



SEDA-COG JOINT RAIL AUTHORITY MEETING  
WEDNESDAY, MAY 12, 2010  
SEDA-COG, LEWISBURG, PA  
12:46 P.M.

**PRESERVING  
RAIL FREIGHT  
SERVICE**

*serving the counties of*

**Centre**

**Clinton**

**Columbia**

**Lycoming**

**Mifflin**

**Montour**

**Northumberland**

**Union**

**AUTHORITY MEMBERS PRESENT**

John Gummo, Clinton County  
Scott Harvey, Lycoming County  
Mike Hawbaker, Centre County (via speaker phone)  
Bud Henry, Columbia County  
Tom Herman, Montour County  
Don Kramer, Clinton County  
Michael Krentzman, Mifflin County  
Rob Postal, Mifflin County  
Dennis Reitz, Northumberland County  
Frank Sawicki, Northumberland County  
Dennis Shaffer, Union County  
John Spychalski, Centre County  
Jerry Walls, Lycoming County

**GUESTS PRESENT**

Darren Asper, Delta Development Group  
Tom Avery, Railroad Operating Companies  
Al Bubb, NRHS  
Gail Durachko, Bellefonte Historical Railroad Society  
Todd Hunter, Railroad Operating Companies  
Jim Miller, Juniata Valley Railroad  
John Mizerak, Delta Development Group  
Mark Murawski, Lycoming County Planning Commission  
Russ Nicodemus, Railroad Operating Companies  
Don Purcell, Conrail – Retired  
Andrew Richards, Bellefonte Historical Railroad Society  
Dick Robey, Railroad Operating Companies (via speaker phone)  
Gary Shields, Railroad Operating Companies  
Diana Williams, Railroad Operating Companies  
Robert Yannaccone, M.D., West Shore Railroad  
Frances Zartman, Fort Discovery

**STAFF PRESENT**

Steve Hurvitz, Esq., McQuaide Blasko Law Offices  
Tom Schrack, Esq., McQuaide Blasko Law Offices  
Rob Wimbish, Esq., Baker & Miller PLLC  
Kay Aikey  
George Fury  
Steve Kusheloff  
Jim Saylor  
Jeff Stover

**SEDA-COG JOINT  
RAIL AUTHORITY**

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Affiliated with  
SEDA Council of Governments

## **CALL TO ORDER**

### **Call to Order**

Mr. Walls called the meeting to order at 12:46 p.m.

### **Pledge of Allegiance**

Mr. Walls led the Pledge of Allegiance.

## **ADMINISTRATIVE ITEMS**

Introduction of members and guests present.

### **2009 Webster Safety Award Winner**

Mr. Stover presented Mr. Jim Miller with the 2009 Webster Safety Award. Mr. Miller has diligently worked in short line railroading for 40 years, 6 months, and 20 days without a lost time injury.

### **Public Forum**

Mr. Richards from the Bellefonte Historical Railroad Society addressed the JRA board regarding assistance of the JRA to restore the operation of passenger excursions over JRA owned railroads.

Ms. Zartman from Fort Discovery asked what the status is of the committee that was to be established of non-profit organizations that benefitted from the rail excursions.

Mr. Stover provided an update on the passenger excursions and stated that at this time the passenger excursions in 2010 are not going to occur. Mr. Stover recommended that Chairman Walls appoint a special committee of board members to assess future passenger excursions and weigh Bellefonte Historical Railroad Society's offer as it relates to both potential public and shipper excursions.

Mr. Walls appointed the following board members to the Ad Hoc Committee: Mr. John Gummo, Dr. John Sychalski, and Mr. Mike Hawbaker. Mr. Gummo will chair the committee. An invitation was also extended to the Bellefonte Historical Railroad Society and other local sponsors to participate with the committee as appropriate. Mr. Bud Henry and Mr. Tom Herman also volunteered to serve on this committee. The following individuals also volunteered to serve on the committee: Andrew Richards, Al Bubb, Fran Zartman, Gail Durachko, Don Purcell and Gary Shields.

Mr. Richards asked for clarification on the passenger excursion issue relating to North Shore and Mr. Pontius as well as running other passenger service on the railroad. Mr. Richards said the Bellefonte Historical Railroad Society has no operating agreement with North Shore. He is not sure how to proceed because the status of the operation is not known. He asked if concerns should be directed to North Shore or the Rail Authority. Mr. Walls stated the ad hoc committee should discuss those options.

Mr. Walls thanked everyone for their continued interest.

**Approval of the April 14, 2010, Meeting Minutes of the SEDA-COG Joint Rail Authority**

*Mr. Henry made a motion to approve the April 14, 2010 meeting minutes of the SEDA-COG Joint Rail Authority; Dr. Spsychalski seconded the motion; motion carried.*

**Approval of the April 26, 2010, Special Meeting Minutes of the SEDA-COG Joint Rail Authority**

*Mr. Postal made a motion to approve the April 26, 2010 special meeting minutes of the SEDA-COG Joint Rail Authority; Mr. Sawicki seconded the motion; motion carried.*

**Treasurer's Report**

Mr. Reitz presented the Treasurer's Report for the month of April 2010.

