



Chautauqua, Cattaraugus, Allegany and 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”

Frank “Jay” Gould, Chairman
Richard Zink, Chief Executive Officer

Minutes of Annual Board of Director Meeting

June 13, 2022

The Board of Directors of the Chautauqua, Cattaraugus, Allegany and Steuben Southern Tier Extension Railroad Authority held its Annual Meeting at 9:30 AM on June 13, 2022 in the Conference Room in the office of the Southern Tier West Regional Planning and Development Board, 4039 Route 219, Suite 200, Salamanca, New York, with additional meeting attendance via Zoom. The following persons were in attendance:

Board Members In Attendance

Jay Gould
Jeff Gray
James Griffin
Brooke Harris
Robert Keis
Keri Kerper
John Malter
George Prete
Jerry Scott
Corey Wiktor

Representing

Chautauqua County
Chautauqua County
Steuben County
Allegany County
Southern Tier West RPDB
Cattaraugus County
Steuben County
Steuben County
Allegany County
Cattaraugus County

Board Members Not In Attendance

Rich Dixon
Steve Havey
Eric Wohlers
Vacant

Representing

Chautauqua County
Allegany County
Cattaraugus County
Seneca Nation of Indians

Others Attending

Thomas Barnes
Jeff Bauman
Kylie McLaughlin
Richard Zink

Representing

STERA Secretary
WNYP RR
WNYP RR
STERA CEO

1. Call to Order and Introduction of Those Present

Recognizing a quorum, Chairman Jay Gould called the meeting to order at 9:30 AM. Introductions were made of those present.

2. Reading and Approval of the Minutes of the March 21, 2022 Meeting

The Board adopted a resolution approving the minutes of the March 21, 2022 Board Meeting (Harris, Griffin, passing unanimously).

3. Election of Officers

Nominating Committee Chairman Rich Dixon reported the following slate of nominees for election:

Board officers:

Jay Gould	Chairman
Steven Havey	Vice Chairman
James Griffin	Second Vice Chairman

There were no other nominations from the floor. The Board approved a resolution electing this slate of officers (Harris, Kerper, passing unanimously).

Nominating Committee Chairman Rich Dixon also reported the following slate of nominees for election:

Corporate officers:

Richard Zink	Chief Executive Officer (Executive Director)
Robert Keis	Treasurer (Chief Financial Officer)
Thomas Barnes	Secretary

There were no other nominations from the floor. The Board approved a resolution electing this slate of officers (Scott, Griffin, passing unanimously).

Mr. Gould, by virtue of his position as Chairman, becomes the Ethics Officer and Records Access Appeals Officer.

Mr. Zink, by virtue of his position as CEO, is the STERA Contracting Officer, Records Management Officer, and Records Access Officer.

4. Communications

New Members

Mr. Barnes reported communications from Cattaraugus County appointing Eric Wohlers and Corey Wiktor to fill the unexpired terms of Earl McElfresh and Richard Cousins. He noted that Mr. McElfresh has resigned, and Mr. Cousins had passed away. Mr. Barnes reported communications from Steuben County appointing George Prete to fill the unexpired term of John Carbone. He noted that Mr. Carbone has resigned.

Sale of Parcel

Mr. Barnes reported that he had been approached by two individuals who wished to purchase an inactive rail parcel approximately a mile from the active rail line, which had not been used for rail service for more than 60 years, possibly longer, and that had no possibility of being used for rail service in the future, being landlocked in a residential/commercial area of the City of Olean, with no feasible connection to the active rail line. Per the terms of STERA's agreements with Norfolk Southern, exclusive authority for transferring property is retained by Norfolk Southern. Mr. Barnes indicated that he had

facilitated discussions between Norfolk Southern and the prospective purchasers. Should the purchase come to fruition, STERA would have to sign off on it, inasmuch as STERA is deed holder on the parcel.

Allegany Source Water Protection Planning Initiative

Mr. Barnes noted that STERA has been contacted by the Village of Allegany, which was undertaking a source water protection planning process, to ensure the quality of water from its three municipal wells, keeping them free of contamination. One likely outcome of the planning project is a zoning overlay district for the up-aquifer area from the wells, which would constrain certain types of development and activities. The three wells are immediately adjacent to the rail line. Mr. Belke, Ms. McLaughlin, Mr. Coats and Mr. Barnes have been involved in the project. Primary impacts to the rail operations would seem to be eliminating spraying of chemicals to deter vegetation growth, and improved communication practices in the event of a derailment.

