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**SEDA-COG JOINT RAIL AUTHORITY MEETING**  
**Wednesday, June 8, 2022**  
**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)  
Brent Jones, Clinton County  
Rob Postal, Mifflin County (via teleconference)  
David Schultz, Lycoming County  
John Spsychalski, Centre County  
Matt Weigle, Columbia County (via teleconference)

**JRA OPERATOR**

Jeb Stotter, President & CEO (via teleconference)  
Diana Williams, Treasurer/Controller

**GUESTS**

Mark Rosner, Carload Express  
Ed Sigl, First National Bank (via teleconference)  
Sam Simon, Esq., Houston Harbaugh (for Carload Express) (via teleconference)  
Scott Williams, Lycoming County Planning

**LEGAL COUNSEL**

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

**JRA CONSULTING PROFESSIONALS**

Dan Mazur, Operating Agreement Consultant

**JRA STAFF**

Kay Aikey, Program Assistant  
Kyle Postupack, Property & Maintenance of Way Manager  
Jeff Stover, Executive Director

## CALL TO ORDER

### Call to Order

The Chairman called the meeting to order at 12:37 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 May 11, 2022, JRA Meeting Minutes

*Dr. Spychalski made a motion for the Board to approve the May 11, 2022, JRA Meeting Minutes; Mr. Schultz seconded the motion; motion carried.*

### Treasurer’s Report

Mr. Harvey presented the Treasurer’s Report for the month of May 2022, 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. Gummo made a motion for the Board to accept the Treasurer’s Report for the month of May 2022 and file for audit; Ms. Hoover seconded the motion; motion carried.*

### Staff Report and Events Calendar

Mr. Stover stated that he received notice on Tuesday that the grant agreement for the RTAP15 time extension has been approved. The reason this is important is because the deadline for

completion of the Iron Bridge (LVRR Antlers IT Bridge 179.44) and NBER Bridge 33.84 (Curtin Bridge) has to be done by August 31. There is an opportunity until July 15<sup>th</sup> to ask for another extension if needed. A notice was received June 8<sup>th</sup> that the grant agreement for the RTAP21 which is the new bridge package for a total of \$3.5 million has been approved.

Mr. Stover stated at the suggestion of the Board Chairman, all the current JRA projects are included in the Staff Report in greater detail. These are all active projects. Mr. Stover summarized the upcoming meetings.

### **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.

### **OLD BUSINESS**

#### **Bridge Engineer's Report**

The Bridge Engineer's Report was provided in the meeting packet. Mr. Stover gave a brief update to the Board on items included in the Bridge Engineer's Report.

Mr. Postupack stated that Mr. Shura is going to have a mandatory pre-bid meeting for the Newberry parking lot on June 23<sup>rd</sup>.

### **NEW BUSINESS**

#### **Grant Application for LVRR Bridge 171.30 at Larry's Creek**

Mr. Stover stated that Mr. Shura is preparing an "order of magnitude" cost to build a new LVRR crossing over SR220 to Interstate standards. He stated that PennDOT District 3-0 still has an interest in the project. A call with Lycoming County Planning, which included Transportation Supervisor for Lycoming County, Scott Williams, was held June 1<sup>st</sup> to determine county interest. This is a very long-term project that needs to be balanced with current, short- and mid-term JRA financial demands.

Mr. Stover stated that based on the call with Lycoming County Planning and Mr. Williams, there seems to be a lot of support to change the scope to just raising the bridge to a clearance of 16'-1" which is the Interstate standard. This would not be a new structure but would be similar to what was submitted previously under the RAISE and BUILD applications.

Mr. Stover stated the JRA would be looking to Mr. Williams to get some of the language that Lycoming County used for the RAISE and BUILD grant.

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Mr. Stover stated that the Lycoming County Commissioners may participate in some of the local share. The local match is 80/20.

Mr. Stover stated that the bridge will be repainted as part of the budget.

Mr. Postupack showed a slide of Bridge 171.30 on the LVRR Avis Branch.

