



SEDA-COG JOINT RAIL AUTHORITY SPECIAL MEETING
Thursday, August 20, 2020
Virtual Meeting via Teleconference – 11:30 a.m.

**PRESERVING
RAIL FREIGHT
SERVICE**

serving the counties of

Centre
Clinton
Columbia
Lycoming
Mifflin
Montour
Northumberland
Union

**SEDA-COG JOINT
RAIL AUTHORITY**

201 Furnace Rd
Lewisburg
PA 17837

(570) 524-4491
fax 524-9190

jra@seda-cog.org
<http://jra.seda-cog.org>



Affiliated with
SEDA Council of Governments

AUTHORITY MEMBERS

Frank Dombroski, Montour County
Russ Graham, Centre County
John Gummo, Clinton 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 Spychalski, Centre County
Jennifer Wakeman, Montour County
Eric Winslow, Union County

JRA OPERATOR

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

GUESTS

Alex Lang, Carload Express
Kelly O'Brien, BIDA

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

JRA STAFF

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

OTHER SEDA-COG STAFF

Jim Saylor, Program Director, Transportation

CALL TO ORDER

Call to Order

The Chairman called the meeting to order at 11:31 a.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.

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

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 July 8, 2020 Meeting Minutes

Dr. Spychalski made a motion for the Board to approve the July 8, 2020 JRA Meeting Minutes; Mr. Gummo seconded the motion; motion carried.

Treasurer’s Report

Mr. Harvey presented the Treasurer’s Report for the month of July 2020, as well as the JRA’s PIB Loan Account, JRA’s loan summary, DCED Grant – “Milesburg 3 Pipes” financial

statement, and the JRA's detailed accounting associated with the operating fees paid by the Operator.

Mr. Stover stated that the new PA Infrastructure Bank (PIB) loan documents were executed and sent to Harrisburg on August 4, 2020. The FNB letter of Credit and separate bank account have been secured, which was part of the package required by PennDOT.

Mr. Jenkins made a motion for the Board to accept the Treasurer's Report for the month of July 2020 and file for audit; Ms. Wakeman seconded the motion; motion carried.

NEW BUSINESS

Krout Road Grade Crossing Repave (NBER – Pleasant Gap)

Mr. Stover stated that in July, JRA staff received a call from the Benner Township Roadmaster regarding the condition of the Krout Road grade crossing. It is a two-track crossing that leads to only about three property owners, but it is a Township road. The surface for the siding for Happy Valley Blended is in adequate condition, but the Bellefonte Branch main there was in very poor condition.

Staff discussed the condition of the crossing surface with Zac Mahaffey. This crossing is not on the NBER maintenance of way program for this year, which is maxed out. Nevertheless, Zac did secure two quotes to remove the broken asphalt and repave. There are no track problems here, only the driving surface.

Sudol Paving quoted \$3,850, while Cleck Paving was much higher at \$6,200.

Mr. Stover stated he inspected the crossing condition and then told Mr. Mahaffey that the Sudol quote was acceptable and to schedule the work. Sudol was contacted and the job was completed as of August 12th.

Mr. Stover stated that Benner Township was not exaggerating about the condition of the crossing and staff felt the need was great to complete the work as soon as possible. Staff is seeing ratification of this necessary work.

Mr. Postupack shared the following slides:

- Map of the NBER – Bellefonte Branch showing the Krout Lane railroad crossing in Benner Township.
- Krout Road Grade Crossing Repave (NBER – Pleasant Gap)

Mr. Hormell made a motion for the full Board to approve the Sudol Paving quote of \$3,850 to repave the Krout Road grade crossing in Pleasant Gap; Dr. Spsychalski seconded the motion; motion carried.

PennDOT RFAP – 2020/2021

Mr. Stover stated that PennDOT Bureau of Rail Freight has opened an application window for both Rail Freight Assistance Program (RFAP) and Rail Transportation Assistance Program (RTAP). Applications are due August 28, 2020.

Based on Mr. Jannotti's report and consultation with the Operator, the highest track priority is to complete the reconstruction of the muddy track conditions on the JVRR West Park Track. Mr. Stover stated that about 1,550 track feet remain after the JVRR and JRA cooperated on a prior RFAP three years ago.