National Grid

Mr. Barnes noted that STERA has been contacted by National Grid, which is looking to expand an easement in the Franklinville/Farmersville area to locate additional poles to accommodate anticipated increased electrical service needs in the Machias area. He referred the company to WNYP, which is working with National Grid.

5. Treasurer's Report

Mr. Zink presented the Treasurer's Report for May 31, 2022. Mr. Zink noted that the Audit Committee had met to review the financial statements. For the year to date ending May 31, 2022, STERA had net income of \$16,022.51 on revenues of \$103,611.16. As of May 31, 2022, STERA had net assets of \$3,908,358.14 on assets of \$3,914,158.14, with a cash balance of \$87,162.14. Accounts payable as of May 31, 2022 were \$5,000.00, and accounts receivable and grants receivable as of May 31, 2022 were \$80,000.00 and \$0, respectively. He discussed elements of the balance sheet. The Board adopted a resolution approving the Treasurer's Report for May 31, 2022 (Scott, Griffin, passing unanimously).

6. Reports of Committees

A. Audit Committee

The Audit Committee had met earlier that day, had reviewed and approved the interim financial statements, and had recommended that the Board approve the interim statements.

B. Governance Committee

The Governance Committee had met earlier that day, had reviewed and approved the Financial Disclosure and Ethics Report, and had recommended that the Board approve the Financial Disclosure and Ethics Report. At the recommendation of the Committee, the Board adopted a resolution approving the Financial Disclosure and Ethics Report (Kerper, Scott, passing unanimously).

Old or Unfinished Business

7. WNYP RR Operating Status Report

Kylie McLaughlin (General Manager of the WNYP RR) provided a Management Report to the STERA Board. The Management Report covered the areas of Safety and Security, Grant Activities, Real Property, Operations and Customer Service, Marketing and Freight Business, Mechanical Issues, and Engineering and Maintenance of Way.

Highlights of their report are:

- **Operations, Service Levels, and Freight:**
 - Current operations are as follows:
 - Olean: normal operation is 2 crew starts (two-man crews) and 1 RCO
 - Meadville: normal operation is a daily two-man crew and 1 RCO as needed
 - Zero customer service failures
 - 7 new hires during first quarter of 2022
 - Good relationships with union and Norfolk Southern
- **Safety:**
 - Zero reportable injuries year to date. Three minor derailments YTD (Olean Yard, Sasol siding, Lord Lead). YTD Incidents (1 signal mast strike and 2 bridge strikes).
 - Training has been increased this year.
 - Action Committee-meets quarterly to discuss safety culture and ways to enhance job satisfaction and engagement. WNYP's 2022 focus is good employee culture (engaging employees with planning, leaders showing support, more frequent interaction).
- **STERA Construction Projects:**
 - Although these STERA projects were discussed by Mr. Belke during the WNYP report, they are reported on separately under item #9 in these minutes.
- **WNYP Construction Projects:**
 - **2022 Grade Crossing Surface Repairs:** 8 planned for PA, 1 for NY (included in Grant-2018 NYSDOT PFRAP)
 - **Section 130:** WNYP submitted 3 crossings for full signal upgrade in New York State, and 1 crossing for full signal upgrade in PA
 - **RailPod-Geometry Testing:** completed (March)-found minor defects that have been addressed
 - **Penn State-Bridge Monitor Testing**
 - WNYP plans to use internal forces to install 4,000 ties between SA-60.00 -SA-64.00
 - WNYP plans to use internal forces to do concrete and masonry repairs to three bridges near Concord Township, Mill Village, and Venango.

