



Chautauqua, Cattaraugus, Allegany & Steuben Counties

Southern Tier Extension Railroad Authority

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

BYLAWS OF THE CHAUTAUQUA, CATTARAUGUS, ALLEGANY, AND STEUBEN SOUTHERN TIER EXTENSION RAILROAD AUTHORITY

ARTICLE I

THE CORPORATION

Section 1. **Name.** The name of the Corporation shall be the Chautauqua, Cattaraugus, Allegany, and Steuben Southern Tier Extension Railroad Authority.

Section 2. **Seal of Corporation.** The seal of the Corporation shall be in the form of a circle and shall bear the name of the Corporation and the year of its organization.

Section 3. **Office of Corporation.** The office of the Corporation shall be located in the Town of Great Valley, New York, with the mailing address 4039 Route 219, Suite 200, Salamanca, New York 1477, but the Corporation may have other offices at such other places as the Corporation may from time to time designate by resolution.

Section 4. **Authorization.** The Corporation was created as a public benefit corporation by the State Of New York, per Title 28-AA of the Public Authorities Law.

ARTICLE II

PURPOSES OF THE CORPORATION

Section 1. **Purposes of the Corporation.** The purposes of the Corporation shall be the continuance, further development and improvement of railroad transportation and other services related thereto within the Counties of Chautauqua, Cattaraugus, Allegany and Steuben of New York State and the Counties of Warren and Erie in the Commonwealth of Pennsylvania, so as to insure a healthy economy for these counties. It shall be the further purpose of the authority to develop and implement a unified railroad transportation policy and strategy for such counties. The Corporation's purposes are in all respects for the benefit of the people of the State and Commonwealth, and the Corporation performs an essential governmental function in carrying out its purposes and in exercising the powers granted by the State of New York.

ARTICLE III

POWERS OF THE CORPORATION

Section 1. General Powers of the Corporation. Section 2642-e of the Public Authorities Law provides that the Corporation shall have the following general powers, except as otherwise limited by Section 2642-e of the Public Authorities Law:

1. To sue and be sued;
2. To have a seal and alter the same at pleasure;
3. To borrow money;
4. To invest any funds held in reserve or sinking funds, or any monies not required for immediate use or disbursement, at the discretion of the authority, in obligations in which the State Comptroller may invest pursuant to section ninety-eight or ninety-eight-a of the New York State Finance Law;
5. To make and alter by-laws for its organization and internal management, and rules and regulations governing the exercise of its powers and the fulfillment of its purposes under Section 2642 of the Public Authorities Law;
6. To enter into contracts and leases and to execute all instruments necessary or convenient;
7. To acquire, hold and dispose of real or personal property in the exercise of its powers for its corporate purposes;
8. To rent, lease or grant easements or other rights in, any land or property of the Corporation, including the granting of municipal utility easements, whenever the Corporation shall determine that it is not in conflict with the interests or purposes of the Corporation;
9. To appoint such officers and employees as it may require for the performance of its duties, and to fix and determine their qualifications, duties, and compensation, and to retain or employ counsel, auditors, engineers and private consultants on a contract basis or otherwise for rendering professional or technical services and advice, provided that such counsel, auditors, engineers, and private consultants, officers and employees may not be a member of the Corporation;
10. To make plans, surveys, and studies necessary, convenient or desirable to the effectuation of the purposes and powers of the Corporation and to prepare recommendations in regard thereto;
11. To contract for and accept any gifts or grants, subsidies or loans of funds or property or financial or other aid in any form from the federal or state government or Commonwealth government or any agency or instrumentality thereof, or from any other source, public or private, and to comply, subject to the provisions of this title, with the terms and conditions thereof;
12. To designate the depositories of the Corporation's money;
13. To establish the Corporation's fiscal year; and
14. To do all things necessary or convenient or desirable to carry out the Corporation's purposes and exercise the powers expressly given in Section 2642 of the Public Authorities Law.