*Mr. Herman made a motion to approve the Treasurer's Report for the month of April 2010; Mr. Harvey seconded the motion; motion carried.*

**Legal Issues**

Attorney Hurvitz stated that there are no legal issues that aren't already addressed in the agenda.

**Events Calendar/Projects Map/Staff Report**

Mr. Stover presented the events calendar for May and June, the projects map, and staff report.

**Operator's Status Report and Business Forecast**

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

Mr. Shields reported that there are 475 short lines or regional railroads of which the operator has five. Small railroads operate and maintain 30% of America's railroad industry route mileage and account for 9% of the rail industry's freight revenue and 12% of railroad employment.

Mr. Shields reported that North Shore has agreed to contribute 1/3 of the local match up to \$100,000 for the JVRR Street Running Track in Lewistown.

Mr. Shields reported that an email was received from Frito Lay of Williamsport thanking the LVRR for customer service.

Ms. Williams reported that the LVRR revenue is inflated somewhat due to the fact that it reflects 45 days posted for the month of March instead of the normal 30. Ms. Williams provided the JRA with a check in the amount of \$137,718.88 for operating fees.

## NEW BUSINESS

### TIGER II Grant

Mr. Stover stated the U.S. Department of Transportation recently announced another round of stimulus-related funding for infrastructure – “Transportation Investment Generating Economic Recovery”, or TIGER II. There is \$600 Million available from the U.S. Department of Transportation; pre-applications are due July 16, 2010 and the full application due August 23, 2010.

Mr. Fury as aware of this grant and suggested that a comprehensive package of rail infrastructure development tied to the demands of the Marcellus Shale gas development would make a strong contender for funding.

A meeting with Lycoming County Commissioners was held on May 6 to present the concept to them since many of the projects are in and would benefit Lycoming County. More importantly, the Commissioners were poised to resubmit their Airport Access Road project for TIGER II funding.

If the JRA would like to pursue this opportunity, staff recommends engaging Delta Development Group to help with this type of complex application. This firm completed the TIGER I application for Lycoming County and is quite familiar with the JRA.

Mr. Asper and Mr. Mizerak from Delta Development Group provided information on the TIGER grant application process. A proposal from Delta Development Group will be provided at the June JRA meeting for board action.

A handout was provided in the meeting packet showing the potential projects that complement the goal of “Rail Freight Infrastructure Development to Meet the Demands of Marcellus Shale Gas Development”. The list of projects can be amended.

Mr. Walls asked if there are any other projects in other counties that could meet the criteria. Mr. Postal responded energy would be one. Mr. Sawicki suggested the SEEDCO project.

*Dr. Spsychalski made a motion for the JRA to endorse the TIGER II grant concept and direct staff to finalize project package and meet with appropriate partners (final approval of submission to occur at a later JRA board meeting); Mr. Herman seconded the motion; motion carried.*

*Mr. Reitz made a motion to pass a resolution to engage Delta Development Group to prepare a TIGER II grant application for the JRA; Mr. Kramer seconded the motion; motion carried.*

### PA Transportation Budget

Mr. Stover stated that the JRA needs to be prepared to offer comments to PennDOT, legislators and others relative to the merits of state investment in rail freight.

*Mr. Herman made a motion to authorize Chairman Walls and/or Jeff Stover to provide comments on behalf of the Authority in support of Pennsylvania rail freight funding; Mr. Hawbaker seconded the motion; motion carried.*

## COMMITTEE REPORTS

### Property Management Committee Report

#### Sting Fiber Optics

Mr. Fury reported that Sting Communications has approached staff regarding an easement crossing the JVRR at four sites for the purpose of running fiber optics to the local high school. All occupations are within the public right-of-way; therefore no fee is chargeable aside from the \$500 application fee. All plans are approved.

*Mr. Harvey made a motion that the board approve the easement for Sting Fiber Optics and execution by the Chairman and Secretary; Mr. Kramer seconded the motion; motion carried.*

#### Newberry Lighting and Other Improvements (LVRR)

Mr. Fury provided a status report on the electrical upgrades at the engine house, Sechler garage and west end of the yard. The estimate is around \$70,000 for engine house upgrades, \$2,400 for Larson Design Group to manage the project and bid the project, and \$11,800 for a fire detection system. Bids will be put out for the upgrades to the Sechler site and to install lighting at the west end of the Newberry yard.

Mr. Walls stated that Mr. Shields had indicated during the Property Management Committee Meeting that the operator would concur to Mr. Fury's recommendation to bid the entire electrical package as opposed to a more short term purchase of a used or new generator.

Mr. Walls called for an Executive Session at 2:28 p.m. for the purpose of discussing some property acquisition.

The regular meeting reconvened at 2:51 p.m.

Attorney Hurvitz reported that during the Executive Session the Authority discussed confidential land acquisition issues.

Mr. Walls called for an Executive Session at 2:52 p.m. for discussion on the Operating Agreement Committee.

The regular meeting reconvened at 3:30 p.m.

## ADJOURNMENT

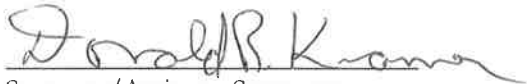
Mr. Walls adjourned the meeting at 3:31 p.m.

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 9, 2010.



Secretary/Assistant Secretary