- WNYP plans to use internal forces to undertake South Side industrial track improvements on the Oil City Branch, involving 300 relay ties, 4 carloads of stone, installation of 2 new culverts (18" dia.) to improve drainage, bank stabilization, and surfacing.
- **2021 RTAP:** WNYP submitted an application in September for a \$1,669,792 project (\$1,168,854 NYS DOT, \$500,938 WNYP contribution) to install and surface 11,297 ties and one set of switch timber in the 'Columbus & Erie' mileage from the NYS/PA state line at MP CE-1.55 to East Columbus, MP CE-13.20, a distance of 11.65 miles. Grant awarded in December. Bergmann will handle the bids. WNYP currently is working with PennDOT to prep bid package.
- **2019 Federal Consolidated Rail Infrastructure and Safety Improvements (CRISI):** WNYP is undertaking continued planning, design work and FRA negotiations for bridge replacements/repairs of four through-truss bridges. Farmers Valley Branch through-truss bridge FV-1.2 has moved to the head of the list with IGI signaling a commitment to participate financially. Also includes abutment repairs to another Farmers Valley Branch bridge and replacements of the Sugar Creek and Oil Creek Bridges truss bridges on the Oil City Branch. National Environmental Protection Act (NEPA), State Historic Preservation Act (SHIPO) permitting and preliminary engineering underway. Planning continues between McKean County, FRA, and WNYP. WNYP has reached agreement with McKean County and FRA regarding specific contract provisions. WNYP is awaiting response from McKean County Board of Supervisors regarding review of FRA's recommended changes to various attachments.

In response to a Board question regarding federal transportation legislation and availability of funds for freight transportation, Ms. McLaughlin indicated that the legislation focuses on passenger rail, but there apparently is a new round of CRISI funding available to freight rail.

The Board adopted a resolution approving Ms. McLaughlin's report (Scott, Kerper, passing unanimously).

Status reports on several individual STERA projects, which were discussed during the WNYP report, are provided below under item #8.

8. Status Reports on Current and Proposed Rehabilitation Projects

A. Completed Projects:

FEMA Project (Southern Tier Extension Line)

FEMA has closed out the project. WNYP will not seek reimbursement for remaining funds expended.

NYS DOT 2005 Bond Act Bridge Rehab and Track Realignment (Falconer) Project (Southern Tier Extension Line)

All work on the project has been completed and STERA is awaiting project closeout from NYS DOT.

NYS DOT PFRAP Cattaraugus Rail Rehabilitation Project (Southern Tier Extension Line)

All work on the project has been completed and STERA is awaiting project closeout from NYS DOT.

NYS DOT PFRAP Tie Replacement and Grade Crossing Repair Project (Buffalo Line)

All work on the project has been completed and STERA is awaiting project closeout from NYS DOT.

B. Active Projects:

STERA Track and Bridge Rehabilitation Project (Southern Tier Extension Line and Buffalo Line)

NYS DOT still has not authorized the installation of the 8,000 linear feet of rail and has not approved the completed work on the four completed bridges.

As to the remaining bridge (Queen Street in Olean on the Buffalo Line) and the proposed change that would involve work on the Front Street bridge (also in Olean on the Buffalo line), NYS DOT has approved the work to be done within the existing budget, and per prior authorization, STERA has executed an agreement revising the STERA-WNYP subcontract. WNYP plans to complete work on the Queen Street bridge in 2022 and to complete work on the Front Street bridge in 2023.

The project also involves 0.8 track miles of continuous welded rail to be installed near Carrollton to replace curve worn rail. WNYP is working on alternative method of installation by contractor

Olean Enginehouse and Yard Improvement Project

In January 2022, based on the authorization to execute contract documents revising the project contracts and extending the time for completion, STERA and WNYP executed an agreement modifying the existing subcontract between them on the project, reflecting these changes. WNYP is awaiting notice to proceed from NYS DOT. The project will be completed in 2022.

The security system has been completed. The remainder of the track portion grant money will be spent for 3 new switches, 3 sets of switch timbers in the Olean Yard, shop expansion, macadam aprons, Genset to power shop. The project will be completed using a combination of contractor and WNYP internal forces.

STERA Tie and Rail Replacement PFRAP Project (Southern Tier Extension Line)

STERA has registered in the NYS EBO online system. Rhinehart is the low bidder for the tie and surfacing component and NYS DOT has approved their selection. STERA issued an approval of the selection, and WNYP has placed them under contract. STERA will continue to monitor, through the activities of its subcontractor WNYP and the NYS EBO system, the project's compliance with NYS DOY MWBE requirements.

Rhinehart won the bid for tie and surfacing. WNYP will utilize its own forces to upgrade crossing in Randolph. Rhinehart has ordered all materials for the project and will advise start date within the next month.

C. Proposed Projects

Proposed NYS DOT PFRAP Project

No report.

