



SEDA-COG JOINT RAIL AUTHORITY MEETING MINUTES
Wednesday, Dec. 11, 2024
Union County Government Center, Lewisburg, PA
3:00 p.m.

AUTHORITY MEMBERS PRESENT

Russ Graham, Centre County
John Gummo, Clinton County
Scott Harvey, Lycoming County
Lisa Hoover, Northumberland County
Robert Hormell, Northumberland County
Brent Jones, Clinton County (via teleconference)
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 (via teleconference)
Eric Winslow, Union County
Chuck Wunz, Union County

JRA OPERATOR

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

GUESTS

John Ashbridge, Carload Express
Sam Simon, Carload Express Legal Counsel (via teleconference)
Jeff Pontius, Penn Valley Railroad
Andy Wagner, Penn Valley Railroad

JRA LEGAL COUNSEL

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

JRA CONSULTING PROFESSIONALS

Stephen Lendway, Operating Agreement Consultant
Jason Shura, PE, Stiffler McGraw

JRA STAFF

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

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Call to Order

The Chairman called the meeting to order at 3:09 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 November 13, 2024, JRA Meeting Minutes

Mr. Hormell made a motion for the Board to approve the November 13, 2024, SEDA-COG Joint Rail Authority Meeting Minutes; Mr. Krentzman seconded the motion; motion carried.

Treasurer’s Report

Ms. Wakeman presented the Treasurer’s Report for November, 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.

Ms. Hoover made a motion for the Board to accept the Treasurer’s Report for the month of November 2024; Mr. Gummo seconded the motion; motion carried.

Staff Report and Events Calendar

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

- The CPI for 2024 is 3.3% and that will be applied to all agreements where CPI adjustments are made annually.
- The Total Capital Improvement expenditures by the JRA in 2024 equaled \$6,950,000.

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- Met with the City of Williamsport regarding planning and funding for a Basin Street pedestrian crossing for access to the Lycoming County RiverWalk. This project is in the conceptual design stage.
- Attended RTAP 21 bridge project walkthroughs with Mr. Shura and PennDOT staff for all 7 bridges related to that project and have received signoffs from PennDOT.
- The final agreements for Track 5 West in Newberry Yard have been signed by all parties and recorded at Lycoming County. Mr. Graham mentioned that Reading was very complimentary of legal counsel and Steven for getting it done very quickly and professionally.
- RTAP 22 Hilex and Bellefonte Yard improvements were completed and punchlist was done Dec. 10.

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

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

- There are no active plan reviews.
- Load Rating computations are complete. SMA, JRA, and NSHR met to discuss potentially increasing the safe load capacity on the Selinsgrove Industrial Track (SIT) from 274 kips to 286 kips. He said the capacity can be raised to 286 kips by addressing two points: The minimum car length between couplers would be increased to 50 feet and four cracks on bridge 0.09 over the Susquehanna River would need to be stop-drilled to ensure the cracks don't propagate and create any issues moving forward. He said formal recommendations will be sent out next week. Mr. Beattie stated that this all came from the FRA audit done in August and the timetable needs to be revised by Dec. 31. If the cost related to this work is more than the public bidding threshold, the change to the timetable will need to be delayed. He also mentioned that over the past 2 years many rail cars going to Kremer Feed had to be redirected to another railroad because they were overweight. He also expects carloads to increase on the SIT after the work is completed.
- Final walkthrough with Bureau of Rail Freight on the RTAP 21 project was completed on Nov. 20 and 21.

NEW BUSINESS

Final 2025 JRA Budget

The 2025 budget is generally the same as presented in November. Changes were made to the starting balance, capital spending, reimbursements and the addition of an insurance consultant

expense. These refinements show a budget surplus of \$187,000, which bodes well for the planned large capital expenditures in 2027-28.

Mr. Harvey made a motion to approve the final 2025 JRA Budget; Mr. Gummo seconded the motion; motion carried.