*Dr. Spychalski made a motion for the Board to authorize an application for this project; Mr. Harvey seconded the motion; motion carried.*

**Selinsgrove Wood-Mode Crossties**

Mr. Stover stated as previously reported to the board, the Selinsgrove line's tie conditions decline the further west one travels. Of immediate concern is establishing a runaround track to operate the spur efficiently and safely.

A runaround exists on Wood-Mode property. Wood-Mode has agreed to allow the NSHR to use the siding under agreement. The final form of agreement and who will be the signatories needs to be determined.

At present, the existing runaround is unusable due to tie and switch timber conditions. The NSHR is prepared to provide the labor and equipment to install 291 crossties and 19 switch timbers if the JRA can purchase the materials. Total cost to the JRA would be \$18,296.

Mr. Postupack showed a slide of the Wood-Mode runaround track.

*Mr. Hormell made a motion for the full Board to approve the JRA's donation of \$18,296 to purchase crossties and switch timbers to make the Wood-Mode runaround track operational; Mr. Harvey seconded the motion; motion carried.*

**RACP Ratification for Button Holdings Additional \$400,000 Grant**

Mr. Stover stated that the initial RACP grant application that the JRA submitted on behalf of Button Holdings was for \$1.4 million. The grant award was reduced to \$1 million.

In mid-May JRA staff received word that the remaining \$400,000 has now also been approved. The Commonwealth requested the applicant either accept or reject the additional amount. Button would like the additional grant, which it will match.

A letter was sent to the Office of the Budget, which needs to be ratified by the Board.

*Mr. Schultz made a motion that the full Board ratify the Executive Director's acceptance of the additional RACP grant of \$400,000 for the Button Holdings project in Point Township; Mr. Jones seconded the motion, motion carried.*

#### PROPERTY MANAGEMENT COMMITTEE

Committee Chairman Jenkins reported on the work of the Property Management Committee which met at 11:00 a.m. Items discussed at the PMC meeting will not be rehashed at the same level of detail as the committee discussion. If additional information is needed, diagrams and other details can be found in the PMC meeting packet. Recommendations from the PMC will be made to the full Board for approval. Members are afforded an opportunity to ask questions and discuss before considering approval of such recommendations.

#### Bridgewell Resources LLC Amendment to Lease (Newberry Yard)

Committee Chair Jenkins stated that Bridgewell Resources contacted JRA staff about amending their current lease to include the center section of the pole yard in the Newberry Yard which is 1.65 acres of additional space. Bridgewell will be assessed an annual rent of \$5,000 for the additional space via an amendment to the original agreement. For the initial agreement, they are paying \$6,400, so they will be paying a total of \$11,400 annually and will be subject to CPI increases per the JRA's Fee Schedule.

*Mr. Hormell made a motion for the Board to approve the amendment to the lease agreement for Bridgewell Resources LLC; Ms. Hoover seconded the motion; motion carried.*

#### Crown Castle Fiber LLC License Agreement (NBER – Bellefonte)

Committee Chairman Jenkins stated that Crown Castle Fiber LLC contacted staff about constructing an overhead fiber cable within the public right-of-way at the Willowbank Street grade crossing in Bellefonte. The vertical clearance of the facility will be no less than 30.6' from top of rail with sag. An engineering review fee of \$500 will be assessed per the JRA Fee Schedule.

*Mr. Jenkins made a motion for the Board to approve this license agreement with Crown Castle Fiber LLC; Mr. Hormell seconded the motion; motion carried.*

#### SEDA-COG JRA Temporary Easement and Quitclaim Land Sale with Spring Township (NBER – Spring Township)

Mr. Postupack stated that Spring Township is rehabilitating township bridge T-942 over Buffalo Run in Lower Coleville Road. The township is requesting a temporary construction easement for 0.017-acres of the JRA's right-of-way to complete work along the stream bank. The township will pay the JRA \$200 for the temporary easement. Additionally, the township is

requesting the JRA quitclaim 0.008-acres of the land for \$300 that will be added to the Lower Coleville Road right-of-way. The JRA will be compensated a total of \$500.

