



**SEDA-COG JOINT RAIL AUTHORITY MEETING  
WEDNESDAY, APRIL 12, 2017  
SEDA-COG, LEWISBURG, PA  
12:30 P.M.**

**PRESERVING  
RAIL FREIGHT  
SERVICE**

*serving the counties of*

**Centre**

**Clinton**

**Columbia**

**Lycoming**

**Mifflin**

**Montour**

**Northumberland**

**Union**

**AUTHORITY MEMBERS**

Stephen Bridy, Northumberland County  
Frank Dombroski, Montour County  
Russ Graham, Centre County  
John Gummo, Clinton County  
Scott Harvey, Lycoming County  
Tom Herman, Montour County  
Rick Jenkins, Columbia County  
Brent Jones, Clinton County  
Michael Krentzman, Mifflin County  
Dave Park, Columbia County  
Rob Postal, Mifflin County  
Don Purcell, Northumberland County  
John Showers, Union County  
John Spychalski, Centre County  
Jerry Walls, Lycoming County  
Eric Winslow, Union County

**JRA OPERATOR**

Todd Hunter, Chief Marketing Officer  
Gary Shields, President  
Jeb Stotter, Vice-President & Chief Operating Officer  
Diana Williams, Treasurer/Controller

**GUESTS**

Erik Bergenthal, Esq., Houston Harbaugh  
Alex Lang, Carload Express  
Steve Miller, Carload Express  
Dennis Shaffer, Reading & Northern Railroad

**LEGAL COUNSEL**

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

**JRA CONSULTING PROFESSIONALS**

Dan Mazur, Operating Agreement Consultant

**JRA STAFF**

Kay Aikey, Program Assistant  
George Fury, Property & Maintenance of Way Manager  
Jeff Stover, Executive Director

**SEDA-COG JOINT  
RAIL AUTHORITY**

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Affiliated with  
SEDA Council of Governments

**SEDA-COG Staff**

Liz Regan, Communications Manager

**CALL TO ORDER**

**Call to Order**

Chairman Showers called the meeting to order at 12:30 p.m.

**Pledge of Allegiance**

Chairman Showers led the Pledge of Allegiance.

**Welcome – Chairman’s Statements**

Chairman Showers 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.

Chairman Showers asked if anyone would be recording the meeting. No one expressed an intention to record the meeting.

**Public Forum**

Chairman Showers asked if there is any comment to come before the Board. No comments from the public.

**ADMINISTRATIVE ITEMS**

**Approval of the March 8, 2016 Meeting Minutes**

*Dr. Spychalski made a motion for the Board to approve the March 8, 2017 meeting minutes; Mr. Herman seconded the motion; motion carried.*

**Treasurer’s Report**

Mr. Harvey presented the Treasurer’s Report for the month of March 2017 as well as the JRA’s loan summary.

*Mr. Dombroski made a motion for the Board to accept the Treasurer’s Report for the month of March 2017 and file for audit; Mr. Purcell seconded the motion; motion carried.*

### Events Calendar

Mr. Stover presented the events calendar for April and May as well as the staff report.

Dr. Spychalski stated that tickets for the May 18 passenger excursion have been sold out; however, any member of the Authority's staff or board or employee of the freight railroad, is invited to ride as a guest, and there are spaces to accommodate any such persons who wish to ride.

Dr. Spychalski stated that on April 1 there were four trips for the passenger excursion sponsored by Downtown Bloomsburg, Inc., and it was relatively successful. Data on this will be provided at the May meeting. Dr. Spychalski stated there is another excursion to take place on May 27 out of Shamokin.

Mr. Stover congratulated North Shore Railroad for winning the 2017 Short Line of the Year award from *Railway Age* magazine. This is an achievement since there are over 500 short line railroads from around the country. They will also receive a 2017 American Short Line Regional Railroad Association Marketing Award.

*Mr. Walls made a motion for the Rail Authority Board to express its appreciation to North Shore Railroad for demonstrating the level of expertise, services and accomplishments necessary to earn that award; Mr. Park seconded the motion; motion carried.*

### Operator's Status Report and Business Forecast

Mr. Shields referred to the Operator's Report included in the packet.

Ms. Williams reported that February 2017 operating fee revenue was strong for the first two months of the year.

### **OLD BUSINESS**

#### Bridge Engineer's Report

The April Bridge Engineer's Report was provided as a handout to Board members.

#### LVRN Newberry Corridor Support Letter for Quiet Zone

Mr. Fury stated that the safety improvements to the grade crossings in Newberry have been completed. This work consisted of the closure of Depot Street and the installation of four-quadrant gates at Arch and Howard Streets. These safety improvements set the stage for the City of Williamsport to contact the Federal Railroad Administration (FRA) regarding designating

the Newberry Corridor as a "quiet zone", whereby the LVRN locomotive crews will not need to blow the horn.

The FRA “quiet zone” process requires the railroad owner to send a letter to the City asserting that it does not object to its design nor implementation. The text of the letter needs to include “The SEDA-COG Joint Rail Authority has reviewed the Notice of Interest to establish a Quiet Zone in the Newberry Section of the City of Williamsport, from Howard to Arch Streets, and takes no exception, nor has any comments regarding the design, establishment and designation of said Quiet Zone”.