3-Year Auditor Services Confirmation

Baker Tilly completed their three audit services originally authorized by the Board in March 2022. Baker Tilly proposes a 3-year extension for Auditor services including federal single audit necessary based on federal funds received in 2024 and anticipated in 2025. Baker Tilly proposes the following fee: \$26,000 plus \$5,600 for federal single audit for 2024; \$27,300 plus \$5,900 for federal single audit for 2025; \$28,650 plus \$6,175 for federal single audit for 2026. The actual cost for the recently completed 2023 audit was \$25,225 due to some additional adjustments made.

Ms. Perez made a motion to accept 3-year Auditor Services to Baker Tilly for 2024, 2025, and 2026 audit years and authorize executive director to proceed; Mr. Wunz seconded the motion; motion carried.

Bid Opening and Notice of Award; Selinsgrove Industrial Track Grade Crossing Replacement Project Contract 2024-04

Bid opening occurred on December 6th. Three bids were received. This project is for the rehabilitation of five at-grade crossings on the SIT in Snyder County. Four crossings will be replaced at North Market Street, Clifford Road, Pawling Station Road and Freeburg Road. A fifth crossing at University Avenue will include improvements to adjacent sidewalks. The existing crossing at Strawberry Alley will be removed as part of the North Market Street crossing replacement. The project estimate was opinioned at \$1,496,730. The apparent low bidder was Lycoming Supply Inc. with a Base Bid of \$1,456,255.01.

Mr. Park made a motion to award JRA Contract 2024-04, Selinsgrove Industrial Track Grade Crossing Replacement Project to the lowest responsible bidder, Lycoming Supply Inc., with a base bid of \$1,456,255.01, contingent on receipt of acceptable insurance/bonding and PennDOT approval; Mr. Krentzman seconded the motion; motion carried.

Ratify Change Order No. 1 for Contract 2024-01 (NBER 16.75 and 36.90)

Contract 2024-01 is part of the RTAP 21 Bridge Bundle Project and is 70% funded by PennDOT RTAP 21 funding; The contract award was in the amount of \$859,999, approved by the Board on February 14, 2024, for NBER Bridges 16.75 on the Bell Branch and NBER Bridge 36.90 on the Nittany Main. A contract decrease of \$220,812 is presented for adjustment of work item quantities balancing of actual work installed versus bid quantities, with the largest reduction being in shotcrete repairs. The new contract price is reduced to \$639,187.

Mr. Hormell made a motion to ratify approval of Change Order No. 1 for Contract 2024-01 in the deduct amount of \$220,812 to Lycoming Supply Inc.; Mr. Schultz seconded the motion; motion carried.

Approval of Payment Application No. 3 for Contract 2024-01

Contract 2024-01 is part of the RTAP 21 Bridge Bundle Project and is 70% funded by PennDOT RTAP 21 funding; The contract award was in the amount of \$859,999, approved by the Board on February 14, 2024, for NBER Bridges 16.75 on the Bell Branch and NBER Bridge 36.90 on the Nittany Main. The project is 100% complete. Payment Application No. 3 is in the amount of \$220,284.75 and includes the balancing change order deduction for Agenda Item No. 4.

Mr. Park made a motion to approve Payment Application No. 3 for Contract 2024-01 in the amount of \$220,284.75 for payment to Lycoming Supply Inc.; Mr. Gummo seconded the motion; motion carried.

Approval of Payment Application No. 1 for Contract 001.2023.01

Contract 001.2023.01 is for Nittany and Bald Eagle Bellefonte Yard & Hilex Turnout improvements. The original contract amount was \$1,194,752, approved by the Board on September 13, 2023. This project is funded from the RTAP 22 Award and is 70% funded by PennDOT. This project is essentially 100% complete with minor punch-list items and final contract close-out in process. The final pay application will be presented to the Board in January. Payment Application No. 1 is in the amount of \$433,792. This is the first of two payment applications for this project.

Mr. Gummo made a motion to approve Payment Application No. 1 for Contract 001.2023.01 in the amount of \$433,792 for payment to Chesapeake Thermite Welding LLC; Mr. Winslow seconded the motion; motion carried.