Proposed Bridge NY Project (Salamanca Main Street Bridge Replacement and Track Realignment, Southern Tier Extension Line)

No update. In 2017, STERA had discussions with the City of Salamanca and the Seneca Nation of Indians regarding a project that would involve replacement of the Salamanca Main Street rail

bridge (replacing the 6 lane rail bridge with a two lane bridge, with higher clearance for Main Street underpass traffic) and the realignment of track just to the west of the bridge (re-routing of the main line in this area to remove the curvature of the line, which is a safety issue and which keeps train speeds down). Such a project (or at least the bridge replacement component) would be eligible for NYS DOT Bridge NY funding. The project grant application would not be submitted until a future year. The Seneca Nation of Indians representatives indicated that there would have to be approval by the Seneca Nation of Indians for both the bridge and track realignment projects to move forward.

Other Salamanca / Seneca Nation of Indians Projects

No update.

Proposed Multi-Modal Freight Transfer Facility and Manufacturing Center Project (Olean)

Mr. Barnes indicated that there has been no change in this potential initiative. STERA has been unsuccessful to date in obtaining first phase construction funds, but continues to seek funding.

Site Development Project

Mr. Barnes indicated that there has been no change in this potential initiative. Southern Tier West has not advanced this project at the current time. Mr. Belke previously had indicated his concern that developable, rail-serviceable land may be vanishing to other uses.

9. Seneca Nation of Indians Representation on STERA Board

There has been no movement on the appointment of a representative to the STERA Board by the Seneca Nation of Indians.

10. Compliance with NYS Public Authorities Accountability Act (PAAA) and Public Authorities Reform Act (PARA) and Other Statutory and Regulatory Requirements

Compliance Status – NYS ABO Training Requirements

Mr. Gould noted that with the exception of new member Eric Wohlers, all STERA Board members and staff are in compliance with NYS ABO training requirements.

Discussion of Any Desired Policy Modifications

Mr. Gould encouraged Board members to bring any desired policy modifications forward at any time of the year.

ABO Policy Guidances

Mr. Barnes indicated that there are a number of ABO Policy Guidances that he would post to the web site.

11. Other Old or Unfinished Business

There was no other old or unfinished business discussed at the meeting.

12. New Business

Sunset Provisions

STERA's enabling legislation provides that STERA "shall continue for thirty years from the effective date of this title, or so long as it shall have bonds or other obligations outstanding or until its existence shall otherwise be terminated by law." STERA's internal reading of this language is that STERA shall continue past this thirty-year term, as it has obligations outstanding (rehabilitation contracts and the contracts with Norfolk Southern), and also because it has not been terminated by law. After discussion, the Board authorized STERA to seek Harris Beach counsel regarding whether STERA's internal read is correct.

Committee Appointments

Mr. Gould appointed Mr. Wiktor to serve on the Audit Committee, replacing Mr. McElfresh, who had resigned, and Mr. Prete to serve on the Governance Committee, replacing Mr. Carbone, who had resigned. After discussion, the Board approved a resolution approving these appointments (Griffin, Keis, passing unanimously).

Other New Business

There was no other new business discussed at the meeting.

13. Public Comment

There was no public comment. Mr. Barnes noted that in STERA's press release to the media announcing the meeting, it was noted that the public could attend either the in-person meeting or the Zoom meeting, and it indicated the method for contacting STERA to obtain Zoom meeting info for the meeting.

14. Next Meeting Date and Agenda for Next Meeting

The remaining regularly scheduled 2022 meetings of the STERA Board will be on October 17, 2022 and December 12, 2022. Special meetings may also be called as needed. Unless otherwise amended, all meetings of the STERA Board will be at 9:30 AM in the Conference Room in the office of the Southern Tier West Regional Planning and Development Board, 4039 Route 219, Suite 200, Salamanca, New York, with optional attendance via Zoom.

There will be an Audit Committee meeting immediately preceding each scheduled Board meeting. The Governance Committee and Executive Committee will meet as required. Additional special meetings of the committees may be called as needed during 2022. The meetings of the committees will be held at the office of the Southern Tier West Regional Planning and Development Board in Salamanca, NY, with optional attendance via Zoom.

There was discussion regarding ongoing use of Zoom for meetings, and it was reported that Zoom authorization has been extended to July, and possibly might be extended further.

15. Adjournment

The meeting adjourned at 10:13 AM (Griffin, Scott, passing unanimously).

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

Name: Thomas M. Barnes

Office: Secretary

Date: June 13, 2022