*Mr. Walls made a motion for the full Board to authorize the Executive Director to prepare and sign a letter to the City of Williamsport supporting the City of Williamsport’s application for a Newberry “quiet zone” and takes no exception; Mr. Bridy seconded the motion; motion carried.*

### **NBER – Robinson Lane Ratification of Award**

Mr. Stover stated that on March 10, 2017, bids were opened for the reconstruction of the NBER Robinson Lane curve on the Pleasant Gap Industrial Track. Mr. Jannotti’s estimate, and the RFAP budget, is based on a \$425,000 total project cost.

The results were:

<b>Company</b>	<b>Bid</b>
K. W. Reese, Inc.	\$387,805.00
Ohio Track, Inc.	\$497,273.60
Railroad Constructors, Inc.	\$591,641.25
CTW	\$748,000.00
Amtrac Railroad Constructors of MD, Inc.	\$761,185.00
Armond Cassil Railroad Construction, Inc.	\$766,328.50
Acme Construction Co., Inc.	\$791,973.00

Mr. Jannotti and the PennDOT Bureau of Rail Freight have reviewed, and approved the bids.

Per the JRA Board’s action at the March 8, 2017 meeting, Mr. Jannotti awarded the project to K. W. Reese, Inc.

*Mr. Jenkins made a motion for the full Board to ratify the contract award to K. W. Reese for the Robinson Lane curve reconstruction in the amount of \$387,805.00; Mr. Winslow seconded the motion; motion carried.*

## **REPORTS FROM COMMITTEES**

### **PROPERTY MANAGEMENT COMMITTEE**

#### **Fee Schedule Amendment**

Mr. Fury stated that staff has revisited the Fee Schedule and would like to make two changes.

1. Simplify the fees assessed for pipes to \$100/inch, O.D., with a minimum charge of \$300.00.

2. Add language regarding the assessment of a “maintenance fee” for utilities located within the public right-of-way.

Board members were provided with a “redline copy as well as well as a “clean” version of the proposed changes to the Fee Schedule adopted in 2012 and modified a couple of times over the past 5 years. Board members were asked to review these documents for discussion and possible approval at the May JRA Board meeting.

## **LEGAL**

Attorney Schrack stated that there are a few legal items to be discussed in public session before the Board recesses into executive session.

Mr. Stover stated that staff has received a “speeder run” request from the Bellefonte Historical Railroad Society for the following two dates:

- Saturday, May 13 – this will run from the station to the Match Factory
- Tuesday, June 20 for the Bellefonte Cruise that will run from Gamble Mill to the Match Factory

Dr. Spsychalski stated that none of the proposed dates conflict with any scheduled passenger excursions.

***Dr. Spsychalski made a motion for the full Board to approve the “speeder runs” for May 13 and June 20 for the Bellefonte Historical Railroad Society; Mr. Purcell seconded the motion; motion carried.***

Attorney Schrack stated that the JRA had announced earlier this year that an Executive Committee was formed to handle the function of litigation strategy and discussions with the solicitor. The Executive Committee did hold an executive session teleconference with the solicitor on March 28 at 10:00 a.m. to discuss the ongoing RFP litigation. No action was taken during that teleconference and that discussion will carry into the discussion with the full Board in executive session.

Attorney Schrack recommended that the Board recess into executive session to discuss litigation matters with the solicitor.

Chairman Showers recessed the regular meeting at 1:15 p.m. for an Executive Session, which will convene at 1:20 p.m.

The Executive Session ended at 2:59 p.m.

Chairman Showers reconvened the regular meeting at 3:03 p.m.

Attorney Schrack stated that the Authority Board recessed into executive session to have discussion with its legal counsel concerning litigation items, primarily including the RFP litigation that is pending in Clinton County. Solicitor Schrack recommended the Authority contemplate taking action on two items coming out of that executive session.

***Mr. Gummo made a motion to engage RailSmart, LLC and its representatives to provide litigation consulting services to the Authority, and authorize the Chairman to execute the Consultancy Agreement in the same form presented to the Board for consideration; Mr. Winslow seconded the motion; motion carried.***

Attorney Schrack stated that the Consultancy Agreement is related to possibly the preliminary injunction, and Mr. Mazur who typically serves in a consulting relationship with the Authority, is going to be out of the country for the next few weeks. It was felt appropriate to seek additional assistance with RailSmart for court proceedings.

The second action is with the intent of seeking ensured continuity of rail service on the Authority's rail lines, in light of litigation in Clinton County concerning the RFP and in connection with the pending petition for preliminary injunction, the following motion is recommended:

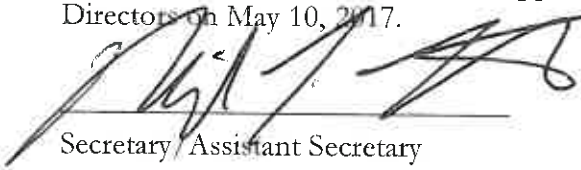
***With the intent of seeking ensured continuity of rail service on the Authority's rail lines and in connection with the pending Petition for Preliminary Injunction, Mr. Postal made a motion for the full Board to approve a Tolling Agreement between Carload Express and the Authority and authorize the Chairman to execute the same in the form presented to the Board; Mr. Purcell seconded the motion; motion carried unanimously.***

Chairman Showers adjourned the meeting at 3:05 p.m.

Respectfully submitted,

  
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Jeffery K. Stover, Executive Director

I hereby certify these minutes were approved by the SEDA-COG Joint Rail Authority Board of Directors on May 10, 2017.

  
\_\_\_\_\_  
Secretary / Assistant Secretary