

**MINUTES FROM THE OHIO RAIL DEVELOPMENT COMMISSION  
REGULAR BI-MONTHLY MEETING  
JULY 15, 2020**

**CALL TO ORDER**

Vice Chairman Jackson called the meeting of the Ohio Rail Development Commission to order at 11:04 a.m. on Wednesday, July 15, 2020. The meeting was held virtually via GoToWebinar. Vice Chairman Jackson introduced Jacque Annarino from ODOT's Office of Environmental Services who was present to moderate the meeting. Ms. Annarino provided the Commissioners and members of the public with an overview of instructions on how to participate in the webinar.

**MEMBERS PRESENT VIA GOTOWEBINAR**

Vice Chairman Solomon Jackson, Commissioners Allen Biehl, Mark Johnson, Bill Lozier, Director Jack Marchbanks (ODOT), Rachel Near (DSA), Eric Richter, Tom Zitter and Representative Michael Sheehy were present GoToWebinar.

Roll call was taken. There were eight voting members present, therefore a quorum was obtained.

**APPROVAL OF THE MINUTES OF THE MARCH MEETING**

Vice Chairman Jackson asked for a motion to approve the minutes of the March 18, 2020 meeting. Note: A May Commission Meeting was not held. Commissioner Biehl moved to approve the minutes of the March meeting and Director Marchbanks seconded the motion. Roll call was taken. The minutes of the March 18, 2020 meeting were approved with eight votes in the affirmative.

**EXECUTIVE DIRECTOR'S REPORT**

Executive Director Dietrich presented his report to the Commissioners, which can be found on page 8 of the Commission packet. Executive Director Dietrich spoke of the work the Commission has been doing since the last meeting took place in March. He talked about the grade crossing safety and economic development programs at ORDC and reported that work has continued without interruption. Executive Director Dietrich also spoke about Controlling Board approval that ORDC recently received on July 13<sup>th</sup>, allowing staff to proceed with the three existing US DOT/Federal Railroad Administration grant awards.

Executive Director Dietrich reported ORDC staff recently sponsored four Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grants and commended the work of ORDC staff members Tom Burns, Tim Brown and Megan McClory on their efforts with regard to the applications; noting this endeavor has involved many hours of staff time.

Executive Director Dietrich reported ORDC provided letters of support for two projects: one for Ohio-Kentucky-Indiana Council of Governments and the other for the Pennsylvania DOT.

Lastly, Executive Director Dietrich spoke about the tabled Resolution from the last Commission meeting in March, Resolution 20-06 - ORDC Panhandle Property Conservation Easement on Abandoned Tunnel #8. He reported that the staff recommendation was for the resolution to remain tabled until Jefferson Soil & Water Conservation District could provide additional comments on the matter. ORDC received their comments on April 30, 2020 and provided response of staff recommendations on June 3, 2020 to the Commissioners. A copy of this discussion is included on page 11 as an attachment to the Executive Director's Report.

Vice Chairman Jackson inquired if any of the Commissioners had questions for Director Dietrich. Commissioner Lozier inquired about the status of Tunnel 7. Executive Director Dietrich responded that ORDC has not provided any easement to Tunnel 7 because it was determined by title work previously done that the tunnel was not on state property. The project is currently proceeding with ODOT and the landowner, independent of any ORDC action. Commissioner Lozier asked if the state is getting any value out of the agreement with Tunnel 7. Executive Director Dietrich responded that he could not speak to the status of Tunnel 7.

#### FINANCE REPORT

Megan McClory, Secretary-Treasurer, presented the Finance Report to the Commissioners, which can be found on page 13 of the commission packet. Ms. McClory reported that since the last Commission meeting the state has completed and closed out Fiscal Year 2020. Ms. McClory stated ORDC sustained a budget reduction in FY 2020 but was able to manage this reduction by moving some of the projects planned for FY 2020 into FY 2021. She reported ORDC was able to utilize all GRF funds available and stated ORDC encumbered \$18.3 million over the fiscal year under the grade crossing safety program. In addition, more than \$8 million in potential projects are ready to go in FY 2021.

Ms. McClory reported FY 2021 began on July 1<sup>st</sup> and stated that staff was asked to prepare for a reduction of a little more than 20 percent in General Revenue Fund dollars. She stated ORDC currently has approximately \$1.6 million in General Revenue Funds available and staff was able to budget some additional funding from the Rail Development Fund to assist in offsetting the required reduction.

Ms. McClory spoke about budget controls the State of Ohio is currently under. She reported ORDC will not be able to fill the vacancy we currently have as a result of the budget controls/hiring freeze. Ms. McClory stated ORDC has utilized the assistance of ODOT's Finance Office when it was necessary.

#### RESOLUTION 20-07 – Menard, Inc.

ORDC staff member Tom Burns presented Resolution 20-07 to the commissioners which can be found on page 25 of the commission packet. Mr. Burns reported this project will take place in Ravenna, Ohio. He introduced Mr. Nick Brenner, a real estate representative for Menards. Mr. Brenner reported this project will service their northeast Ohio/western Pennsylvania retail stores. The 65-acre site will be home to a new truss plant, concrete plant, bagging plant, transload operation, and a cross dock distribution facility to support its expansion plans. Mr. Brenner stated

this site does require rail and involves a little more than a mile of track rehabilitation that the company is working on with Wheeling and Lake Erie Railway. Mr. Brenner said ORDC funding is important to help the company with the extra costs associated with this project. Menards will be investing approximately \$50 million in the project and plans to create 90 new positions.