Section 2. Special Powers of the Corporation. Section 2642-f of the Public Authorities Law provides that the Corporation shall have the following special powers:

1. The Corporation may acquire, by purchase, gift, grant, transfer, contract or lease, any railroad facility, wholly or partially within the counties of Chautauqua, Cattaraugus, Allegany and Steuben or any part thereof, or the use thereof, and may enter into any joint service arrangements for such facility. Any such acquisition or joint service arrangement shall be authorized only by resolution of the Corporation approved by not less than a majority of the whole number of voting members of the Corporation. The Corporation also may accept and receive by any lawful means any interest in any property and assets, except as otherwise provided by the designating statute or contractual instrument, and the Corporation has and may exercise all of the powers and jurisdiction herein conferred upon it in respect of any other property, rights, assets, facilities and projects in any other manner acquired or from any other source received by the Corporation.
2. The Corporation may, on such terms and conditions as the Corporation may determine necessary, convenient, or desirable, itself establish, construct, effectuate, operate, maintain, renovate, improve, extend or repair any such railroad facility, or may provide for such establishment, construction, effectuation, operation, maintenance, renovation, improvement, extension or repair by contract, lease, or other arrangement on such terms as the Corporation may deem necessary, convenient or desirable with any person, including, but not limited to, any common carrier or freight forwarder or other private for-profit firm, the state, the Commonwealth, any agency or the state or Commonwealth, the federal government, any other state or agency or instrumentality thereof, any non-profit corporation, any public authority of this or any other state or any political subdivision or municipality of the State. In connection with the operation of any such railroad facility, the Corporation may establish, construct, effectuate, operate, maintain, renovate, improve, extend or repair or may provide by contract, lease or other arrangement for the establishment, construction, effectuation, operation, maintenance, renovation, improvement, extension or repair of any related services and activities it deems necessary, convenient or desirable, including, but not limited to, the transportation and storage of freight and the United States mail, feeder and connecting transportation, parking areas, transportation centers, stations and related facilities.
3. The Corporation may establish, levy and collect or cause to be established, levied and collected and, in the case of a joint service arrangement, join with others in the establishment, levy and collection of such fares, tolls, rentals, rates, charges and other fees as it may deem necessary, convenient or desirable for the use and operation of any railroad facility and related services operated by the Corporation or under contract, lease or other arrangement, including joint service arrangements, with the Corporation.
4. The Corporation may establish and, in the case of joint service arrangements, join with others in the establishment of such schedules and standards of operations and such other rules and regulations including but not limited to rules and regulations governing the conduct and safety of the public as it may deem necessary, convenient or desirable for the use and operation of any railroad facility and related services operated by the Corporation or under contract, lease or other arrangement, including joint service arrangements, with the Corporation.
5. The Corporation may acquire, hold, own, lease, establish, construct, effectuate, operate, maintain, renovate, improve, extend or repair any of its facilities.

6. The Corporation, in its own name, may apply for and receive and accept grants of property, money and services and other assistance offered or made available to it by any person, government or agency which it may use to meet capital or operating expenses and for any other use within the scope of its powers, and to negotiate for the same upon such terms and conditions as the Corporation may determine to be necessary, convenient or desirable.
7. The Corporation may do all things it deems necessary, convenient or desirable to manage, control and direct the maintenance and operation of railroad facilities, equipment or real property operated by or under contract, lease or other arrangement with the Corporation. Except as hereinafter specially provided, no municipality or political subdivision, including but not limited to a county, city, village, town or school or other district shall have jurisdiction over any facilities of the Corporation or any of its activities or operations. The local laws, resolutions, ordinances, rules and regulations of a municipality or political subdivision in the state conflicting with this title or any rule or regulation of the Corporation, shall not be applicable to the activities or operations of the Corporation, or the facilities of the Corporation, except such facilities that are devoted to purposes other than transportation purposes. The Corporation may agree with the New York State Department of Transportation for the execution by the New York State Department of Transportation of any grade crossing elimination project or any grade crossing separation reconstruction project along any railroad facility operated by the Corporation or under contract, lease or other arrangement with the Corporation. Any such project shall be executed as provided in article ten of the New York State Transportation Law and the New York State Railroad Law, respectively, and the costs of any such project shall be borne as provided in such laws.

