



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 – May 11, 2006

The Chautauqua, Cattaraugus, Allegany and Steuben Southern Tier Extension Railroad Authority met at 1:00 PM on May 11, 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

William Daly
Donald Davidsen
Joseph Eade
James Griffin
Karl Kruger
Tom Livak
Fran Lus
John Margeson
Robert Walrod

Representing

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

Others Attending

Thomas Barnes
Donald Rychnowski
Steven Slavick
Dan Eagan
Valerie Davidsen

Representing

Southern Tier West
Southern Tier West
NYS DOT
WNYP
Private citizen

Call to Order and Introduction of Those Present

Noting the recent passing of Chairman Gerard Fitzpatrick, Vice Chairman called the meeting to order at 1:15 PM. Following this, introductions were made of those present.. Mr. Margeson welcomed Steven Slavick of NYS DOT. Mr. Margeson welcomed new member William Daly, representing Chautauqua County.

Moment of Silence

Mr. Margeson called for a moment of silence in memory of Chairman Gerard Fitzpatrick.

Election of Officers

Mr. Margeson noted that the offices of Chairman and Secretary were now vacant, and indicated that he had appointed a nominating committee, comprised to Messrs. Davidsen, Eade, and Walrod. Speaking for the nominating committee, Mr. Davidsen advanced the following roster of nominees, and moved to close the nominations (Davidsen, Griffin, passing unanimously):

Chairman:	Margeson
Vice Chairman:	Eade
Treasurer:	Griffin
Secretary:	Walrod

The Board approved a resolution to elect these persons to the respective offices indicated above for the next year, with Mr. Griffin's election pending satisfactory resolution of a question regarding a potential conflict of interest (Eade, Livak, passing unanimously):

Minutes of the March 20, 2006 Meeting

The Board tabled the review of the Minutes of the March 20, 2006 meeting (Griffin, Davidsen, passing unanimously).

Communications

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

Treasurer's Report

It was noted that there have been no transactions since the recent financial statement provided to the Board, so no report was submitted.

Audit

At the March 2006 meeting, the Board noted that 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 was to research this issue. Mr. Zink was not present at the May meeting to report on this. However, the Board noted that it had authorized an RFP for auditing services, if such services were required.

Old Business

Status of Western New York and Pennsylvania Railroad Company Operations

No report. Mr. Burt was unable to attend due to a scheduling conflict. However, at the recent meeting, he had provided a detailed report on operations, including a detailed report on recommended priority rehabilitation projects. Mr. Eagan did discuss operations in Mr. Burt's absence.

Mr. Eagan noted that Mike Connor has been hired as VP of Operations and Maintenance. He takes Steve Timko's place, and will be based out of Falconer. His email address is mconnor@lalrr.com. His phone number is 716-665-5995.

Mr. Eagan noted that WNYP is working with several new potential customers, whose identities are confidential. He noted that WNYP expects to receive a lease from Norfolk Southern for Hornell this year, which should increase the number of WNYP traffic interchange in Hornell, possibly above 4,000 carloads per year.

There was a discussion of the Randolph accident and the Wellsville accident. The meeting between the Seneca Nation of Indians and WNYP went well. There now is in place a protocol for WNYP notification of the SNI in the case of an accident on Seneca territory.

Review of prospective funding and construction program for this year

Steve Slavick, NYS DOT, provided an overview of prospective funding and construction program for this year. He noted that DOT's funding has been extended (\$20 million legislative and \$27 million bond). The 3 year federal funding program will begin in 2007, with invitations to submit, but railroads can submit now. He provided a handout summarizing funding for the STE, detailing Bond Act, Safetea (grade crossing work and related rail rehab), Highway Bond (distributed through the regional DOT offices, available in 2009 unless it's moved to 2007), Multimodal (3 possible grants through Parment, Young and Winner). .

Mr. Barnes noted that the NYS Bond Act Project (\$2 million) work plan has been submitted for final review by NYS DOT.

NYS DOT has recommended that STERA develop an engineering relationship with a consulting engineering firm that could last several years and could involve the provision of engineering services for several construction projects, so as to avoid having to procure engineering services for each construction project. Following this guidance, and at the direction of Vice chairman Margeson, STERA has issued a RFQ to a short list of engineering firms recommended by the rail operator WNYP, augmented by a short list of firms that Southern Tier West has worked with. The Board adopted a resolution approving the issuance of this RFQ, noting that this procurement procedure must be first adjudged consistent with STERA's and NYS Public Authorities Accountability Act procurement regulations (Griffin, Eade, passing unanimously). The RFQ specifies that submissions are due May 26, 2006. Thereafter, STERA and the operator will work together to review and select an engineering consulting firm.

There was a discussion of renewing the 1998 MOU, and a discussion of STERA versus WNYP versus Norfolk Southern ownership of the real estate.

NYS Bond Act Project – NYSEQRA Lead Agency Designation

The Board adopted a resolution declaring itself lead agent for NYSEQRA review for the NYS Bond Act construction project (Davidsen, Lus, passing unanimously). This is expected to be a perfunctory review, given that the project is a repair project.

Status of FEMA Disaster Recovery Projects

STERA has received a letter from NYSEMO indicating that SEMO and FEMA have concluded that there has been no indication of additional eligible work and that therefore, STERA's disaster file has been closed.

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 \$100,000 of matching funds from NYS DOT (the latter still in final review). 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.

PAAA Compliance

Mr. Griffin noted that STERA will have a lot of work to do to comply with the new Public Authorities Accountability Act (PAAA). Staff was directed to research compliance requirements and develop compliance recommendations for adoption by the Board. STERA adopted a resolution authorizing engaging Harris Beach to assist with compliance issues (Davidsen, Eade, passing unanimously, Griffin abstaining). There was a discussion about training requirements and financial disclosure requirements. Mr. Davidsen noted he owned 100 shares of Norfolk Southern, and Mr. Walrod noted that he was an employee of a rail shipper. STERA will need to develop financial disclosure forms. STERA also will need to develop a web site. STERA authorized securing a web site url and developing the web site (Davidsen, Eade, passing unanimously).

Other Old Business

There was no other old business.

New Business

There was no new business.

Public Comments

There was discussion about the proposed bio-ethanol plant in Falconer..

Next Meeting

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

Adjournment

The meeting was adjourned at 2:00 PM (Eade, Davidsen, 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: _____