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SEDA Council of Governments

SEDA-COG JOINT RAIL AUTHORITY MEETING
Wednesday, May 11, 2022
Union County Government Center, Lewisburg, PA
12:30 p.m.

AUTHORITY MEMBERS

Russ Graham, Centre County
John Gummo, Clinton County
Scott Harvey, Lycoming County
Bob Hormell, Northumberland County
Rick Jenkins, Columbia County (via teleconference)
Brent Jones, Clinton County
Rob Postal, Mifflin County (via teleconference)
David Schultz, Lycoming County
John Showers, Union County (via teleconference)
John Spsychalski, Centre County
Jennifer Wakeman, Montour County (via teleconference)
Matt Weigle, Columbia County (via teleconference)
Eric Winslow, Union County

JRA OPERATOR

Loni Briner, Public Relations & Media Manager
Jeb Stotter, President & CEO (via teleconference)
Diana Williams, Treasurer/Controller

GUESTS

Mark Rosner, Carload Express
Sam Simon, Esq., Houston Harbaugh (for Carload Express) (via teleconference)

LEGAL COUNSEL

Tom Schrack, Esq. McQuaide Blasko (via teleconference)

JRA CONSULTING PROFESSIONALS

Dan Mazur, Operating Agreement Consultant
Jason Shura, P.E., Stiffler McGraw (via teleconference)

JRA STAFF

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

CALL TO ORDER

Call to Order

The Chairman called the meeting to order at 12:34 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. No one expressed any comments.

ADMINISTRATIVE ITEMS

Approval of the April 13, 2022, JRA Meeting Minutes

Dr. Spychalski made a motion for the Board to approve the April 13, 2022, JRA Meeting Minutes; Mr. Schultz seconded the motion; motion carried.

Approval of the April 19, 2022, JRA Special Meeting Minutes

Dr. Spychalski made a motion for the Board to approve the April 19, 2022, JRA Special Meeting Minutes; Mr. Schultz seconded the motion; motion carried.

Treasurer’s Report

Mr. Harvey presented the Treasurer’s Report for the month of April 2022, 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. Gummo made a motion for the Board to accept the Treasurer’s Report for the month of April 2022 and file for audit; Mr. Winslow seconded the motion; motion carried.

Staff Report and Events Calendar

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

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 stated the maintenance of way program has kicked off in a significant way this past month. Ten miles of surfacing has been done, 6.75 miles were done on the North Shore, as well as 3,500 ties replaced on the North Shore line. In terms of marketing, there was an uptick in frac sand on the Lycoming Valley Railroad. The operator began serving the Creamer/Selinsgrove line the week of May 2nd and staff did a wonderful job documenting the service.

OLD BUSINESS

Bridge Engineer's Report

The Bridge Engineer's Report was provided in the meeting packet. Mr. Shura gave a brief update to the Board on items included in his report:

- Work continues on the NBER Bridge 33.84 (Curtin Bridge) Rehabilitation (RTAP15 Project). The first planned track outage is complete. Span 1 rehabilitation is to begin Friday, May 13th.
- Approval received from PennDOT Bureau of Rail Freight to award LVRR Antlers IT Bridge 179.44 (Iron Bridge).
- 2022 bridge inspections have begun. NBER inspections are complete and the LVRR is approaching 50% complete.

Consideration of FRA Grant Application to Raise and Widen LVRR Bridge 171.30 at Larry's Creek over SR220

Mr. Stover stated that the board may recall previous discussions and grant applications to raise the LVRR bridge that spans SR220 just north of Jersey Shore. The bridge's clearance is 13 feet, 10 inches. It has been impacted by trucks carrying dimensional loads. Per Jason Shura's inspections, the bridge is not on the list for upgrades, other than possibly raising it.

Mr. Shura stated that impacts to this bridge have typically been equipment and larger box trucks.

Improving the under-clearance via bridge raise has been part of the scope for applications for federal BUILD and RAISE grants. These applications were submitted by Lycoming County in partnership with some surrounding counties. None of the efforts resulted in grant approval.

Mr. Shura stated the idea with this project was to replace the bridge and upgrade the bridge geometry and primarily the opening width and height to meet Interstate criteria, the future I-99 corridor. This would mean providing four 12-foot traffic lanes – two in each direction with proper shoulder widths, crash barriers, etc. and increasing the vertical clearance to a minimum 15'-6".

Mr. Shura stated the most cost-effective structure to meet the Interstate requirements would be a two-span structure with a pier constructed in the roadway. In order to construct that structure now there would be some significant roadway marking modifications that would have to be painted which is quite an undertaking. Mr. Shura stated some of his concerns with this would be the costs and the approximate timeline.

Mr. Stover stated that George Fury from the NSHR had suggested an FRA grant program for Railroad Crossing Elimination Program as a possible source of funding to raise the bridge and more. He discussed this opportunity with Steve Betts at PennDOT District 3-0. The idea could include a new, longer span to accommodate a future I-99 that would pass underneath. The current width and height of the opening does not meet Interstate standards.

Mr. Stover stated that Mr. Shura's cost to raise the bridge is approximately \$675,000.

Engineer Shura is working up a cost estimate for the more expansive structure that would go well beyond a straightforward bridge raise. The FRA grant program is an 80/20 split. Using \$5 million as an example, the local share would be \$1 million. The JRA would need substantial local share assistance from PennDOT to justify a project of this magnitude.

PennDOT District 3-0 thought that the PennDOT Multimodal Transportation Fund program could be a good source and could partially match the federal dollars, if approved.

Messrs. Shura, Stover, Mahaffey, Postupack and Fury met with Steve Betts of PennDOT District 3-0 and other PennDOT District 3-0 personnel on April 25 to discuss the concept and costs. This project concept is supported by District 3-0.