REPORTS FROM COMMITTEES

Property Management Committee

1a. Centre Concrete Co. – Track License Agreement (NBER – College Twp.)

JRA staff has been working with Centre Concrete on a non-exclusive license for 100 linear feet of railroad track to unload materials off the main track. The term of the agreement is for one year with automatic renewal until terminated by the lessee. Centre Concrete will be assessed an annual license fee of \$8,400 in addition to a one-time license preparation fee of \$1,000.

Mr. Park made a motion for the Board to approve the track license agreement with Centre Concrete Co.; Mr. Krentzman seconded the motion; motion carried, with Mr. Graham abstaining.

1b. Centre Concrete Co. – Private Grade Crossing License Agreement (NBER – College Twp.)

Centre Concrete Company has a private crossing into their facility that is not under agreement with the JRA. A right of way over the railroad is noted in their deed, but this License Agreement will memorialize the private crossing with Centre Concrete and assign them future maintenance responsibilities. The term is perpetual for this agreement. Centre Concrete will not be assessed an annual license fee but will be charged a one-time license preparation fee of \$1,000.

Mr. Park made a motion for the Board to approve the private grade-crossing license agreement with Centre Concrete Co.; Mr. Krentzman seconded the motion; motion carried, with Mr. Graham abstaining.

1c. Centre Concrete Co. – Easement Agreement (NBER – College Twp.)

Centre Concrete built stormwater facilities on the JRA right of way sometime in the mid-2000s. JRA staff has been working diligently to get the encroaching stormwater facilities under agreement. The concrete stormwater catch basin is a “permanent” structure that cannot be easily removed. For this 3,568-square-foot easement, Centre Concrete will be assessed a one-time easement fee payment of \$7,136 in addition to a one-time easement preparation fee of \$1,000.

Mr. Park made a motion for the Board to approve the easement agreement with Centre Concrete Co.; Ms. Perez seconded the motion; motion carried, with Mr. Graham abstaining.

1d. *Old Dominion Freight Line LLC Private Grade Crossing License Agreement (WDR – White Deer Twp.)

JRA staff was contacted by Old Dominion Freight Line, LLC (ODFL) staff about constructing a private crossing on the White Deer & Reading Railroad. The JRA leases this portion of the track from the Central Pennsylvania Chapter of the National Railway Historical Society, which would be a third party and must approve this License Agreement per the JRA’s Lease Agreement. The crossing would be constructed with a heavy-duty tub surface and would be signalized. Drainage was also addressed during the review of this agreement. ODFL would be assessed an annual fee of \$2,000 and a one-time license preparation fee of \$3,434, which covers JRA Engineer Shura’s time reviewing this agreement. All plans have been reviewed and approved.

Mr. Park made a motion for the Board to approve the private grade crossing license agreement with Old Dominion Freight Line LLC; Mr. Winslow seconded the motion; motion carried.

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1e. *Old Dominion Freight Line LLC Utility Crossing License Agreement (WDR – White Deer Twp.)

JRA staff was contacted by Old Dominion Freight Line, LLC (ODFL) about constructing a new trucking terminal in White Deer Twp., Union County, Pa. ODFL needs to construct a 2" DIP sanitary sewer force main pipe under the WDR, which will be no less than 15' from bottom of railroad tie. The JRA leases this portion of the track from the Central Pennsylvania Chapter of the National Railway Historical Society, which would be a third party and must approve this License Agreement per the JRA's Lease Agreement. ODFL would be assessed an annual fee of \$415 and a one-time license preparation fee of \$1,000, which covers JRA Engineer Shura's time in reviewing this agreement. All plans have been reviewed and approved.

Mr. Park made a motion for the Board to approve the utility crossing license agreement with Old Dominion Freight Line LLC; Mr. Krentzman seconded the motion; motion carried.