Staff has a call with Zac Mahaffey and Paul Jannotti on Friday, August 21, 2020 to finalize a scope for a possible RFAP. Staff prefers to keep the budget at \$300,000 or less which would be a \$90,000 local match. If split with the JVRR that would mean a JRA share of \$45,000. Final budget is dependent on current costs from Mr. Jannotti.

Mr. Park made a motion for the full Board to authorize submitting a RFAP application to correct remaining track reconstruction for the JVRR West Park Track; Mr. Postal seconded the motion; motion carried.

Mr. Stover stated that final approval and ratification to be on the JRA's September 9, 2020 agenda.

Mr. Postupack showed a slide of the JVRR West Park Track.

REPORTS FROM COMMITTEES

DEP Consent Order for Monitoring Wells (NSHR-Berwick)

Attorney Schrack stated that this item was on the July 8, 2020 JRA Board agenda, but the JRA Board was not comfortable moving forward with the consent order and agreement at that time.

Attorney Schrack stated that the PA Department of Environmental Protection (DEP) wants to install certain monitoring wells at the Berwick seep site.

Some of the issues with DEP's prior form was that it was one-sided and the last consent order that the JRA was provided required the JRA to completely release DEP relating to any activities relating to the installation of the wells. Attorney Schrack stated it is now at the point after working through the language with DEP's counsel and think it is sufficient for the Board's approval. The appropriate restoration language has been included and once the well activity is concluded and there is no longer a need for the wells to be tapped that the property will be restored by DEP in its original condition. There are requirements that the contractors that are doing this work gaged by DEP will have the Authority and the Operator named as additional insured and will indemnify from any damages that are caused by the operations.

Mr. Postupack showed a slide from DEP which showed the existing monitoring and recovery well locations and proposed monitoring well locations at the Berwick seep site. Mr. Postupack stated they will be installing two new wells on JRA property and one existing well on site that will be utilized.

Mr. Graham made a motion for the full Board to approve the consent order and agreement with PA Department of Environmental Protection to allow access in Berwick to railroad property for a monitoring well, subject to final review and approval of DEP revisions by JRA staff and solicitor; Ms. Wakeman seconded the motion; motion carried.

Mervis License Agreement Amendment (LVRR – Newberry Yard)

Mr. Postupack stated that Mervis is seeking extra storage for wheels on the 6-track at the job site in the Newberry Yard. The overage of wheels being shipped off-site is due to trucks not being able to keep up with the supply produced by the on-site crew. The wheels would be stored on a spur which is sitting vacant and unusable with the current car cutting operation. There is no fee proposed for use of the spur as it is currently vacant. Mervis has also requested to extend their term to September 15, 2020 for an additional \$750.

Mr. Winslow made a motion for the full Board to approve Mervis's request for wheel storage on the 6-track as well as an extension of their term through September 15, 2020 at a cost of \$750; Mr. Park seconded the motion; motion carried.

Mr. Postupack shared the following slides:

- SMBC-Mervis project location in the Newberry Yard.
- Mervis-SMBC Project Site (Agreement Amendment for Spur Track Newberry Yard – Track-6

Hervey Gillespie License Agreement (NSHR – Bloomsburg)

Mr. Postupack stated that Mr. Hervey Gillespie owns a parcel located at the northeast quadrant at the Market Street grade crossing in Bloomsburg. He leases a building and parking area to Sherwin-Williams. For years, the paint store delivery trucks have backed alongside the store to unload product. The JRA owns 12.5 feet from centerline where we border on the Gillespie parcel.

Conceivably, the JRA/NSHR could erect a physical barrier along that 12.5 feet boundary; if implemented, the trucks could not access the paint store in this manner.

Staff sought to get Gillespie to contribute \$3,600 to pay for a new concrete sidewalk that would be build to a standard to handle truck traffic. That amount if the line item in the bid. Mr. Gillespie refused, saying his contractor could do it cheaper. Staff could not accept that offer because the JRA's contractor needed to install the concrete and then complete the Market Street paving up to the new sidewalk.