*Mr. Jenkins made a motion for the Board to approve the temporary easement agreement for 0.017-acres with Spring Township; Dr. Spychalski seconded the motion; motion carried.*

*Mr. Jenkins made a motion for the Board to approve the quitclaim 0.008 acres of land to Spring Township; Dr. Spychalski seconded the motion; motion carried.*

Committee Chairman Jenkins stated that members of the PMC held brief discussion regarding the JRA Fee Schedule rent increases. The committee will review the revised JRA Fee Schedule and make a final presentation at the September Board meeting for approval. The increases will be for new leases, not for current leases.

Chairman Graham stated that discussion was also held regarding the CPI increase. Mr. Postupack stated the two proposed changes are doing an increase of 10% across the board for the Fee Schedule and adjust the CPI increase to include "All items" rather than the currently used index "All items less food and energy." Mr. Postupack stated the Fee Schedule has not been revised since 2019.

## **PASSENGER EXCURSIONS COMMITTEE**

Committee Chairman Spychalski reported that the Passenger Excursions Committee held a meeting at 10:00 a.m. Committee Chairman Spychalski stated that the principal task for this committee was to review the conditions and to try to identify possible actions for excursion service on the LVRR and NBER in 2022, specifically conditions relating to the movement of the passenger equipment required for those excursions between the Northumberland Yard and the various points involved in the Williamsport and Bellefonte areas. Committee Chairman Spychalski stated this remains a work in progress. There is no action item to report or request at this time.

## **LEGAL**

### **Legal Issues**

Attorney Schrack stated there is one item in public session that requires consideration by the Board.

### **Monroe Township MOU – River Road Grade Crossing (Selinsgrove)**

Mr. Stover stated this item is related to the Selinsgrove Industrial Track and is the River Road Grade Crossing which is on the Power Plant Lead that goes from the Y at Selinsgrove north to the former Sunbury Generation Plant. This grade crossing is in poor condition and because of

its condition, Monroe Township had applied to the PUC to abolish the crossing. JRA staff met with members of the township and the PUC at the site, and they are comfortable if the crossing is rehabilitated to withdraw their application with the PUC. A Memorandum of Understanding was prepared by Attorney Schrack and is being reviewed by the township solicitor. The MOU calls for the JRA (with NSHR) to remove the deteriorated crossing timbers and some of the asphalt 15 feet each way from centerline of track. The Township will pave the crossing as part of a wider project.

This item will be tabled and discussed at the August JRA Board meeting for potential action.

### Operating Agreement Consultant's Report

Mr. Dan Mazur presented the Operator's first quarter 2022 results via PowerPoint.

#### 1 Q 2022 Transportation Expense Ratio

- Target: About 43%
- Results for 1Q 2022
  - Higher than Target
  - Higher than 1Q 2021
  - Higher than 1Q 2022 Budget
- Total transportation expenses slightly lower than budget, but lower than expected revenue resulted in a higher ratio.

#### 1Q 2022 Maintenance of Way Ratio

- Target: About 21%
- Results for 1Q 2022
  - Higher than Target
  - Higher than 1Q 2021
  - Higher than 1Q Budget
- Total maintenance of way expenses higher than budget due to early start of maintenance of way work with an earlier than budgeted purchase of ties.
- Lower than expected revenue resulted in a higher ratio.

Mr. Mazur stated that he has additional and detailed information but recommended discussing that confidential and proprietary information in executive session.

Chairman Graham recessed the regular meeting at 1:23 p.m. to convene into executive session at 1:30 p.m.

Chairman Graham reconvened the regular meeting at 1:59 p.m.

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Attorney Schrack stated that the JRA Board had recessed into executive session where the Board's consultant, Dan Mazur, continued the confidential portion of his operator's report. After that occurred, Mr. Mazur and the operator's representatives left and the JRA Board had

privileged and confidential discussion with its legal counsel regarding the RFP litigation and personnel matters. No action was taken, and no action is recommended to be taken at this time.

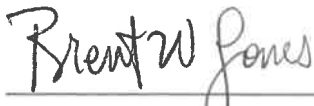
With there being no further business to come before the JRA Board, Chairman Graham adjourned the meeting at 2:00 p.m.

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 August 10, 2022.



Secretary/Assistant Secretary