



SEDA-COG JOINT RAIL AUTHORITY MEETING
WEDNESDAY, SEPTEMBER 10, 2008
LYCOMING COUNTY EXECUTIVE PLAZA
WILLIAMSPORT, 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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Affiliated with
SEDA Council of Governments

AUTHORITY MEMBERS PRESENT

Scott Harvey, Lycoming County
Mike Hawbaker, Centre County
Bud Henry, Columbia County
Tom Herman, Montour County
Rick Jenkins, Columbia County
Michael Krentzman, Mifflin County
Mike Redin, Centre County
Dennis Reitz, Northumberland County
Frank Sawicki, Northumberland County
Dennis Shaffer, Union County
John Showers, Union County
Jerry Walls, Lycoming County
Bud Webb, Clinton County

GUESTS PRESENT

Al Bubb, NRHS
Steve Hurvitz, Esq., McQuaide Blasko
Jeff Pontius, Railroad Operating Companies
Dick Robey, Railroad Operating Companies
Mimi Robey, Railroad Operating Companies
Gary Shields, Railroad Operating Companies

STAFF PRESENT

Jamie Shrawder
Jeff Stover

ADMINISTRATIVE ITEMS

Call to Order

Mr. Walls called the meeting to order at 12:35 p.m.

Pledge of Allegiance

Mr. Walls led the Pledge of Allegiance.

The board observed a moment of silence in memory of Mr. Bill Clark.

Approval of the August 13, 2008 Meeting Minutes of the SEDA-COG Joint Rail Authority

Mr. Henry made a motion to approve the August 13, 2008 meeting minutes of the SEDA-COG Joint Rail Authority; Mr. Herman seconded the motion. Mr. Walls amended the minutes to read SEDA-COG JRA office rather than SEDA-COG offices on page 11. Motion carried.

Treasurer's Report

Mr. Webb reviewed the Treasurer's Report for the month of August 2008.

Mr. Jenkins made a motion to approve the Treasurer's Report for the month of August 2008; Mr. Hawbaker seconded the motion; motion carried.

July 1, 2006 – December 31, 2007 JRA Audit

Mr. Jones was not able to attend the meeting so the final audit will be presented at the October meeting.

Operating Agreement Committee Report

Mr. Spendiff was not able to attend the meeting; therefore Mr. Walls chaired the Operating Agreement Committee meeting held on the morning of September 10. Mr. Bowers reviewed the operator's audit page by page at the committee meeting. Board members requested additional information which Mr. Stover will summarize and give to Mr. Robey, Mr. Bowers and the board members.

Legal Issues

Attorney Hurvitz stated his firm is preparing a motion for contempt of the ejectment order against Decker. The motion would require Decker to install a barrier along the NSHR in Berwick.

Events Calendar/Project Map/Staff Report

Mr. Stover presented the events calendar for September and October, the projects map, and the staff report.

Operator's Status Report

Mr. Robey referred to the Operator's Report included in the packet. Mr. Walls asked Mr. Robey to include the year-to-date and last year's numbers on the operating fees section of the report. Mr. Robey stated he gave the 4th quarter of 2007 and 1st and 2nd quarters of 2008 financial reports to Mr. Stover. Mr. Shields stated they are dealing with 10 companies for carloads of sand associated with the natural gas drilling operations. Mr. Pontius distributed an invitation for a train excursion on October 4.

PROPERTY MANAGEMENT COMMITTEE

Wirerope Land Sale (LVRR – Williamsport)

Mr. Redin stated the board previously approved the land sale to Wirerope. Currently, Bulkmatic is leasing the property from the Authority. Wirerope would like to close the sale as soon as possible but will continue to honor the lease agreement between the JRA and Bulkmatic. The JRA will still collect rent from Bulkmatic until that company vacates the Maynard Street location.

Mr. Redin made a motion to approve the immediate transfer of land to Wirerope subject to JRA retaining the rents and authorize the Chairman to sign those documents; Mr. Henry seconded the motion; motion carried.

PPL Easement (JVRR – Lewistown)

Mr. Redin explained that PPL is requesting to be released from the easement because negotiations between PPL and First Quality have broken down, and \$4000 should be refunded to them accordingly.