As a result, staff contacted Solicitor Schrack to prepare a license agreement with Mr. Gillespie at \$600 per year for 10 years. Mr. Stover stated that Attorney Schrack has been in communication with Mr. Gillespie's attorney as he has rejected the license agreement.

Mr. Stover stated that Sherwin Williams is paying \$4,000 a month rent to Hervey for the parcel for the building they rent for their store.

Mr. Stover stated the Authority and North Shore could put a concrete block down the right-of-way but don't want to do that.

Attorney Schrack sent an email to Mr. Gillespie's attorney to reconsider their position but he has not heard back from Gillespie's attorney but will make additional attempts to contact her.

Mr. Jenkins made a motion for the full Board to approve the license agreement with Hervey Gillespie for use of Rail Authority property for his tenant, Sherwin-Williams, to continue using the entryway for truck deliveries pending working out the details with Mr. Gillespie; Ms. Wakeman seconded the motion; motion carried.

Mr. Postupack shared the following slides:

- Map of Sherwin-Williams Truck Delivery Access – North Shore Railroad - Bloomsburg
- Photo of Sherwin-Williams Truck Delivery Entrance before Market Street crossing construction
- Photo of Sherwin-Williams Truck Delivery Entrance after Market Street crossing construction

PennDOT ECMS Resolution for BUILD Grant Application

Mr. Stover stated that the Board may recall a previous discussion regarding the BUILD grant application which includes the raising of the LVRR bridge over SR220 near Jersey Shore.

PennDOT has advised staff that the JRA needs to be in the ECMS (Engineering and Construction Management System) prior to any possible grant award. This is necessary because if the BUILD grant is approved, the project needs to move directly to final engineering.

Due to the nature of this funding, the JRA cannot simply tell Mr. Shura to start work. On the contrary, the JRA needs to follow a consultant selection process for this project only not the other JRA bridge needs.

Bridge Engineer Shura is aware of the funding agency's requirements and is prepared to submit a response to the JRA's future RFP.

Dr. Spychalski made a motion for the full Board to pass a resolution authorizing the JRA officers and Executive Director to sign the ECMS enrollment documents; Mr. Park seconded the motion; motion carried.

LVRR Roof Bid Award

Mr. Postupack stated that a pre-bid meeting for the warehouse/loading dock and scupper repair was held at the Newberry office building on July 31st and attended by six contractors and JRA staff.

While on the roof of the office building, it was discovered that the rubber lining on the upper flat roof of the office was peeling back and it was determined by all at the meeting that the upper that roof needed repaired/replaced and would be included in the project.

The JRA received three bids for the warehouse/loading dock roof (3,906 sq. ft.), the upper flat roof on the office building (933 sq. ft.) and to replace the scuppers on the office building.

The three bids are as follows:

Brian Benfer Roofing:	\$30,845
J. M. Young and Sons, Inc.	\$35,370
H&P Construction, Inc. (HCPI)	\$66,108

Mr. Postupack stated that Brian Benfer Roofing was the low bid at \$30,845 with an 18-year warranty and with work to be completed no later than October 16, 2020. All three contractors proposed a foam roof on the warehouse; Brian Benfer Roofing proposed a 1 ½" thick foam with a topcoat. On the

upper flat roof, Brian Benfer Roofing proposed to realign it with rubber lining, seal it with an 18-year warranty.

Mr. Gummo made a motion for the full Board to award the bid for the roof work at the Lycoming Valley Railroad warehouse/loading dock and upper flat roof of the office building to Brian Benfer Roofing for \$30,845 with an 18-year warranty; Mr. Harvey seconded the motion; motion carried.

Mr. Stover stated that the next repairs will be the bidding for the electrical system. The dock area needs to be redone totally and needs some lighting. Windows and doors are also needed.

LEGAL

Legal Issues

Chairman Showers recessed the regular meeting at 12:10 p.m. to convene into executive session at 12:15 p.m. Chairman Showers reconvened the regular meeting at 1:15 p.m.

Attorney Schrack stated that the Authority Board entered into executive session with the solicitor to discuss litigations and a potential property acquisition. No action was needed or taken.

With there being no further business to come before the JRA Board, Chairman Showers adjourned the meeting at 1:16 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 at the JRA meeting on September 16, 2020.



Secretary/Assistant Secretary