – Danville)

Mr. Postupack stated that the Good Samaritan Mission has approached staff seeking an easement for a portion of JRA property along DL&W Avenue in Danville. The Good Samaritan Mission is a faith-

based organization that works with disadvantaged residents in Montour County to provide clothing, food, and financial assistance.

The non-profit organization recently purchased the building at the corner of Ferry Street and DL&W Avenue and would like to make improvements to the alley and side of the building to include parking and a better entrance for customers. There will be no parking within 20-feet of the track.

The Good Samaritan Mission has asked for the application fee to be waived.

Mr. Postupack stated that the JRA is waiting on the final survey before it can be brought before the Board to final approval. No action is needed at this time.

Levi Peachey Private Grade Crossing License (Mill Hall Industrial)

Mr. Postupack stated that Levi Peachey approached staff about a license for a private crossing +/- 1,500' east of Draketown Road. Mr. Peachey's parcel is split by the Mill Hall industrial Track which leaves him landlocked from the northern portion of his land.

The crossing would be used to access his land on the north side of the track so he can fish Bald Eagle Creek. No logging would be allowed and can only be used for fishing and other recreational activities.

JRA staff met with NBER staff and KW Reese on-site to review the location. KW Reese submitted a quote for the installation of the crossing which would be installed while they are constructing the Castanea Runaround. Mr. Peachey will be responsible for the cost of installation of the crossing as well as all maintenance of the crossing.

Crossing construction by K W Reese includes installation of 10-new ties, installation of a culvert in the open ditch on the south side of the track, installation of flangeway timbers with 2A stone added to the approaches of the flangeway timbers, and the gauge area will be filled with ballast.

The term of the license is for 10-years and will commence on March 1, 2021 and end on February 28, 2031.

A license fee of \$400 subject to CPI increases in addition to the \$800 application fee will be assessed.

Mr. Postupack shared a slide showing the location of the private crossing.

Mr. Jones made a motion for the full board to approve this license and authorize execution by the Chair and Secretary; Mr. Jenkins seconded the motion; motion carried.

Robert and Joyce Gordon Indenture (NSHR – Point Township)

Mr. Postupack stated that Robert and Joyce Gordon purchased a river lot in Chulasky, Point Township, Northumberland County from the JRA in 1998 for \$2,250. The parcel is 180' x 35'.

The JRA received payment from the Gordons and executed and notarized the quitclaim deed. However, the Gordons never recorded the document with the Northumberland Recorder.

The Gordons are now selling their property in Point Township but need a fully executed and notarized deed to record before they will be able to sell the property.

The JRA has agreed to prepare a quitclaim deed for the Gordons, which will be executed by the JRA's current officers.

The Gordons have agreed to pay the JRA \$500 to prepare a quitclaim deed and they will be responsible for recording the document.

Mr. Park made a motion for the full board to approve the execution of the quitclaim deed and authorize execution by the Chair and Secretary; Ms. Wakeman seconded the motion; motion carried.

LEGAL

Legal Issues

NARCOA Speeder Runs

Attorney Schrack stated that a request has been received for 2021 track car ("speeder") runs this year. All have been approved by the Operator.

The proposed 2021 railcar excursions are:

- May 15 – LVRR
- May 16 – NBER
- June 12 – NSHR
- June 13 – SVRR

Toys for Tots
November 20 – NSHR
November 21 - UCIR

*Dr. Spychalski Made a motion for the full Board to approve the speeder runs as listed above;
Mr. Graham seconded the motion; motion carried.*

Attorney Schrack stated there is nothing else for public session at this time. Attorney Schrack stated the Operations Committee held two executive sessions: January 13, 2021 after the JRA Board Meeting and on February 9, 2021. No action was taken or recommended.

Chairman Showers recessed the regular meeting at 1:53 p.m. to convene into executive session at 2:02 p.m.

Chairman Showers reconvened the regular meeting at 3:05 p.m.

Attorney Schrack stated that the Authority Board held discussion with its solicitor regarding the ongoing RFP litigation. There is no action recommended at this time.

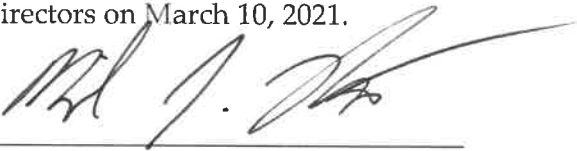
With there being no further business to come before the JRA Board, Chairman Showers adjourned the meeting at 3:06 p.m.

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 March 10, 2021.



Secretary/Assistant Secretary