



Chautauqua, Cattaraugus, Allegany & Steuben Counties

Southern Tier Extension Railroad Authority

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"This institution is an equal opportunity organization"
John Margeson, Chairman

MINUTES – June 16, 2008

The Chautauqua, Cattaraugus, Allegany and Steuben Southern Tier Extension Railroad Authority met at 10:00 AM on June 16, 2008 in the Conference Room in the office of the County of Chautauqua Industrial Development Agency at 200 Harrison Street, Jamestown, New York. The following persons were in attendance:

Board Members In Attendance

Seth Corwin
William Daly
Joseph Eade
Terry Everetts
Jay Gould
James Griffin
Karl Kruger
Thomas Livak
John Margeson
Thomas Ryan
Robert Walrod

Representing

Steuben County
Chautauqua County
Cattaraugus County
Cattaraugus County
Chautauqua County
Steuben County
Allegany County
Cattaraugus County
Allegany County
Steuben County
Chautauqua County

Board Members Not In Attendance

Timothy O'Grady
Lucille White
Vacant

Allegany County
Southern Tier West RPDB
Seneca Nation of Indians

Others Attending

Steven Abdella

Thomas Barnes
William Burt
Pat Fanelli
Lee Harkness

Gregory Lindquist
William Rice
Mark Schlemmer

Glenn Wigren
Thomas Wigren
Richard Zink

Representing

Chautauqua County Attorney / Norfolk
Southern Attorney
Southern Tier West
WNYP
Jamestown Post Journal
Downtown Jamestown Development
Corporation
City of Jamestown Dept. of Development
City of Jamestown, Dept. of Planning
City of Jamestown Department of
Public Works
Public
Public
Southern Tier West

Call to Order and Introduction of Those Present

Chairman John Margeson called the meeting to order at 10:00 AM. Mr. Margeson welcomed all who were present. He asked that all present identify themselves for the record.

Adjournment in Favor of Bus Tour of Downtown Jamestown

William Rice, City of Jamestown Planning Department, gave a summary presentation regarding the proposals contained in the City's Urban Design Plan, as they impact railroad real estate and train operations. He also discussed the purposes of the panned bus tour of the proposed redevelopment area of downtown Jamestown. Chairman Margeson then adjourned the assemblage in the Conference Room of the County of Chautauqua Industrial Development Agency in favor of a bus tour of the proposed redevelopment area of downtown Jamestown. The meeting still remained in session, though no business was transacted during the tour except for the presentation of various development opportunities by City officials.

Reconvening of Meeting

At the completion of the bus tour, the Board returned to the Conference Room of the County of Chautauqua Industrial Development Agency and Chairman Margeson reconvened the business meeting.

Jamestown Urban Design Plan

Chairman Margeson asked whether there were any questions for the city officials present, and as there were none, he thanked Mr. Rice and the City for the tour and presentation. Mr. Margeson also thanked the Chautauqua County IDA for the tour and for the lunch provided. Mr. Rice thanked the railroad authority for its interest and participation in the tour on that day. Mr. Rychnowski noted that the earlier draft of the Urban Design Plan contained proposals that either interfered with or at least were inconsistent with railroad operations. However, he noted, the current version accommodates railroad operations. Mr. Kruger indicated that STERA's mission relates to railroad operations, not City redevelopment, and the Board agreed with this statement. However, he noted, it was his hope that railroad operations and City redevelopment could proceed in a fashion in which both were accommodated.

Reading and Approval of the Minutes of the May 19, 2008 Meeting

The Board adopted a resolution approving the minutes of the May 19, 2008 Annual Meeting of the Board, revised to show that Mr. Paschen was present and Mr. Daly was not present (Eade, Gould, passing unanimously).

Bills and Communications

There was no correspondence, other than that noted later in the meeting.

Treasurer's Report

Mr. Zink, STERA Treasurer, distributed a Treasurer's Report for June 1, 2008. For the five months ending June 1, 2008, STERA had a net income of \$35,323.08 on revenues of \$277,031.56. As of June 1, 2008, STERA has a net worth of \$7,451,284 on assets of \$7,476,607.

There was discussion regarding three checks. The STERA Board adopted a resolution to hold transmitting the check to Southern Tier West for administrative payments pending the completion of the 2006/2008 audit (Griffin, Kruger, passing unanimously). Mr. Griffin indicated that he had met earlier that day with the auditor and expected that the audit would be finished within 30 days. He indicated that there would be a presentation of the audit to the Audit Committee by the auditor. The STERA Board then adopted a resolution authorizing the Executive Committee to receive and accept the audit to allow the release of the administrative payments check, provided that the entire Board received a copy of the audit (Kruger, Corwin, passing unanimously).

The STERA Board accepted the Treasurer's Report (Eade, Everetts, passing unanimously).

Reports of Committees

Audit Committee

Mr. Griffin noted that the Committee was scheduled to meet immediately after the STERA Board meeting. If the meeting is held, it would be open to the public. He indicated that an audit is necessary in order to provide a foundation from which to base financial statements upon.

Governance Committee

Mr. Eade noted that this Committee has not met since the last STERA Board meeting. The Governance Committee will meet in the future to discuss compliance with individual policy guidances.

Unfinished Business

Southern Tier Extension Rehabilitation Project

The STERA Board authorized issuance of the notice of award, the execution of the construction contract, and issuance of the notice to proceed (Kruger, Daly, passing unanimously).

