



Chautauqua, Cattaraugus, Allegany & Steuben Counties

Southern Tier Extension Railroad Authority

Center for Regional Excellence, 4039 Route 219, Suite 200, Salamanca, New York 14779

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"This institution is an equal opportunity organization"

Gerard Fitzpatrick, Chairman

MINUTES – March 20, 2006

The Chautauqua, Cattaraugus, Allegany and Steuben Southern Tier Extension Railroad Authority met at 9:30 AM on March 20, 2006 at the offices of the Southern Tier West Regional Planning and Development Board, 4039 Route 219, Suite 200, Salamanca, New York. The following persons were in attendance:

Board Members

Joseph Eade
Gerard Fitzpatrick
Karl Kruger
Fred Larson
Tom Livak
Fran Lus
John Margeson
Tim O’Grady

Representing

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

Others Attending

Thomas Barnes
William Burt

Donald Rychnowski

Representing

Southern Tier West
Western New York and Pennsylvania
Railroad Company
Southern Tier West

Call to Order and Introduction of Those Present

Chairman Gerard Fitzpatrick called the meeting to order at 9:45 AM. Following this, introductions were made of those present.. Mr. Fitzpatrick welcomed new members Karl Kruger and Tim O’Grady.

Election of Officers

The Board approved a resolution to elect the following persons as officers for the next year, with Mr. Griffin’s election pending satisfactory resolution of a question regarding a potential conflict of interest (Eade, Kruger, passing unanimously):

Chairman: Gerard Fitzpatrick
Vice Chairman: John Margeson
Treasurer: Jim Griffin
Secretary: Fred Larson

It was noted by Mr. Griffin that he has accepted a board seat with the WNYP, and that this may create a possible conflict of interest for him. Staff was directed to research this with Harris Beach.

Minutes of the May 16, 2005 Meeting

The Minutes were approved (Larson, Eade, passing unanimously).

Communications

Mr. Barnes noted recent communications regarding the new Public Authorities Accountability Act, which recently became law. There is a requirement that Board members and Executive Directors undergo training, with the nearest (and first) training seminar occurring on March 24 in Buffalo. Mr. Barnes indicated that he would transmit copies of the law and directions to the Buffalo training session by email.

There was no other correspondence other than that correspondence held for discussion later in the course of this meeting.

Treasurer's Report

For the Treasurer's report, Richard Zink provided an income statement for the years ending December 31, 2004 and 2005, and a proposed budget for the year ending December 31, 2006. It was noted that the budget showed administrative fees of \$8,000, below the contractual amount of \$20,000, which should be rectified using administrative funds from anticipated construction contracts. The Board ratified the 2005 income statement and approved the 2006 budget (Larson, Eade, passing unanimously).

Audit

The Board discussed requirements for completing an audit. There will be a statutory requirement in 2007, but there may not be a requirement for an audit until then, unless required by federal grant contracts or other state statute. Staff will research this issue. The Board authorized RFP for auditing services, if such services are required (Kruger, Lus, passing unanimously).

Old Business

Status of Western New York and Pennsylvania Railroad Company Operations

William Burt, President of the Western New York and Pennsylvania Railroad Company (WNYP, on the web at www.wnypr.com) provided a verbal and written report on the WNYP's operations. He discussed ongoing operations, and mentioned that in December 2005 WNYP had leased NS trackage between Meadville PA and Oil City/Rouseville PA, a total of about 50 miles of track, including the Meadville rail yards. This will add 2,300 carloads per year to WNYP's existing 1,500 carloads per year, plus approximate 50,000 carloads per year of NS overhead coal trains. WNYP will establish yards in Meadville and add a Meadville-based crew. NS unit coal trains now serve New England as well as central New York customers.

WNYP plans to construct an interchange with NS in the Hornell rail yard and establish regular service. WNYP now offers STE shippers competitive access to all class 1 railroads, improving the competitiveness of rail transportation to regional shippers. He discussed how this competitive access has led to the construction of a large manufacturing plant on the parent LAL line in central New York. He discussed plans for upgrading the shipping facilities at the Belvidere team track area and desired upgrades in Wellsville, plus plans for main line upgrades

(Jamestown to PA state line – first priority, Cuba area rail replacement – second priority, Olean – Hinsdale

Norfolk Southern is currently operating, as of the first quarter of 2005, one train each way per day, five to six days per week. WNYPRR continues to generate local shipper customers along the line.

Status of FEMA Disaster Recovery Projects

Mr. Burt indicated that the FEMA mitigation projects are basically completed, except for the Van Campen Creek abutment, which has been held over and which will be completed in 2006.

FEMA Hazard Mitigation Planning Process

Allegany and Cattaraugus Counties have prepared HMP plans, using STERA and WNYP information and suggested projects. Chautauqua County is in the process of preparing their HMP, and has asked STERA for review if desired. Mr. Burt asked for a copy of the Chautauqua County plan. There will need to be a resolution for the Allegany and Cattaraugus County plans.

Pending Rehabilitation Funding and Projects

It was noted that DOT has not yet allowed the Sherlock Hollow grade crossing (i.e., removal of the bridge and replacement of the bridge with a grade crossing).

Multi-Modal Freight Transfer Facility and Manufacturing Center Project

Mr. Rychnowski noted that Southern Tier West has received \$100,000 of funds from EDA and is seeking match funds. STW has approach USDA RD and Allegany County and has been rejected, and has approached the SNI, Cattaraugus County, Chautauqua County, and NYS DOT.

The project will result in hiring a consultant to do a feasibility study, site location study, and rudimentary site planning work for siting this type of facility in the region.

Other Old Business

MOU / PILOT Agreement

Mr. Rychnowski noted that the PILOT arrangement will sunset shortly without extension.

WNYP / SNI Meeting

Mr. Burt noted that he had met with Barry Snyder, President of the Seneca Nation of Indians. They agreed on the need for better communication and for a protocol upon any future derailments or accidents, which would include notification of the SNI president. They discussed coordinating disaster preparedness plans, including simulating a mock derailment. The SNI also said it wishes to take a role in environmental issues, instead of NYS DEC. Mr. Burt noted that there is no regulatory role on the reservation, with respect to economics, labor, etc., this being preempted by federal legislation. They agreed to work toward an MOU, which would include a lease and communication agreements.

New Business

There was no new business.

Public Comments

None.

Next Meeting

The Authority indicated that it will next meet as appropriate to do business.

Adjournment

The meeting was adjourned at 11:55 AM (Eade, Lus, 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: _____