



Chautauqua, Cattaraugus, Allegany and Steuben Counties

Southern Tier Extension Railroad Authority

Center for Regional Excellence, 4039 Route 219, Suite 200, Salamanca, New York 14779
TEL (716) 945-5301 FAX (716) 945-5550 TDD (716) 945-5301

“This institution is an equal opportunity organization”

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

Minutes of Annual Board of Director Meeting

June 14, 2021

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 14, 2021 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

Richard Cousins
Rich Dixon
Jay Gould
Jeff Gray
James Griffin
Brooke Harris
Robert Keis
Keri Kerper
John Malter
Earl McElfresh
Jerry Scott

Representing

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

Board Members Not In Attendance

John Carbone
Steve Havey
Vacant

Representing

Steuben County
Allegany County
Seneca Nation of Indians

Others Attending

Thomas Barnes
Jeff Bauman
Jesse Coats
Ray Martel
Kylie McLaughlin
Richard Zink

Representing

STERA Secretary
WNYP RR
WNYP RR
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 15, 2021 Meeting

The Board adopted a resolution approving the minutes of the March 15, 2021 Board Meeting (McElfresh, 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 (Dixon, Harris, 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 (McElfresh, Harris, 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

None

5. Treasurer's Report

Mr. Zink presented the Treasurer's Report for May 31, 2021. Mr. Zink noted that the Audit Committee had met to review the financial statements. For the year to date ending May 31, 2021, STERA had a net income loss of \$241,152.52 on revenues of \$45,145.90; this reflects timing circumstances, with NYS DOT draw received prior to the start of the calendar year, but payments made during the calendar year. As of May 31, 2021, STERA had net assets of \$3,904,134.63 on assets of \$3,944,842.89, with a cash balance of \$81,938.63. Reflecting the movement of grants receivable out of the balance sheet and into notes to the balance sheet, accounts payable as of May 31, 2021 were \$40,708.26, and accounts receivable and grants receivable as of May 31, 2021 were \$115,708.26 and \$0, respectively. He discussed elements of

the balance sheet. The Board adopted a resolution approving the Treasurer's Report for May 31, 2021 (Scott, Harris, 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 (Griffin, Dixon, passing unanimously).

Old or Unfinished Business

7. Western New York Rail Corridor Passenger Initiative

No update. It currently appears to be a lower priority within the City of Jamestown government.

8. WNYP RR Operating Status Report

Kylie McLaughlin, General Manager of the WNYP RR, and Jesse Coats, Manager of Engineering and Projects for 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 three crew starts (two-man crews). RCO used as back-up.
 - Meadville: normal operation is a daily two-man crew and 1 RCO as needed.
 - Provided a support letter to the City of Jamestown supporting the City applying for a grant to improve safety and appearance to the underpass of the Erie Railroad Bridge at Main Street.
- **Safety:**
 - Zero injuries year to date. Three minor derailments YTD (Olean Yard, Turtle Point Sand Yard, IGI Wax Plant). YTD Incidents (1 gate strike, vehicle stuck on tracks, vandalism in the Olean Yard, and 2 bridge strikes).

- The Federal Railroad Administration has conducted multiple field and paperwork inspections, with zero violations.
- Transportation Security Administration First Observer Plus Training has been provided to all employees. The First Observer Plus Program provides transportation professionals with the knowledge needed to recognize suspicious activity possibly related to terrorism, guidance in assessing what they see, and a method for reporting those observations.
- **STERA Construction Projects:**
 - Although these STERA projects were discussed by Mr. Coats during the WNYP report, they are reported on separately under item #9 in these minutes.
- **WNYP Construction Projects:**
 - **PA 2017 RFAP:** WNYP is working with PennDOT to do a final closeout on the project this summer.
 - **Grade crossing signal installations:** WNYP has awarded a contract to Diamondback to upgrade six crossings (lights, gates, surface) on the Buffalo Line between Port Allegany and Sterling Run. These are 100% PennDOT and Section 130 funded at \$1,763,218. Five crossings have been completed with the sixth (Buffalo line) planned for summer 2021.
 - **Grade crossing surface upgrades:** WNYP plans to do 13 grade crossing surface upgrades in 2021, now that school is closing.
 - **Federal Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant:** Preliminary engineering is underway.