ARTICLE IV

BOARD MEMBERS OF THE CORPORATION

Section 1. **Board Members of the Corporation.** The Corporation shall consist of fourteen board members (the “Board,” or “members”) who shall be appointed as follows:

1. The County legislative bodies of Chautauqua, Cattaraugus, Allegany and Steuben counties each shall appoint three voting members of the Corporation, who each shall be residents of such County, upon the recommendation of the chief executive (County Executive or Chair of the County legislative body) of each such County.
2. The Southern Tier West Regional Planning and Development Board, upon the recommendation of the Chairperson of such Board, shall appoint one member of the Corporation, who shall be a resident of one of the counties of Chautauqua, Cattaraugus, Allegany or Steuben.
3. The Seneca Nation of Indians may appoint a member of such Nation to serve in an advisory non-voting capacity.

Section 2. **Terms of Board Members.** The term of office of Board members of the Corporation shall be three years. All members shall continue to hold office until their successors

are appointed and qualified. The resignation of any member shall be filed with the appointing entity and shall be effective when so filed. Vacancies occurring otherwise than by expiration of term of office shall be filled for the unexpired term in the same manner as provided for the original appointment.

Any member of the Corporation may be removed by resolution of the entity which appointed such member either for cause or for non-compliance with minimum requirements relating to meeting attendance and other criteria as may be established by resolution of such entity.

No person shall be precluded from serving as a member of the Corporation as appointed by a County legislative body, the Southern Tier West Regional Planning and Development Board or the Seneca Nation of Indians because such member is an elected or appointed official of a municipality, except that no member of the Corporation shall vote on any matter before the Corporation which has been the subject of a proposal, application, or vote before the municipality where he or she serves in such elected or appointed capacity.

Section 3. Officers of the Board. The Board of Directors of the Corporation shall have the following officers: Chairperson, Vice Chairperson, and Second Vice Chairperson.

Section 4. Chairperson. The Chairperson shall preside at all meetings of the Corporation. Except as otherwise authorized by resolution of the Corporation, the Chairperson shall sign all agreements, contracts, deeds, and any other instruments of the Corporation. At each meeting the Chairperson shall submit such recommendations and information as he may consider proper concerning the business, affairs and policies of the Corporation. The Chairperson shall appoint members of the Corporation to Committees established by the Corporation to assist the Corporation in carrying out its duties.

Section 5. Vice Chairperson. The Vice Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson, and in case of the resignation or death of the Chairperson, the Vice Chairperson shall perform such duties as are imposed on the Chairperson until such time as the Corporation shall appoint a new Chairperson.

Section 6. Second Vice Chairperson. The Second Vice Chairperson will provide assistance to the Vice Chairperson and shall act in the Vice Chairperson's place when the Vice Chairperson is not present.

Section 7. Attendance. All Board and Committee members shall be expected to attend the regularly scheduled meetings of the Board and Committee. Should three (3) consecutive absences occur, the Chairperson or his/her designate shall contact the absent member regarding his/her intentions of continuing Board and Committee membership. Any member of the Corporation's Board may be removed by resolution of the entity which appointed such member either for cause or for non-compliance with minimum requirements relating to meeting attendance and other criteria as may be established by resolution of such entity.

Section 8. Selection of chairperson, vice-chairperson, second vice chairperson, and other necessary officers. The chairperson, vice-chairperson, second vice chairperson, and other

necessary officers shall be named by a majority vote of all the voting members to serve for such period as the members shall decide.

Section 10. **Compensation of Members.** The members of the Corporation shall receive no salary or compensation for their services, but may be reimbursed for authorized, actual and necessary travel and expenditures.

Section 11. **Extension of Credit.**..The Board is prohibited from extending or maintaining credit, arranging for the extension of credit, or an extension of credit, in the form of a personal loan to or for any officer, Board member or employee of the Corporation.

ARTICLE V

OFFICERS OF THE CORPORATION

Section 1. **Officers.** The officers of the Corporation shall be a Chief Executive Officer, a Treasurer, and a Secretary, and any other officers that the Board may from time to time create. Any two or more offices may be held by the same person.