Mr. Stover stated no action is needed; this is for discussion and information only.

Mr. Stover stated the FRA will begin accepting applications in July.

Mr. Postupack shared a slide of bridge 171.30 on the LVRR Avis Branch.

Mr. Hormell asked if there has been any documentation as to how many times this bridge has been struck in the last 5 years. He also asked if any type of remedial signage has been placed there as far as the clearance.

Mr. Gummo asked if there is any opportunity to do any type of paint identification to the bridge to raise the level of identity. Mr. Shura stated there is and he believes he has sand blasting and painting included as part of the scope.

Chairman Graham asked if it would be possible to place some type of a lit sign or LED light instead of a stationary sign. Mr. Shura stated PennDOT would have to approve any kind of sign.

Mr. Shura stated there has been four reportable vehicle strikes since 2014. Each time the bridge is impacted, and it is a reportable strike, an interim inspection is done and it is documented. Mr. Shura stated that impacts are not all reported.

PROPERTY MANAGEMENT COMMITTEE

Committee Chairman Jenkins reported on the work of the Property Management Committee which met at 11:00 a.m. this morning. Items discussed at the PMC meeting will not be rehashed at the same level of detail as the committee discussion. If additional information is needed, diagrams and other details can be found in the PMC meeting packet. Recommendations from the PMC will be made to the full Board for approval. Members were afforded an opportunity to ask questions and discuss before approval.

Crown Castle Fiber, LLC - License Agreement (NBER – College Twp.)

Committee Chair Jenkins stated that the Crown Castle Fiber, LLC contacted JRA staff about installing an overhead fiber optic line across the NBER – Corning Branch in College Township, Centre County. The fiber line would be no less than 25'-6" above top of rail with sag. Crown Castle will be assessed a one-time \$800 application fee and an annual license fee of \$860 which is subject to CPI increases per the JRA's Fee Schedule.

Mr. Hormell made a motion for the Board to approve the license agreement for Crown Castle Fiber, LLC; Mr. Postal seconded the motion; motion carried.

ZITO Media Communications, LLC – License Agreement (SVRR – Sunbury)

Committee Chairman Jenkins stated that ZITO Media Communications, LLC contacted staff about installing an overhead fiber optic line across the SVRR at Haas Avenue grade crossing. The fiber line will be no less than 30'-3" from top of rail with sag. The overhead facility is entirely within the public right-of-way. ZITO will be assessed a one-time engineering fee of \$500 per the JRA's Fee Schedule.

Dr. Spsychalski made amotion for the Board to approve this license agreement with ZITO Media Communications, LLC; Mr. Schultz seconded the motion; motion carried.

Ken Snyder, Inc. – Scrap Transload (SVRR – Paxinos)

Committee Chair Jenkins stated that Ken Snyder, Inc. contacted SVRR staff about transloading scrap metal from truck to rail on the Paxinos runaround. Trucks will use an existing JRA access road off SR-487 to access the runaround to load rail cars with scrap. Ken Snyder, Inc. will have nonexclusive use of the runaround. This agreement is for a one-year term. A one-time application fee of \$800 as well as a \$2,400 fee will be assessed.

Mr. Jenkins made a motion for the Board to approve the scrap transload for Ken Snyder, Inc.; Dr. Spsychalski seconded the motion; motion carried.

First Quality Tissue, LLC (FQT) - Easement Amendment Payment (NBER – Lock Haven)

Mr. Postupack stated that at last month's JRA meeting, the Board approved an amendment to First Quality Tissue's current easement agreement which will add an overhead pipe to an existing overhead utility bridge. First Quality Tissue has requested to pay the amendment fee as a ten-year lump sum payment of \$3,750.

Per the easement agreement if First Quality Tissue requests a 10-year lump sum payment there will be no annual CPI adjustments, but the easement fee shall be increased by 15% effective on January 1st or each 10th year after the first payment. The initial payment of \$3,750 will then increase to \$4,312.50 for the second 10-year period.

Mr. Postupack stated that First Quality is one of the JRA's bigger customers and they pay the JRA \$29,000 yearly in easement fees.

Mr. Hormell stated that this is a unique, self-standing agreement. He stated as long as this agreement doesn't set any precedent with any other agreements the JRA has and doesn't have any other impacts on any other agreements he will agree to it.

Mr. Hormell made a motion for the Board to approve the easement agreement amendment request for First Quality Tissue for a 10-year lump sum payment of \$3,750 with a fee increase of 15% after 10 years; Mr. Jones seconded the motion.

Mr. Harvey asked if the \$29,000 that First Quality pays a year remains \$29,000 per year and only this single pipe that is being discussed is being moved to a 10-year agreement. Chairman Graham stated that is correct and \$3,750 will be due this year.

Motion carried.

LEGAL

Operating Agreement Consultant's Report

Mr. Dan Mazur will present the Operator's first quarter report at the June JRA Board Meeting.

Legal Issues

Attorney Schrack stated there is nothing for public session and recommended the Board recess in executive session.

Chairman Graham recessed the regular meeting at 1:30 p.m. to convene into executive session at 1:40 p.m.

Chairman Graham reconvened the regular meeting at 1:59 p.m.

Attorney Schrack stated that the JRA had an executive session with its legal counsel to discuss ongoing litigation matters. No action was taken and no action is recommended to be taken at this time for the Board's consideration.

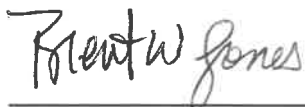
With there being no further business to come before the JRA Board, Chairman Graham adjourned the meeting at 2:00 p.m.

Respectfully submitted,



Jeffery K. Stover, Executive Director

I hereby certify these minutes were approved by the SEDA-COG Joint Rail Authority Board of Directors on June 8, 2022.



Secretary/Assistant Secretary