1f. *Danville Municipal Authority Easement Agreement (NSHR – Danville Borough)

JRA staff has been working with the Danville Municipal Authority (DMA) and their engineer on an agreement to construct 1,008 linear longitudinal feet of 18" underground sewage pipe, five manholes, and two underground 18" transverse sewer pipe crossings, +/- 550' NW of the Wall Street grade crossing on the NSHR in Danville. For this perpetual easement, DMA will be assessed a one-time fee of \$280,460, in addition to a one-time easement preparation fee of \$3,032.50, which covers the JRA staff and JRA engineer's time reviewing and approving the plans of this project.

Mr. Park made a motion for the Board to approve the easement agreement with Danville Municipal Authority; Mr. Hormell seconded the motion; motion carried.

1g. *SCARE LLC License Agreement (SIT – Selinsgrove Borough)

JRA staff has been working cooperatively with PennDOT, Operator staff, and JRA Engineer Shura on a Section 130 Corridor Safety Upgrade Project on the SIT. As part of this project, the Market Street grade crossing surface will be upgraded to a heavy-duty tub, and the signals will also be replaced with a cantilever. A 201.42-square-foot area of private property owned by SCARE LLC is needed to install the signal cantilever on the southeast quadrant of the grade crossing. JRA staff has offered SCARE LLC a one-time \$4,000 payment, reimbursed through Section 130 funds, and a 6' wide licensed area on the JRA ROW that will run from Market Street to Strawberry Alley. SCARE LLC will be required to construct a barrier to protect the track. The license agreement is not transferrable and will terminate if SCARE LLC sells the property.

Mr. Park made a motion for the JRA Board to approve the license agreement with SCARE LLC; Ms. Hoover seconded the motion; motion carried.

1h. *SCARE LLC Easement Agreement (SIT – Selinsgrove Borough)

As part of this project, a 201.42-square-foot area of private property owned by SCARE LLC is needed to install the signal cantilever on the southeast quadrant of the grade crossing. The easement area will contain the base of the signal cantilever and will be surrounded by bollards to protect it. JRA staff has offered SCARE LLC a one-time \$4,000 payment, reimbursed through Section 130 funds, and a 6' wide licensed area on the JRA ROW that will run from Market Street to Strawberry Alley. The licensed area will be used for parking and ingress/egress of vehicles. SCARE LLC will also be required to construct a barrier to protect the track. The term for this Easement Agreement is perpetual and will run with the land should the property be sold.

Mr. Park made a motion for the Board to approve the easement agreement with SCARE LLC; Ms. Hoover seconded the motion; motion carried.

1i. Comcast Cable Communications Management, LLC License Agreement (NSHR – S. Centre Twp.)

Comcast Cable Communications Management, LLC (Comcast) contacted JRA staff about overlashing an existing wire with a new 48ct fiber optic cable, just east of the Market Street grade crossing in South Centre Twp., Columbia County. The transverse overhead crossing will be no less than 29' from top of rail with sag. Comcast will be assessed an annual fee of \$2,530 and a one-time fee of \$1,000 for the license preparation fee. All plans have been reviewed and approved.

Mr. Park made a motion for the Board to approve the license agreement with Comcast Cable Communications Management LLC; Ms. Perez seconded the motion; motion carried.

LEGAL

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

Operating Agreement Consultant's Report

Mr. Lendway presented the Operator's third quarter financials for 2024 via PowerPoint.

2024 Transportation Expense Ratio

- Target: About 40%
- Results for Q3 2024
 - Lower than Target
 - Much higher than Q3 2023
 - Much lower than Q3 2024 Budget

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2024 Maintenance of Way Ratio

- Target: About 21%
- Results for Q3 2024
 - Much higher than Target
 - Much lower than Q3 2023
 - Much lower than Q3 2024 Budget

Mr. Lendway 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 3:52 p.m. to convene into executive session at 3:56 p.m.

Chairman Graham reconvened the regular meeting at 4:34 p.m.

Solicitor Schrack stated that the JRA Board held an executive session which included the Operator and Mr. Lendway for the confidential and proprietary portion of Mr. Lendway's report. The operator and Mr. Lendway then left and the Solicitor and JRA staff had an executive session concerning a real estate matter. 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 4:35 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 January 8, 2025.



Secretary/Assistant Secretary