Section 2. **Chief Executive Officer.** The Chief Executive Officer shall not be a member of the Board. At the option of the Board, the Chief Executive Officer may be titled the Executive Director. The Chief Executive Officer shall have general supervision over the administration of the business and affairs of the Corporation, subject to the direction of the Board. The Chief Executive Officer shall be charged with the management of all projects of the Corporation.

Section 3. **Treasurer.** The Treasurer shall be the chief financial officer of the Corporation and shall not be a member of the Board. The Treasurer shall have the care and custody of all funds to the Corporation and shall deposit the same in the name of the Corporation in such bank or banks as the Corporation may select. The Treasurer shall sign all instruments of indebtedness, all orders, and all checks for the payment of money; and shall pay out and disburse such moneys under the direction of the Corporation. Except as otherwise authorized by resolution of the Corporation, all such instruments of indebtedness, orders and checks shall be counter-signed by the Chairperson. The Treasurer shall keep regular books of accounts showing receipts and expenditures, and shall render to the Corporation at each regular meeting an account of his transactions and also of the financial condition of the Corporation. The Treasurer shall give such bond for the faithful performance of his duties as the Corporation may determine.

Section 4. **Secretary.** The Secretary shall keep the records of the Corporation, shall act as secretary of the meetings of the Corporation and record all votes, and shall keep a record of the proceedings of the Corporation in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to this office. The Secretary shall keep in safe custody the seal of the Corporation and shall have power to affix such seal to all contracts and other instruments authorized to be executed by the Corporation. The Secretary may be a member of the Board.

Section 5. Additional Duties. The officers of the Corporation shall perform such other duties and functions as may from time to time be authorized by resolution of the Board or be required by the Board, by the Bylaws of the Corporation, or by the policies and guidelines of the Corporation.

Section 6. Appointment of Officers. All officers of the Corporation shall be appointed at the annual meeting of the Corporation by the members of the Board, and shall hold office for one year or until the successors are appointed.

Section 7. Vacancies. Should any office become vacant, the Board shall appoint a successor at the next regular meeting, and such appointment shall be for the unexpired term of said office.

ARTICLE VI

ADDITIONAL PERSONNEL

Section 1. Additional Personnel. The Corporation may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by the Title 28-AA of the Public Authorities Law, as amended, and all other laws of the State of New York applicable thereto. The selection and compensation of all personnel shall be determined by the Board subject to the laws of the State of New York.

ARTICLE VII

MEETINGS

Section 1. Annual Meeting. The annual meeting of the Board of the Corporation shall be held on the ___ day of _____, at ___ o'clock pm at the regular meeting place of the Corporation. In the event such day shall fall on a Saturday, Sunday or legal holiday, the annual meeting shall be held on the next succeeding day that is not a Saturday, Sunday or legal holiday.

Section 2. Regular Meetings. Regular meetings of the Board of the Corporation may be held at such times and places, as from time to time, may be determined by resolution of the Corporation.

Section 3. Special Meetings. The Chairperson of the Corporation may, when he deems it desirable, and shall, upon the written request of two members of the Board of the Corporation call a special meeting of the Board of the Corporation for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered to each member of the Board of the Corporation or may be mailed to the business or home address or each member of the Board of the Corporation at least two days prior to the date of such special meeting. Waivers of notice may be signed by any members failing to receive a proper notice. At such special meeting no business shall be considered other than as designated in the call, but if all the

members of the Board of the Corporation are present at a special meeting, with or without notice thereof, any and all business may be transacted at such special meeting.

Section 4. Quorum. At all Board or Committee meetings of the Corporation, a majority of the voting members of the Board or Committee of the Corporation shall constitute a quorum for the purpose of transacting business; provided that a smaller number may meet and adjourn to some other time or until the quorum is obtained.

For the transaction of any business or the exercise of any power of the Corporation, the Corporation shall have power to act by a majority of the whole number of voting members of the Corporation.