There was discussion about a pending change order, which had not yet been prepared by the engineering consultant. The STERA Board authorized the Chairman and/or CEO to review and approve change orders provided that WNYP provides a written recommendation of the change order and WNYP agrees to pay for any overage resulting from the change order (Griffin, Corwin, passing unanimously).

Operating Status – Southern Tier Extension and Buffalo Lines

Mr. Burt also provided a summary of the operating status of the Southern Tier Extension and Buffalo lines. He indicated that WNYP has installed a switch in the line at Salamanca to use the bridge, and has replaced some 200 ties there at Wildwood Avenue.

With respect to the spalling concrete at the bridges in Jamestown, he indicated that the problem is currently cosmetic, but would become structural within 2 to 3 years if not addressed. Accordingly, WENYP will be letting a small contract to address this situation.

WNYP also is out to bid on the train barn construction in the Constitution Avenue yard in Olean.

WNYP also is making modifications to the building in Falconer so that it can be used to work on maintenance of way equipment.

He indicated that approximately 50% of the rehabilitation work done on the Southern Tier Extension has been completed, and that another \$15 million of mostly public funds would be needed to address situations currently at hand. The north-south line currently is in pretty good shape, although WNYP is undertaking tie replacement in Eldred PA.

Mr. Rychnowski discussed SAFETEA railroad tax credits.

Other Potential STERA Rehabilitation Projects

No update. Mr. Burt is scheduled to make a powerpoint presentation on projected repairs at the August STERA Board meeting. Mr. Burt also will provide a written summary of the three projected projects noted above.

NYS Public Authorities Accountability Act (PAAA) Compliance

Training Sessions

Mr. Margeson noted that members that each member must complete NYS ABO's PAAA compliance training sessions. Mr. Barnes indicated that he had emailed training materials and informational materials to Mr. Gould and Mr. Ryan. Mr. Daly had suggested that George Craig of Hodgson Russ be contracted with to provide training to STERA Board members. The Board discussed this and it was agreed that Mr. Daly would ask Mr. Craig for the fee that he would require, and Mr. Barnes would coordinate attempting to find other authorities and IDA's in western New York that would need training, so that the cost could be spread over a greater number of trainees.

Discussion of Any Desired Policy Modifications

Mr. Margeson reminded members that STERA encourages comments on and suggested revisions to the organizational policies, so as to improve organization effectiveness and PAAA compliance.

Compliance Issues

Mr. Margeson reminded members that STERA encourages comments on and suggested revisions to the organizational policies, so as to improve PAAA compliance.

NYS DOT - Southern Tier West Contract: Regional Transportation Plan Project

Mr. Paschen noted that Southern Tier West had provided a survey of rail companies and a survey of rail shipping companies to Mr. Burt for his review.

Mr. Paschen had indicated that he would contact Mr. Burt and Mr. Belke shortly and obtain a summary of needed rehabilitation and improvement initiatives that will promote safety and economic development. Mr. Burt had indicated that he could provide a powerpoint presentation to Mr. Paschen relating to track improvements, bridges, crossing signals, grade crossing surface

upgrades, and pinch points. Mr. Paschen indicated that he would like to come back before STERA at its August 18, 2008 meeting to review the information provided by WNYP. Mr. Burt had indicated that he could provide the powerpoint to STERA at its August meeting.

Multi-Modal Freight Transfer Facility and Manufacturing Center Project Status

Mr. Barnes noted that since last summer, Southern Tier West, its consultant and NYS DOT have been working at revising a draft feasibility study report that the consultant had prepared for NYS DOT. NYS DOT has indicated to Southern Tier West that the report still needs additional revision. Southern Tier West hopes to address these promptly and proceed to site designation, public announcement of the proposed site, preliminary engineering, and development of a strategic development plan. He noted that Southern Tier West would like to work with the counties on developing the non-selected sites for other rail-related and non-rail-related development.

Cattaraugus County (Randolph) Remediation Project Status

Mr. Livak indicated that the County is close to going to demolition of the building, which it needs to fund. Subsequent to demolition, there will be additional soil sampling, but not on the rail right of way. The consultant does not expect to find anything unexpected on the site, or anything inconsistent with foundry sand.

Other Old Business

The Board discussed inviting the region's elected State and Federal representatives to a STERA Board meeting, possibly the August meeting.

There was no other Old Business.

New Business

Mr. Livak indicated that he is leaving County employment, and possibly will be replaced on the STERA Board. The STERA Board thanked Mr. Livak for his service.

Mr. Gould discussed a private grade crossing issue that had been brought to his attention. Mr. Burt provided response to this specific crossing.

Public Comment

There was no public comment.

Next Meeting Date and Agenda for Next Meeting

Mr. Margeson noted that the Audit Committee and Governance Committee each may meet before the next Board meeting to discuss appropriate matters. The Audit Committee also may meet at an additional meeting or meeting related to audit issues.

Mr. Margeson noted that the Authority full Board is tentatively scheduled to meet on August 18, 2008 at 9:30 AM at the office of the Southern Tier West Regional Planning and Development Board to do business.

Adjournment

The Board adopted a resolution to adjourn at 2:00 PM (Eade, Gould, passing unanimously).

I certify that this is an accurate summary of the meeting of the Chautauqua, Cattaraugus, Allegany and Steuben Southern Tier Extension Railroad Authority held on the date indicated above.

Name: _____

Office: _____

Date: _____