



SEDA-COG JOINT RAIL AUTHORITY MEETING  
WEDNESDAY, MARCH 14, 2007  
SEDA-COG  
LEWISBURG, PENNSYLVANIA  
12:30 P.M.

**PRESERVING  
RAIL FREIGHT  
SERVICE**

*erving the counties of*

Centre  
Clinton  
Columbia  
Lycoming  
Mifflin  
Montour  
Northumberland  
Union

**AUTHORITY MEMBERS PRESENT**

Barry Ashenfelder, Montour County  
John Fernsler, Union County  
Mike Hawbaker, Centre County  
Bud Henry, Columbia County  
Tom Herman, Montour County  
Don Kramer, Clinton County  
Michael Krentzman, Mifflin County  
Dennis Reitz, Northumberland County  
Jack Schultz, Lycoming County  
Dennis Shaffer, Union County  
Jim Spendiff, Mifflin County  
Jerry Walls, Lycoming County

**GUESTS PRESENT**

Tom Avery, Railroad Operating Companies  
Allen Bubb, NRHS  
Steve Hurvitz, Esq., McQuaide Blasko  
Paul Jannotti, Jannotti Rail Consulting  
Jaime North, Daily Item  
Jeff Pontius, Railroad Operating Companies  
Richard Robey, Railroad Operating Companies  
Pete Simcox, Railroad Operating Companies

**STAFF PRESENT**

Denise Pyers  
Jamie Shrawder  
Jeff Stover

**ADMINISTRATIVE ITEMS**

**Call to Order**

Mr. Walls called the meeting to order at 12:31 p.m.

**Pledge of Allegiance**

Mr. Walls led the Pledge of Allegiance.

**SEDA-COG JOINT  
RAIL AUTHORITY**

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### Approval of the February 23, 2007 Meeting Minutes of the SEDA-COG Joint Rail Authority

Attorney Hurvitz confirmed that if a motion is not seconded, it automatically dies for lack of a second and this does not need to be noted in the minutes. Mr. Spendiff asked that it be noted that the Operating Agreement Committee be accepted and the board concurred that the Rail Scavenger's lease is viable.

*Mr. Henry made a motion to approve the February 23, 2007 meeting minutes of the SEDA-COG Joint Rail Authority as amended; Mr. Spendiff seconded the motion; motion carried.*

### Treasurer's Report

Mr. Ashenfelder presented the Treasurer's Report for the month of February 2007. He asked that the CD entry be changed to Money Market.

*Mr. Herman made a motion to approve the Treasurer's Report for the month of February 2007; Mr. Fernsler seconded the motion; motion carried.*

### Capital Budget Committee Report

Mr. Shaffer referred to the handouts distributed at the meeting. He asked the board to review the capital vs. maintenance spreadsheet which was intended to provide guidance to staff when the nature of the project is questionable. He asked the members to comment by the next meeting.

A spreadsheet showing revenue vs. expenses for a four year period was distributed. Mr. Stover stated staff was being conservative with the figures, and this is a "best guess" for the four year period. The project worksheet detailed the upcoming projects by priority. Mr. Shaffer reviewed the highlighted items that need to be considered immediately. Ms. Pyers explained the 2007 Grade Crossing Program includes Gatehouse Road, Lock Road, Edgar Avenue, Keefers Lane on the NSHR, and Franklin Street on the SVRR. Mr. Shaffer also reviewed the medium priority projects.

Mr. Fernsler met with the Union County Commissioners and Bill Dietrick, with the Conservation District to discuss the White Deer Creek bridge pier. The pier was damaged as a result of the 1999 flooding. Mr. Dietrick explained this pier causes washouts and interferes with a stream stabilization project DEP is doing downstream. There is no foreseeable need for rail to Great Stream Commons, and if there was, new piers would be necessary. The County prefers to go have a rail trail along this route. Mr. Fernsler spoke with Mr. Walls about Lycoming County's view. That county is more interested in the trail possibility than in rail to the Timber Run Industrial Park, which would not be needed for years in the future and is nearly cost prohibitive. Mr. Stover commented that a \$11,000 donation is requested of the JRA to be matched with \$4,000 from the Central PA Chapter of the NRHS and \$15,000 from the Conservation District. Mr. Stover indicated the Conservation District possibly may be seeking an additional contribution in 2008 for other nearby stream improvements. Mr. Bubb commented that the NRHS is not opposed to removing the pier, but they want DEP's guarantee that a new pier can be put back in. Mr. Stover referred to the letter received from DEP stating they would consider a new pier in the future. Comments from board members were to support a one-time contribution for the pier removal, but not to consider future contributions.

Mr. Shaffer explained that the unclassified group at the bottom of the spreadsheet is projects that we are not sure where they will come in. There is the possibility of a levee project in Bloomsburg. Mr. Stover stated the paint on the Newberry office building is peeling and we may need to install metal siding.

*Mr. Herman made a motion to adopt the capital improvement program for 2007-2010 as a plan of action, provided project specific approval will come before the board; Mr. Ashenfelder seconded the motion; motion carried.*

*Mr. Kramer made a motion to authorize staff to authorize the initiation of the bidding process for those in yellow stated "to be bid" as well as the 2007 grade crossing program; Mr. Fernsler seconded the motion; motion carried.*

*Mr. Fernsler made a motion to contribute the \$11,000 towards removal of the pier; Mr. Hawbaker seconded the motion; motion carried.*

### Legal Issues

Attorney Hurvitz reported there are no legal issues.