The Board adopted a resolution approving Ms. McLaughlin's and Mr. Coat's report (Scott, Keis, passing unanimously, Griffin abstaining).

Status reports on several individual STERA projects, which were discussed during the WNYP report, are provided below under item #9.

9. Status Reports on Current and Proposed Rehabilitation Projects

A. Completed Projects:

FEMA Project (Southern Tier Extension Line)

All work on the project has been completed and STERA is awaiting project closeout from FEMA. Because the project manager at FEMA passed away and the original submission of materials was lost by FEMA, WNYP has regenerated the materials and resubmitted them to FEMA, but FEMA wanted additional information, and WNYP is finding this impossible to provide. At this point, FEMA would reimburse approximately \$123,000 on the project to WNYP, and WNYP would use approximately \$80,000 of these funds to repay STERA for funds it had lent WNYP on the project. There was discussion regarding contacting Senator Schumer's office for assistance with FEMA's demand for additional information.

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)

This project is funded by \$1,600,000 of NYS DOT PFRAP grant funds, matched by \$400,000 of WNYP funds. The project scope involves replacing 8,000 linear feet of welded rail in Carrolton in Cattaraugus County, and repairing three bridges in Jamestown, one bridge in Salamanca, and one bridge in Olean. The three cities contributed traffic control for the bridge construction period. All work except the Olean bridge is to be done on the Southern Tier Extension; the Olean bridge is on the Buffalo line.

WNYP plan is to install the 8,000 linear feet of welded rail itself, with contractors to weld it in place. WNYP would secure bids for welding contractors. This element of the project was planned to be completed in 2019. However, NYS DOT has not reviewed WNYP's bid documents at this point.

The bridge component of the project began in 2018 and four of the five bridges (the three Jamestown bridges and the Salamanca bridge) were completed in 2020. The Salamanca bridge encountered significant cost overruns due to concrete deterioration that was worse than anticipated, but has been completed.

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), WNYP previously had reported that the bridge should have a deck replacement, instead of the planned simple repair, which still could be done under the project agreement and within the project budget. However, after additional inspection and engineering, WNYP next had determined that the bridge would need to be completely replaced, which would not be within the project budget. Subsequently, through discussions with the City of Olean, a new strategy was mutually developed that WNYP would raise the Front St overpass rail bridge by 18" to accommodate truck traffic and the City could lower the Front Street roadbed by 8", provided that the City would allow WNYP to fill in under the Queen Street bridge, eliminating the road underpass, but installing a culvert pedestrian walk-through at the former Queen Street underpass. The Queen Street fill, pedestrian culvert, and Front Street raising could all be accomplished within the project budget, if such an amendment would be approved by NYS DOT. The City, STERA, and WNYP all agreed to this strategy, and NYS DOT seemed amenable as well. Subsequently, WNYP and the City negotiated engineering requirements for the Queen Street fill and the pedestrian walk-through

culvert. In early 2019, they came to agreement, engineering was developed, and STERA submitted a scope change request to NYS DOT, which seems to have met NYS DOT approval, although written approval from NYS DOT has not yet been received by STERA. As part of the process for approving a scope change, a required administrative law judge hearing was held in November 2020. STERA anticipates hearing the result of the hearing in late June or early July. However, once the Administrative Law Judge's approval is obtained, there still will be a contract revision phase with NYS DOT, and subsequently a revision of the STERA-WNYP subcontract. Accordingly, it is unlikely that the project will be completed in 2021, which means STERA will need a contract extension from NYS DOT. The STERA Board authorized submitting a contract extension request to NYS DOT (Harris, Kerper, passing unanimously, Griffin abstaining).