Vice Chairman Jackson inquired if any of the Commissioners had questions for Mr. Brenner. Hearing no questions Vice Chairman Jackson asked for a motion to approve Resolution 20-07. Commissioner Zitter moved to approve the motion and Commission Johnson seconded the motion. Roll call was taken. The motion was approved with eight votes in the affirmative.

#### RESOLUTION 20-08 – CRISI Grant Applications

ORDC staff member Tom Burns presented Resolution 20-08 to the commissioners which can be found on page 30 of the commission packet. Mr. Burns reported ORDC staff sponsored four applications this last round for the federal Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grants.

Mr. Burns reported the four projects are:

- Chicago, Ft. Wayne and Eastern “Linking Lima”
- Napoleon, Defiance and Western “Critical Safety Upgrade (CSU)”
- RJ Corman “Keep Ohio Moving”
- Youngstown & Southeastern Railroad Company “Mahoning Valley Revival”

Mr. Burns stated that should any of these projects be awarded a CRISI grant, ORDC will come before the commission for approval prior to participating financially in the respective project(s).

Mr. Burns asked if any commissioners had questions about Resolution 20-08. Director Marchbanks inquired if any ORDC staff had knowledge of the timeline for the review process at the federal level. Mr. Burns responded it could be anywhere between 6-12 months, however he felt it would be sometime in the fall.

Executive Director Dietrich added that sometime this fall was likely the most logical timeframe and asked if Charles Hunter from Genesee & Wyoming, Inc. could provide additional insight on what they might have heard. Mr. Hunter echoed both Mr. Burns’ and Executive Director Dietrich’s timeframe of October 2020 as the likely timeframe.

Executive Director Dietrich commented that the goal would be to have any awards under agreement sometime this fall so that the projects can be ready to go the following construction season.

Vice Chairman Jackson inquired if there were any additional questions. Hearing none he asked for a motion to approve Resolution 20-08. Commissioner Johnson moved to approve Resolution 20-08 and Commissioner Zitter seconded. Roll call was taken with eight votes in the affirmative.

#### PROJECT BRIEFING – Indiana & Ohio/Hocking Valley Scenic Railway

ORDC staff member Tom Burns presented the project which can be found on page 38 of the commission packet. Mr. Burns stated all parties involved came together for a successful solution to repair the connecting track between the two railroads. The track is currently out of service, which is preventing the Hocking Valley Scenic Railway from receiving any new or refurbished passenger rail cars for its excursion operations. The Indiana & Ohio Railway will perform labor on the project and the Hocking Valley Scenic Railway will contribute materials.

Mr. Charles Hunter, AVP, Government Relations, Genesee & Wyoming, reported the company does not serve any freight customers on the line but said they recognize the Hocking Valley Scenic Railway as a non-profit entity that brings great value to the community and the region. Mr. Hunter stated they are happy to come to a mutual solution to assist in this effort.

Vice Chairman Jackson asked if there were any questions for Mr. Hunter regarding this project. There were no questions.

Prior to hearing the next Project Briefing for Mennel Milling Company in Fostoria, Vice Chairman Jackson indicated that he must recuse himself from the discussion and asked Executive Director Dietrich to guide the Commission in selecting a Presiding Officer for the next project.

Vice Chairman Jackson recused himself from the meeting at 11:34 a.m.

Executive Director Dietrich suggested a motion be made to select Commissioner Zitter as the presiding officer over the next project briefing for Mennel Milling Company. Commissioner Biehl moved to appoint Commissioner Zitter as Presiding Officer and Commissioner Johnson seconded the motion. Roll call was taken with seven votes in the affirmative, one recused.

#### PROJECT BRIEFING – Mennel Milling Company

ORDC staff member Tom Burns presented the Mennel Milling Company project to the Commissioners on page 41 of the Commission packet. Mr. Burns reported Mr. Rob Hammer, Director of Logistics, Mennel Milling Company, was present to give an overview of the company's project. Mr. Hammer thanked the commissioners for the opportunity to present their project. He stated this project will allow the company to rail flour to their facility for a large national product in 2- 5- 10- and 25-lb packaging bags for retail customers. Mr. Hammer reported the company will be making a \$9.5 million investment in the region and will retain its current 210 employees and commit to hiring an additional 12 new positions as a result of this project.

Commissioner Zitter asked if anyone had any questions. There were no questions.

Vice Chairman Jackson returned to the meeting at 11:40 a.m.

## COMMITTEE REPORTS

None. Vice Chairman Jackson stated neither the Administrative nor Policy Committees met in July so there are no Committee Reports.

## OLD BUSINESS

Vice Chairman Jackson asked there was any Old Business to tend to. There was none.

## NEW BUSINESS

Vice Chairman Jackson asked if there was any New Business to be considered by the Commission. There was no New Business.

## PUBLIC COMMENT

Vice Chairman Jackson asked Jacque Annarino to remind the participants of the meeting how to ask questions if anyone wanted to. Ms. Annarino reviewed the instructions and reported that Scott Sepesky of Frontier Railroad asked for “a copy of the report” from today’s meeting. Ms. Annarino requested clarification of his question and he stated that he would like a copy of the Commission Meeting packet and would also like to know how to get on ORDC’s bidder’s list.

Executive Director Dietrich stated the individual railroads will be bidding the projects out themselves. ORDC does not keep a bidder’s list. There were no more questions.

Ms. Annarino reiterated how to contact ORDC (via email to Wende Jourdan) should there be additional questions after the meeting adjourns.

## ADJOURN

Vice Chairman Jackson adjourned the meeting of the Ohio Rail Development Commission at 11:49 a.m.