### Events Calendar/Project Map/Staff Report

Mr. Stover presented the events calendar for March and April, the project map, and the staff report. The tour of Newberry Yard will be rescheduled until late April. Mr. Stover and Ms. Pyers will attend the ASLRRA meeting to be held April 23-24 in Baltimore.

### Operator's Status Report

Mr. Robey distributed the traffic data and financials for the five (5) Authority railroads.

Mr. Pontius presented the operations report and introduced Tom Avery and Pete Simcox.

Mr. Robey announced the resignation of Mr. George Fury and presented the maintenance of way and marketing reports.

*Mr. Krentzman made a motion to authorize the Executive Director to send a letter to Mr. Fury thanking him for his assistance on the maintenance of way; Mr. Shaffer seconded the motion; motion carried unanimously.*

Mr. Stover stated he is setting up a conference call with Jim Bowers, C.P.A., Terry Edwards, C.F.O. of Hawbaker, and Mr. Robey to discuss use of tax credit for ballast purchase.

## **PROPERTY MANAGEMENT COMMITTEE**

### North Branch Canal Trail

Ms. Pyers stated this has been an on-going discussion with the trail group to utilize the canal tow path of the NSHR in Montour and Columbia counties. One concern is who is going to own the trail. The JRA is willing to convey the land to another entity, but not own the trail. The trail advocates have been given approval to clear brush and have undertaken a feasibility study managed by Brian Auman from SEDA-COG's Community Resource Center. Mr. Auman provided the PMC with a project status report. Their next step is to have a demonstration project that would involve inviting the public onto the property. The PMC expressed concern over indemnification. For example, which entity will accept this? Will it meet JRA standards? This proposal will come back to the PMC and the committee will keep the board up to date.

### **Bellefonte Borough Sanitary Sewer**

Mr. Kramer reported the committee recommended an easement be approved for the Bellefonte Sewer Authority for a PVC sewer line at the Gamble Mill Tavern in Bellefonte.

***Mr. Schultz made a motion to approve the easement for Bellefonte Borough for \$5,500.00 in accordance with the rent schedule, contingent upon written consent from the Gamble Mill; Mr. Herman seconded the motion; motion carried.***

### **George Wurster**

Mr. Kramer reported George Wurster is looking to purchase some property off of Loyalsock Avenue in Montoursville. Mr. Walls requested this item be tabled until Montoursville Borough can discuss their plans with staff and other stakeholders.

### **Access/Liability/Kayak Issue**

Attorney Hurvitz stated various kayak groups have been using railroad property in order to gain access for kayaking events in Bellefonte. The problem has come to light because spectators are also using the property. He is going to draft a letter to Bellefonte Borough advising them that one of two things has to happen: either the Borough has to take over responsibility, enter into a private agreement allowing public use, indemnify the Authority, provide insurance backing that indemnification, and put in a lighted crossing to be maintained by the Borough. If that is not approved, we will request the police enforce the trespassing laws against those caught on the tracks. He will forward the draft to Mr. Walls to be approved prior to sending. The letter will be signed by Mr. Stover or Mr. Walls.

***Mr. Krentzman made a motion to authorize Attorney Hurvitz to formally convey to Bellefonte Borough the offer of a potential solution and the clear indication that the JRA will commence enforcing against trespassers if a solution cannot be worked out; Mr. Fernsler seconded the motion; Mr. Spendiff voted nay; motion carried.***

Mr. Walls asked that the legal analysis on liability from Attorney Hurvitz be added to the handbook.

## **OLD BUSINESS**

### **2007 M/W Program**

Mr. Stover referred to the 2007 M/W Program mailed to all board members. Mr. Jannotti explained the report and pointed out the spreadsheets at the end of the report is the current year M/W program. Mr. Spendiff asked if this satisfies the base line required by the operating agreement. Mr. Jannotti stated it does not give the complete base line. The deadline for this had been March 1, 2007. The board, Mr. Jannotti, and the operator discussed how to create this baseline report. Mr. Jannotti suggested incrementing the process and noted that the line segments of concern were inspected in January '07. Mr. Robey would like to do a five year program of inspections, segmenting the rail lines doing one segment each year. Mr. Robey stated it is acceptable to the operator that the board approve the 2007 M/W program.

***Mr. Herman made a motion to approve the 2007 Maintenance of Way Plan; Mr. Kramer seconded the motion.***

The board discussed cost sharing. The motion does not address this issue. Mr. Shaffer asked that the motion be amended to clarify cost sharing element is still to be negotiated.

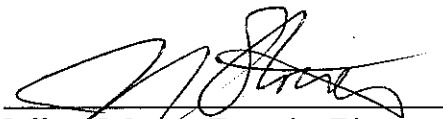
***Mr. Herman amended his motion to approve the 2007 Maintenance of Way Plan with the cost sharing to be determined later; Mr. Kramer seconded the motion; motion carried.***

Attorney Hurvitz will send the operator a notification that he is not in compliance with the deadline for the baseline. Mr. Robey stated the operator will respond to this letter.


## ADJOURNMENT

Mr. Walls adjourned the meeting at 3:10 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 April 11, 2007.

  
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Secretary/Assistant Secretary