Olean Enginehouse and Yard Improvement Project

In late 2016, STERA submitted a grant application to NYS DOT for the 2016 PFRAP funding cycle. The project would involve improvements to the enginehouse in the Olean yard, installation of a yard video security system, the installation of 6,000 6x8 ties in the Olean yard, and the replacement of 8 switches in the Olean yard. The work would be done on the Southern Tier Extension Line. Yard tie installation was completed in late 2017, and switch installation was completed in the spring of 2018. NYS DOT has approved the specification of the security system and approved purchase from a specific vendor. The pole line installation is now complete. NYS DOT has given the authority to proceed with installation of cameras and recording system, currently in process.

Because of significant bid cost overruns, the engine house components have been removed, and WNYP may ask STERA to approach NYS DOT for a change order for the unused project funds. STERA is awaiting WNYP proposals for such a change order. Previously the STERA Board had authorized either a change order request or a scope change, as required by NYS DOT, in this regard. STERA has received NYS DOT's contract revisions, and STERA and WNYP will execute a letter revising their subcontract.

However, as NYS DOT has not been reimbursing PFRAP draw requests, Mr. Martel indicated that WNYP would not commence work until NYS DOT begins to reimburse the PFRAP draw request. Accordingly, it is unlikely that the project will be completed in 2021, which means STERA will need a contract extension from NYS DOT. The STERA Board authorized submitting a contract extension request to NYS DOT (Scott, Keis, passing unanimously, Griffin abstaining).

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

STERA had applied for \$1,251,677.38 of NYS DOT PFRAP grant funds, to be matched by \$536,433.16 of WNYP funds. The revised project cost is \$1,788,110.54.

The project involves replacement of approximately 13,000 ties and surfacing ten (10) miles of tie replacement and surfacing between Steamburg, SA-14.00 and Waterboro, SA-23.00, and between MP SA-27.0 and MP SA-28.0 (Poland Center) on the Southern Tier Extension Line. Approximately half of this project area will need substantial ballasting. The project also will include three (3) public highway grade crossing surface rebuilds at Coldspring Road (Randolph), Main Street (Randolph), and Goodwins Landing Road (Waterboro) and eleven (11) private farm grade crossing widenings and rebuilds. The project also will involve replacement of switch timbers at one main line turnout (the No. 10 turnout at the Randolph Team Track).

All the work would be bid by WNYP and/or done by WNYP itself. The STERA Board previously had authorized subcontracting with WNYP on the project. STERA has received and executed the

NYS DOT contract and has executed the sub-contract with WNYP. WNYP is readying bid packets for subcontractor services and is planning to go out for bid this summer. Material purchase is being delayed by new NYS DOT M/WBE (Minority/Women owned Business) requirements and COVID-19. Mr. Barnes and Mr. Coats will discuss how to advance the project with respect to the M/WBE and EBO issues.

The project was commenced in 2019 and could be completed in 2021.

WNYP has engaged the engineering consulting firm Bergman Associates to manage the project, Bergmann has been surveying project site locations, and WNYP currently is awaiting Bergmann's preparation of bid packets.

STERA is registering in the NYS EBO system in order to comply with MWBE requirements.

C. Proposed Projects

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.

10. 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.

11. 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 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.

12. Other Old or Unfinished Business

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

New Business

13. New Business

There was no new business discussed at the meeting.

14. 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.

15. Next Meeting Date and Agenda for Next Meeting

The remaining regularly scheduled 2021 meeting of the STERA Board will be on October 18, 2021. 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.

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 2021. The meetings of the committees will be held at the office of the Southern Tier West Regional Planning and Development Board in Salamanca, NY.

16. Adjournment

The meeting adjourned at 10:13 AM (Gray, Griffin, 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 14, 2021