For the transaction of any business or the exercise of any power of a Committee of the Corporation, the Committee shall have the power to act by a majority of the whole number of voting members of the Committee.

A valid quorum and vote may only be established where such members are physically present at a meeting or are present through the use of videoconferencing.

Section 5. Order of Business. At the regular meetings of the Board of the Corporation, the following shall be the order of business:

1. Roll Call.
2. Reading and approval of the minutes of the previous meeting.
3. Bills and communications.
4. Report of the Treasurer.
5. Reports of Committees.
6. Unfinished Business.
7. New Business.
8. Adjournment.

All resolutions shall be in writing and shall be copied in or attached to a journal of the proceedings of the Corporation.

Section 6. Manner of Voting. The voting on all questions coming before the Corporation shall be by roll call, and the yeas and nays shall be entered on the minutes of such meeting, except in the case of appointments, when the vote may be by ballot.

Section 7. Open Meetings Law. Meetings of the Board and all Committees of the Corporation are subject to the New York State Open Meetings Law.

ARTICLE VIII

AMENDMENTS

Section 1. Amendments to Bylaws. The bylaws of the Corporation shall be amended only with the approval of at least a majority of all of the members of the Corporation at a regular or a special meeting, but no such amendment shall be adopted unless at least seven days written notice thereof has been previously given to all members of the Corporation.

ARTICLE IX

COMMITTEES

Section 1. Standing Committees. The Corporation shall designate an Executive Committee, a Governance Committee, and an Audit Committee, which shall be committees comprised exclusively of members of the Corporation's governing Board, and the Chairperson shall name members to these committees and appoint a chairperson of each committee.

Section 2. General. The Corporation may designate other committees as are needed and appropriate to the operation of the Corporation, which may either be exclusively comprised of members of the Corporation's governing Board, or exclusively comprised of persons who are not members of the Corporation's governing Board, or some combination of members and non-members of the Corporation's governing Board. The Corporation shall designate the mission of such committees, and the Corporation may decide upon resolution to terminate such committees.

Section 3. Executive Committee. The Executive Committee shall be comprised of the Chairperson, Vice Chairperson, Second Vice Chairperson, and Corporate Secretary, and shall be chaired by the Chairperson, or in the Chairperson's absence, the Vice Chairperson. The Executive Committee shall be authorized to do business for the Board in between Board meetings, and shall have the authority to execute the powers of the Board when the Board is not in session, provided that the Board shall delegate or specify certain matters, powers, or issue parameters so as to give direction to or constrain the authority of the Executive Committee in executing the powers of the Board. The Executive Committee shall not have the power to : (i) amend or repeal the bylaws, or adopt new bylaws; (2) amend or repeal any resolution of the Board, which by its terms shall not be so amendable or repealable; and (3) fill the vacancies in any committee. Decisions of the Executive Committee shall be ratified by resolution of the full Corporation Board at the following meeting of the full Corporation Board.

Section 4. Governance Committee. The Governance Committee shall be comprised of independent members of the Corporation's governing Board. It shall be the responsibility of the members of the Governance Committee to keep the Board informed of current best governance practices, to review corporate governance trends, to update the Corporation's corporate governance principles, and to advise appointing authorities on the skills and experiences required of potential Corporation Board members.

Section 5. Audit Committee. The Audit Committee shall be comprised of independent members of the Corporation's governing Board. It shall be the responsibility of the members of the Audit Committee to recommend to the Corporation's Board the hiring of a certified independent accounting firm for the Corporation, to establish the compensation to be paid to the

accounting firm, and to provide direct oversight of the performance of the impendent audit performed by the accounting firm hired for such purposes. To the extent practicable, members of the Audit Committee should be familiar with corporate financial and accounting practices.

**Originally Adopted by Resolution of the
Chautauqua, Cattaraugus, Allegany, and Steuben
Southern Tier Extension Railroad Authority
On February 12, 2007**

**Amended by Resolution of the
Chautauqua, Cattaraugus, Allegany, and Steuben
Southern Tier Extension Railroad Authority
On May 19, 2008**

Secretary

Date