



SEDA-COG JOINT RAIL AUTHORITY MEETING MINUTES
Wednesday, April 10, 2024
SEDA-COG Boardroom, Lewisburg, PA
12:30 p.m.

AUTHORITY MEMBERS PRESENT

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

JRA OPERATOR

Zac Mahaffay, NSHR Director of MoW
Jeb Stotter, President & CEO
Diana Williams, Treasurer/Controller

GUESTS

John Ashbridge, Carload Express
Erik Bergenthal, Carload Express Legal Council (via teleconference)
Baron Emery, Carload Express
Richard Robey, retired

JRA LEGAL COUNSEL

John Bee, Esq., McQuaide Blasko
Thomas Schrack, ESQ., McQuaide Blasko

JRA CONSULTING PROFESSIONALS

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Dan Mazur, Operating Agreement Consultant
Stephen Lendway, Operating Agreement Consultant
Paul Jannotti, Jannotti Rail Consulting Inc.
Sam Jannotti, Jannotti Rail Consulting Inc.
Jason Shura, P.E., Stiffler McGraw (via teleconference)

JRA STAFF

Steven Beattie, Executive Director
Kyle Postupack, Property & Maintenance of Way Manager
Tina Heintzelman, Program Assistant

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. There were no public comments.

Ms. Wakeman reported on the industrial development forum at Bloomsburg University.

ADMINISTRATIVE ITEMS

Approval of the February 14, 2024, JRA Meeting Minutes

Dr. Spychalski made a motion for the Board to approve the February 14, 2024, SEDA-COG Joint Rail Authority Meeting Minutes; Mr. Dombrowski seconded the motion; motion carried.

Treasurer's Report

Ms. Wakeman presented the Treasurer's Report for February and March, 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 February and March 2024; Ms. Perez seconded the motion; motion carried.

Resolution 24-02; Digital signature for eGrants System

Resolution authorizing Mr. Beattie to digitally sign applications and agreements under the PennDOT eGrants program.

Dr. Spsychalski made a motion for the Board to approve the resolution authorizing the executive director to digitally sign applications and agreements under the PennDOT eGrants program, Mr. Krentzman seconded the motion; motion carried.

Staff Report and Events Calendar

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

- JRA staff are working on the 2023 Audit with Baker Tilly. On-site audit occurred on March 28; Adam Hartzel will present final draft audit to the Board at the May 8 meeting for final approval.
- Mr. Beattie attended the Milesburg Borough Council meeting on March 6 to obtain executed access/construction easements needed for the right-of-way clearance for Milesburg Multi-modal NBER 30.94 Replacement.
- Mr. Beattie approved a revised timetable for BHRS passenger excursions scheduled for April 27 and 28.
- JRA staff visited Penn State Altoona on April 4 for a senior capstone presentation concerning improvements to the NBER.
- SVRR Section 130 Corridor Grade Crossing upgrades – Signal work is ongoing and surfacing work is set to begin in June.

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

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

- Plan reviews for the Anthracite Waterline crossing were completed and several are still being worked on.
- Bridge safety inspections began Feb. 29. The NBER is complete, all reports have been prepared and are in quality assurance review. JRA staff should get the report by the end of April. Inspectors started work on the LVRR on April 8, with the inspection to be completed in May. Interim inspection was complete on the Route 220 bridge on the LVRR due to a vehicle impact. The report was submitted to JRA staff.
- All punchlist items on Contract 2023-1 on the LVRR are complete, closeout documents are in hand and will be presented at the May Board meeting for closeout of the project.
- Engineers are working with George Anderson of Chesapeake Thermo Welding on shop drawings for the Shamokin Valley Railroad Section 130 Corridor Project.

NEW BUSINESS

Jannotti Rail Consulting Inc.

Mr. Sam Jannotti reviewed the 2023 Track Inspection Report with the Board and indicated his approval of the Operator's 2024 Maintenance of Way Plan.

RACP Cooperation Agreement with PRIME PA LLC

Mr. Beattie briefly summarized the RACP Cooperation Agreement between the JRA and PRIME PA LLC.

Ms. Wakeman made a motion for the Board to approve the agreement; Mr. Dombroski seconded the motion; motion carried.

Approval of JVRR PennDOT 130 Safety Upgrades Engineering Confirmation of Assignment Revision

Mr. Beattie reviewed the revisions to the agreement to include the on-ramp to Routes 522/322, which was not part of the original scope of services. The revision also removed the need for a DEP Chapter 105 permit from the scope and reduces the overall engineering fee from \$51,000 to \$47,800.

Mr. Postal made a motion for the Board to approve Shiffler McGraw Confirmation of Assignment Revision in the amount of \$47,800 for engineering services for JVRR Section 103 Safety Upgrades; Mr. Schultz seconded the motion; motion carried.

Bid Opening and Notice of Award; NBER Bridge 30.94 Replacement Project Contract 2024-03

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Mr. Beattie stated the bid opening for the replacement of a shared use bridge at NBER Bridge MP 30.94 on the Nittany Main and Milesburg Borough's Railroad Street Project occurred on April 8. Eight bids were received with the lowest responsible bidder determined to be Lycoming Supply Inc. at a bid of \$1,255,626.85 contingent on the Mid-Centre County Authority accepting Bid Alternate No. 1 of \$168,430 and receiving approval from PennDOT and receipt of acceptable insurance/bonding. John Nastase Construction withdrew its bid due to a mathematical error.