Mr. Redin made a motion to release PPL from this easement; Mr. Herman seconded the motion; motion carried.

Mr. Redin informed the board that the PMC will visit the Reading and Northern to tour their engine house on October 2.

OLD BUSINESS

JVRR Street Running Track Capital Budget Project

Staff submitted the application at the end of August and is asking for ratification of this submission. Mr. Stover reviewed the scope of the project. The Borough of Lewistown may be willing to help with the paving.

Mr. Herman made a motion to ratify submission of the Capital Budget application for funds release for the JVRR Street Running Track project; Mr. Reitz seconded the motion; motion carried.

JRA RFAP for NBER Runaround

The board previously made a motion to accept the bid from K.W. Reese for the construction of the runaround track along the Nittany Main adjacent to First Quality in Lock Haven. Mr. Stover explained the budget and the map included in the September packet. Staff suggested the remaining \$95,000 in the project budget be used to rehabilitate the rest of the Mill Hall Industrial Track (MHIT). The additional cost to the JRA is \$20,000. Mr. Shields asked that the operator have an opportunity to review the proposed allocations.

Mr. Hawbaker made a motion to authorize additional track work as outlined in the budget contingent upon concurrence of the operator; Mr. Showers seconded the motion; motion carried.

JRA 25th Anniversary

Mr. Stover distributed the cost proposal from the Market Street Group for design and printing of the JRA 25th Anniversary history booklet. The box car blocks are being sponsored by G.O. Hawbaker, Inc. Jeff Pontius, McQuaide Blasko Law Offices, and Jannotti Rail Consulting. Mr. Bubb's unabridged history will be put on the JRA website.

Mr. Shaffer made a motion to authorize up to \$10,000 for expenses relating to costs for the JRA 25th Anniversary; Mr. Henry seconded the motion; motion carried.

NEW BUSINESS

SEDA-COG Staff Services Agreement

This is the third year of the current agreement with SEDA-COG. An updated budget was included in the mailing to the board members. The major changes were a 5% reduction in Ms. Shrawder's time and a promotion of Mr. Fury to Maintenance of Way Administrator. Mr. Walls asked that the title also include property such as Property and M/W Administrator.

Mr. Herman made a motion to approve the proposed SEDA-COG Staff Services budget; Mr. Showers seconded the motion; motion carried.

Moran Logistics DCED Application

Moran Logistics leased their warehouse at Wahoo Drive to First Quality and are not currently using rail. Moran is buying the Kennedy King housing complex from the City of Williamsport to put up a new rail-served warehouse. Representative Cappelli asked the JRA to be the applicant for \$1 million in DCED funds for this project; there is no JRA local share. Staff is working with Moran to build a solid project application to include site and rail facility improvements and engineering to the extent allowed by DCED regulations. The project would require some of Nor-Pac's poles be moved to another site.

Mr. Jenkins made a motion to authorize the appropriate application to DCED for track improvements, roadway and grade crossing construction and other site improvements; Mr. Reitz seconded the motion; motion carried.

Anthracite Road and Camp Road Grade Crossing

Mr. Stover distributed the bid opening results for the 2008 JRA grade crossing program. Finkbeiner & Associates was the low bidder at \$124,508. The township is taking care of the vertical curve improvements to the road.

Mr. Shaffer made a motion to award the 2008 JRA grade crossing program to Jan Finkbeiner for \$124,508; Mr. Webb seconded the motion; motion carried.

First Quality Project

Mr. Stover distributed the bid opening form for the First Quality Baby Products project in Lewistown. The low bidder was K.W. Reese at \$2,270,886.70. The original budget was \$2 million; \$1.385 million is from a State Capital Budget grant. The local share for the JRA will increase to \$140,000, including the West Park Track and 700' runaround north of Loop Road.


Mr. Krentzman made a motion to award the FQE project to K.W. Reese contingent upon FQE paying their local share; Mr. Henry seconded the motion; motion carried.

Public Forum

ADJOURNMENT

Mr. Walls adjourned the meeting at 2:27 p.m.

Respectfully submitted,


Jeffrey K. Stover, Executive Director

I hereby certify these minutes were approved by the SEDA-COG Joint Rail Authority Board of Directors on October 8, 2008.


Secretary/Assistant Secretary