



SEDA-COG JOINT RAIL AUTHORITY MEETING
WEDNESDAY, OCTOBER 10, 2007
SEDA-COG
LEWISBURG, PENNSYLVANIA
12:30 P.M.

**PRESERVING
RAIL FREIGHT
SERVICE**

-serving the counties of

**Centre
Clinton
Columbia
Lycoming
Mifflin
Montour
Northumberland
Union**

**SEDA-COG JOINT
RAIL AUTHORITY**

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Lewisburg
PA 17837**

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

AUTHORITY MEMBERS PRESENT

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

GUESTS PRESENT

Tom Avery, Railroad Operating Companies
Noah Brubaker, WSRR
Allen Bubb, NRHS
Steve Hurvitz, Esq., McQuaide Blasko
Jeff Pontius, Railroad Operating Companies
Richard Robey, Railroad Operating Companies
Gary Shields, Railroad Operating Companies

STAFF PRESENT

Kate Bailor
Steve Kusheloff
Denise Pyers
Jamie Shrawder
Jeff Stover

ADMINISTRATIVE ITEMS

Call to Order

Mr. Walls called the meeting to order at 12:30 p.m.

Pledge of Allegiance

Mr. Walls led the Pledge of Allegiance.



Affiliated with
SEDA Council of Governments

Approval of the September 12, 2007 Meeting Minutes of the SEDA-COG Joint Rail Authority

Mr. Spendiff made a motion to approve the September 12, 2007 meeting minutes of the SEDA-COG Joint Rail Authority; Mr. Hoopengardner seconded the motion; motion carried.

Treasurer's Report

Mr. Ashenfelder reviewed the Treasurer's Report for the month of August 2007.

Mr. Henry made a motion to approve the Treasurer's Report for the month of August 2007; Mr. Reitz seconded the motion; motion carried.

Mr. Ashenfelder presented the Treasurer's Report for the month of September 2007.

Mr. Henry made a motion to approve the Treasurer's Report for the month of September 2007; Mr. Kramer seconded the motion; motion carried.

Operating Agreement Committee Report

Mr. Spendiff reported Mr. Ashenfelder, Mr. Walls, Mr. Stover, and he met with Mr. Robey and Mr. Shields on October 2, 2007 to discuss accounting questions. He reviewed a handout containing the details of this meeting wherein Mr. Robey clarified several issues. Mr. Stover asked Mr. Robey to provide the board a succession plan very soon. Mr. Robey explained that the financial and administrative services company was created to handle consulting work he performs.

Mr. Reitz stated he feels the Authority should consider the appearance of impropriety of accepting the operator's accountant as an independent auditor, and suggests that we only approve an accounting firm that has not worked with the operator. Mr. Walls replied that this will be taken into consideration after we receive the reply from Mr. Bowers. Mr. Shields asked if the same principal should be applied to the track inspector. Mr. Walls replied that the operator has the option to engage another inspector at their cost.

Mr. Walls recognized the efforts of Mr. Spendiff and Mr. Ashenfelder.

Legal Issues

Attorney Hurvitz stated there are no pending legal issues.

Events Calendar/Project Map/Staff Report

Mr. Stover presented the events calendar for September and October, the project map, and the staff report. He discussed the agenda for the Rail Freight Summit, and Mr. Walls asked the board to encourage people to attend. Mr. Walls stated all board members are invited to Williamsport for the opening of the Market Street Bridge on October 18th. Mr. Pontius spoke to how important a tool the train excursions are and asked for future support and a place to store the passenger train.

Mr. Stover reported there was an error on the 2006-2007 Staff Services Agreement budget and reviewed the changes needed for this year's budget. Ms. Bailor stated the board should pass a motion to revise last year's budget along with this year's budget.

Mr. Herman made a motion to adjust the 06-07 budget in the amount of \$11,800 and to approve the 07-08 budget for the amount of \$264,463; Mr. Kramer seconded the motion; motion carried.

Mr. Avery and Mr. Pontius spoke about the upgrades to the signal systems and the other photos shown on the handout distributed to the board.

Operator's Status Report

Mr. Robey distributed the traffic data and financials for the five (5) Authority railroads. He stated there have been no exceptions to the CP access agreement since its inception.

Mr. Pontius presented the operations report.

Mr. Shields presented the marketing and M/W reports.

PROPERTY MANAGEMENT COMMITTEE

UGI Easement

Ms. Pyers explained UGI needs two easements at Newberry Yard for a tank and a gas line.

Mr. Herman made a motion to approve the two easements for UGI at \$750 each; Mr. Shaffer seconded the motion; motion carried.

OLD BUSINESS

Mill Hall Industrial Track RFAP Bid Award

Mr. Stover reported the RFAP was awarded to the Clinton County Economic Partnership (CCEP) for 1.9 miles of track rehab and some additional improvements for Avery Dennison. CCEP will convey the track to the JRA for \$1.00. He distributed a budget and bid tabulation. He is going to meet with Avery Dennison to discuss this budget, which includes Avery Dennison covering the remaining cost of their portion of the project not covered by the RFAP money.

Mr. Redin made a motion to recommend CCEP award the bid for the Mill Hall Industrial Track RFAP to K.W. Reese for \$272,565.66, contingent upon Avery Dennison's approval of their local share; Mr. Ashenfelder seconded the motion; motion carried.

JVRR RFAP Bid Award

Mr. Stover referred to the bid tabulation distributed at the meeting. This is an RFAP for improvements in the Lewistown Yard. The state grant was less than what was applied for. Staff will discuss the local share with the operator. K.W. Reese is ready to do the work this fall.

Mr. Krentzman made a motion to award the bid for the JVRR RFAP to K.W. Reese for \$172,439.00; Mr. Ashenfelder seconded the motion; motion carried.

WDR Bridge Pier Removal

Mr. Stover reported the Union County Conservation District was able to find the additional funds needed to complete this project, and they recommend we award the bid to G.O. Hawbaker. Mr. Bubb asked that no additional torch cutting of rail be allowed so the original rail is unbolted instead of cut. Mr. Stover will ask Hawbaker to unbolt the rail. Mr. Bubb also asked if the span will be a public nuisance.

Mr. Ashenfelder made a motion to award the White Deer Bridge pier removal to G.O. Hawbaker for \$48,675 and authorize staff to work out the issues raised by the Club with the engineer and the contractor; Mr. Hoopengardner seconded the motion.

Mr. Spendiff asked if we received confirmation from the Conservation District.

Mr. Ashenfelder amended his motion to include contingent upon receipt of a letter from the Conservation District; Mr. Hoopengardner seconded the amendment; motion carried.

ADJOURNMENT

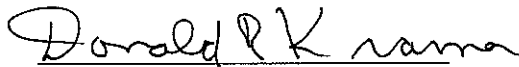
Mr. Walls adjourned the meeting at 2:10 p.m.

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 November 14, 2007.



Secretary/Assistant Secretary