Dr. Spychalski made a motion to approve JRA Contract 2024-03, NBER Bridge 30.94 Replacement Project to the lowest bidder, Lycoming Supply Inc. at the bid of \$1,255,626.85 contingent on the Mid-Centre County Authority accepting Bid Alternate No. 1 and receiving approval from PennDOT and receipt of acceptable insurance/bonding; Ms. Perez seconded the motion; motion carried.

REPORTS FROM COMMITTEES

Property Management Committee

1a. Greek Development LLC First Amendment to Lease (NSHR – Bloomsburg)

Greek Development has been leasing a 3,700-square-foot portion of the JRA ROW in Bloomsburg since 2021. The term of the original Lease has expired, and the lessee would like to renew for an additional three years. The lease will automatically renew for another three years unless the lessee or the JRA terminates it upon 90 days written notice. Greek Development, LLC paid \$4,047.46 in 2024 for the leased area, and that amount will increase with annual CPI increases in future years.

Mr. Hormell made a motion for the Board to approve amendment to the lease agreement; Ms. Wakeman seconded the motion; motion carried.

1b. Sons & Daughters of Italy Land Lease (NBER – Lock Haven)

The Sons & Daughters of Italy contacted JRA staff about leasing a piece of JRA property to construct a parking lot to be used for overflow parking. The lessee would be responsible for constructing the parking lot and all costs associated with the construction and future maintenance. The estimated cost to build the parking lot is \$15,000. The lease is for two years, and the lessee would pay \$2,000 per year, subject to annual CPI increases. The \$1,000 application fee was waived due to the lessee's \$15,000 investment.

Mr. Park made a motion for the Board to approve the lease agreement; Mr. Jones seconded the motion; motion carried.

1c. Tuscarora Grain Company License Agreement (NSHR – S. Centre Twp.)

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Tuscarora Grain Company (TGC) has been leasing the Knorr-owned granary just west of Berwick for several years now but does not have an agreement with the JRA to use the runaround track. JRA staff worked with TGC to enter into a License Agreement for the runaround and JRA property. The agreement's term is 5 years, with a one-time license preparation fee of \$880 and an annual fee of \$6,000, which is subject to annual CPI increases.

Mr. Park made a motion for the Board to approve the license agreement; Ms. Wakeman seconded the motion; motion carried.

1d. Bridgewell Resources LLC License Agreement (Newberry Yard)

Bridgewell Resources LLC has agreements to load and store utility poles in the Newberry Yard. Bridgewell contacted JRA staff about using additional land in the Newberry Yard for additional storage area. Two different areas, 0.8 acres, and 0.5 acres sites, will be used for storage. Bridgewell will license these two areas under a single agreement for a 6-month term that will automatically renew for an additional 6 months unless terminated by them or by the JRA.

Mr. Park made a motion for the Board to approve the license agreement; Mr. Gummo seconded the motion; motion carried.

1e. Asbury Carbons Easement Agreement (SVRR – Upper Augusta Township)

Asbury Carbons contacted JRA staff about constructing a 2-inch insulated waterline enclosed in an HDPE jacket and a 230-volt electric wire to power the well pump with everything installed in a 6-inch stainless steel pipe to be attached to an existing concrete culvert under the SVRR. The line will provide water to Asbury Carbons from a well on the south side of the SVRR but off the JRA ROW. Asbury Carbons will be assessed an annual fee of \$750 and subject to annual CPI increases in addition to a one-time \$1,000 agreement preparation fee.

Mr. Park made a motion for the Board to approve the agreement; Mr. Krentzman seconded the motion, with Lisa Hoover abstaining; motion carried.

LEGAL

Mr. Lendway presented the Operator's year-end financial and the 2024 budget via PowerPoint.

2023 Transportation Expense Ratio

- Target: About 40%
- Results for 4Q 2023
 - Lower than Target
 - Higher than 2022
 - Lower than 2023 Budget

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- Results for all of 2023
 - Lower than Target
 - Lower than 2022
 - Lower than 2023 Budget

2023 Maintenance of Way Ratio

- Target: About 21%
- Results for 4Q 2023
 - Higher than Target
 - Significantly lower than 2022
 - Significantly higher than 2023 Budget
- Results for all of 2023
 - Significantly higher than Target
 - Significantly higher than 2022
 - Slightly higher than 2023 Budget

2024 Budget Transportation Expense Ratio

- Target: About 40%
- 2024 Budget
 - Lower than Target
 - Higher than 2023

2024 Budget Maintenance of Way Expense Ratio

- Target: About 21%
- 2024 Budget
 - Significantly higher than Target
 - Lower than 2023

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

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

Chairman Graham recessed the regular meeting at 1:44 p.m. to convene into executive session at 2 p.m.

Chairman Graham reconvened the regular meeting at 4:02 p.m.

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Solicitor Schrack stated that the JRA Board held an executive session with Solicitor and JRA staff concerning ongoing litigations and property matters. No action was taken in executive session and no action is recommended to be taken at this time.

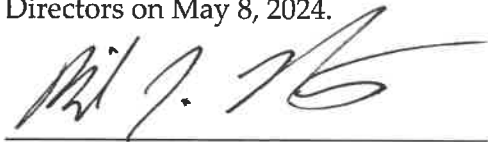
With there being no further business to come before the JRA Board, Chairman Graham adjourned the meeting at 4:03 p.m.

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 May 8, 2024.



Secretary/Assistant Secretary