



SEDA-COG JOINT RAIL AUTHORITY SPECIAL MEETING  
FRIDAY, SEPTEMBER 30, 2011  
SEDA-COG, LEWISBURG, PA  
3:30 P.M.

**AUTHORITY MEMBERS PRESENT**

Frank Dombroski, Montour County (via speaker phone)  
Scott Harvey, Lycoming County (via speaker phone)  
Tom Herman, Montour County  
Dave Park, Columbia County (via speaker phone)  
Frank Sawicki, Northumberland (via speaker phone)  
John Showers, Union County  
John Spychalski, Centre County (via speaker phone)  
Jerry Walls, Lycoming County (via speaker phone)

**GUESTS PRESENT**

Al Bubb, NRHS  
Jeb Stotter, Railroad Operating Companies (via speaker phone)

**STAFF PRESENT**

Tom Schrack, Esq., McQuaide Blasko Law Offices (via speaker phone)  
Kay Aikey  
George Fury  
Jeff Stover  
John Conrad, P.E. Railroad Bridge Engineer

**CALL TO ORDER**

**Call to Order**

Chairman Walls called the JRA special meeting to order at 3:34 p.m.

**ADMINISTRATIVE ITEMS**

**Poll of Board Members on Call**

A poll of Board members on call and those in attendance was taken. A quorum was present.

**NEW BUSINESS**

**Bid Award (LVRR – Loyalsock Creek Bridge Demolition and Removal)**

Mr. Stover stated that staff held the bid opening on Thursday, September 29, 2011. Four bids were received. Engineer Conrad laid out the bid schedule showing first a lump sum bid with the scrap credit listed; a net bid shows as a bottom line. There was an alternate bid opportunity if blasting is permitted. Blasting will not necessarily

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be allowed by the municipalities and utilities. Sunoco has an oil pipeline adjacent to the piers of the bridge which may be a controlling factor.

The bids were as follows with Lycoming Supply Company being the lowest bid.

Lycoming Supply Company: Lump Sum Bid for conventional removal: \$116,214.00 and lump sum bid if blasting is permitted: \$98,143.00.

New Enterprise Stone & Lime – A blasting only bid of \$202,266.00. They did not bid on conventional removal.

HRI – Only conventional removal bid of \$338,562.00 with no blasting option.

Glenn O. Hawbaker: Only conventional removal bid of \$373,538.00 with no blasting option.

Chairman Walls asked Mr. Conrad if the Lycoming Supply Company bid of \$116,214.00 meets all of the specifications; Mr. Conrad replied yes. Mr. Conrad stated that after he reviewed all of the documents, he spoke with Mr. Bud Williams the owner of Lycoming Supply to ask if he felt he met all of the requirements and if he is comfortable with his number to which Mr. Williams responded yes.

Chairman Walls then asked Mr. Conrad if because of the spread between the bid of \$116,214.00 and the next conventional without blasting bid of \$338,562.00 is that because HRI and G.O. Hawbaker did not know about the ability to dispose of the concrete rubble in the washout of Mill Street just a quarter mile downstream from the bridge. Mr. Conrad stated he cannot specifically say they didn't know about it, but he can say there is no reason they shouldn't have known about it based on the documentation that was forwarded to them in the addendum that clearly spelled that out. Mr. Conrad stated he also spoke about the disposal site to a Hawbaker representative. He also spoke to him about what is deemed as clean fill, meaning that there is steel inside the concrete and as long as it is cut flush with the concrete it is considered clean both by the Borough of Montoursville and DEP. Both HRI and G.O Hawbaker were aware of the waste site near the bridge.

Mr. Herman asked if Lycoming Supply is going to dispose of the metal and will they collect whatever they get for the metal.

Mr. Stover responded that the way the bid is set up there is a base bid and a scrap credit. Lycoming Supply's scrap credit is \$160,000 and their net bid is \$116,214.00. Mr. Stover stated he spoke to Mr. Krentzman who knows Mr. Williams of Lycoming Supply and is a known demolition contractor.

Mr. Harvey asked if the JRA has any liability on the number in regard to the scrap portion of the bid. Mr. Conrad replied that he asked for weigh slips based on the salvaged scraps; however there is no mechanism that Lycoming Supply can come back to the Authority and say the Authority owes them more money because they did not get enough scrap sale value.

Mr. Conrad further stated that the salvage value of G.O. Hawbaker's bid was \$146,000 which is the closest to Lycoming Supply's of \$160,000. The other two are down in the \$75,000 and \$86,000 range and one of the things pointed out to him was that at least two of the four bids are looking at the same higher value for the scrap. He stated he looked at the base bid spread, not necessarily between the conventional

and the blasting demolition. Lycoming Supply and New Enterprise actually had base bids before the salvage value was reduced that only ranged between \$258,000 and \$277,000. Based on this review, more than one contractor similarly viewed the gross bridge removal costs.

***Dr. Spsychalski made a motion to award the demolition and removal of the Loyalsock Creek Bridge to Lycoming Supply in the amount of \$116,214.00 with the provision that should Sunoco Oil and the municipalities approve blasting that the number could go down to \$98,143.00; Mr. Harvey seconded the motion.***


Mr. Harvey asked if there is any indication of timing associated with the bids as far as begin and end. Mr. Conrad replied that Mr. Williams stated he could complete the demolition 60 days from notice to proceed.

Since a majority of the Board members were on speaker phone, a roll call vote was taken: ***Mr. Showers, Mr. Herman, Mr. Dombroski, Mr. Harvey, Mr. Park, Mr. Sawicki, Dr. Spsychalski and Mr. Walls voted in favor of the motion; Motion carried.***

Chairman Walls gave guidance to staff and Mr. Conrad to get everything cleared and to make sure Lycoming Supply has good documentation if they get approval from Sunoco Oil for the blasting. He also stated that the Borough and Loyalsock Township should be made aware, in writing, of the blasting option.

Chairman Walls adjourned the Special Meeting at 3:52 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 October 12, 2011.

  
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Secretary/Assistant Secretary