

**MINUTES FROM THE OHIO RAIL DEVELOPMENT COMMISSION
REGULAR BI-MONTHLY MEETING
SEPTEMBER 25, 2019**

CALL TO ORDER

Due to the absence of Chairman Policinski, Vice Chairman Jackson called the meeting of the Ohio Rail Development Commission to order at 11:03 a.m. on Wednesday, September 25, 2019.

MEMBERS PRESENT

Vice Chairman Solomon Jackson and Commissioners Mark Johnson, Bill Lozier, Allen Biehl, Tom Zitter, Rachel Near and Kirk Slusher (ODOT) were present. Representatives Hoops and Sheehy were also present. Senators Sykes and Manning had representatives of their offices in attendance. Chairman Mark Policinski and Commissioners Dean Hempfling, Tony Reams and Eric Richter were unable to attend. There were 7 voting members present, therefore a quorum was obtained.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Dietrich presented his report to the Commissioners, which can be found on page 9 of the Commission packet.

Executive Director Dietrich reported on the Rail Adaptability Study which was implemented to identify measures on how to assess blocked and occupied crossings and make necessary improvements. The study aims to develop a quantitative measure of the impacts of blocked and occupied crossings on communities when a crossing is unavailable. The purpose is to have another metric, in addition to the hazard index, with regard to improvements that are needed at a crossing. Phase Two will involve testing the measures.

Executive Director Dietrich reported that he and ORDC Project Development Manager, Tom Burns, attended the AASHTO Council on Rail Transportation Meeting in Hartford, Connecticut earlier in the month. He reported the issue of blocked crossings was a significant part of the discussion at the conference. The fact that Ohio is being proactive and has established a study of the impacts was of interest to many states who were in attendance.

ORDC is the recipient of two federal grants. Executive Director Dietrich reported on the Norfolk Southern INFRA Grant for a project along the Ohio River. He indicated ORDC is proceeding with the project which will provide rail service to the PTT plant in Belmont County. In addition, staff continues to work with the I&O on the Delta Yard Project which was made possible by the CRISI Grant award previously announced. The project in Delta supports the steel industry in the area.

Executive Director Dietrich publicly thanked Cathy Stout, ORDC Grade Crossing Safety Manager, for her work on the Railway-Highway Crossing Programs Annual Report found on page 12 of the commission packet. This report contains information on how Ohio is measuring the effectiveness of the state's programs to reduce serious injuries and fatalities at grade crossings.

The week of September 23rd is grade crossing safety week and Operation Lifesaver is planning several events. ORDC worked with ODOT on highway message signs geared toward raising awareness of the dangers of driving around gates at crossings. Executive Director Dietrich reported most train/car crashes occur at crossings with active warning devices (i.e., flashing lights or flashing lights and gates).

Commissioner Lozier pointed out a funding gap due to the FHWA reinterpretation of matching requirements for the federal grade crossing safety funds. Executive Director Dietrich agreed and pointed out that ORDC's close partnership with ODOT has enabled Ohio's program to continue intact. This is a national issue because not all states have matching funds available.

Representative Hoops spoke about constituent calls he received for his district regarding a blocked crossing and a humped crossing and he identified two in particular in which Rusty Orben of CSX was able to respond to and quickly resolve for them.

APPROVAL OF THE MINUTES OF THE JULY MEETING

Vice Chairman Solomon Jackson asked for a motion to approve the minutes of the July 17, 2019 meeting. Commissioner Johnson moved to approve the minutes and Commissioner Lozier seconded the motion. The minutes were approved with 7 votes in the affirmative.

FINANCE REPORT

Megan McClory, Secretary-Treasurer, presented the Finance Report to the Commissioners, which can be found on page 39 of the packet. Ms. McClory reported that two loans have recently been repaid ahead of schedule. The first one is the Napoleon, Defiance & Western loan which was a \$1 million loan approved in 2013 that was scheduled to be repaid in April 2020. The second was The Cleveland Commercial Railway loan which was repaid early as part of the OmniTrax acquisition. This \$60,000 loan was originally scheduled to be repaid in July of 2021.

Ms. McClory reported the 2020 draft Commission Meeting Schedule is included in the packet and asked the Commissioners to review the dates and notify ORDC staff member Wende Jourdan of any conflicts.

Ms. McClory introduced ORDC's two new staff interns and asked each of them to give a brief introduction of themselves to the commission. Alex Schepflin and Adil Abdulkadir each spoke about their respective backgrounds and were welcomed by the commissioners.

Vice Chairman Jackson announced that he must recuse himself from voting on a few of the projects before the commission as a result of his affiliation with Norfolk Southern. Therefore, he recused himself at 11:19 a.m. until after the projects were heard.

Commissioner Zitter presided over the following projects before the commission.

RESOLUTION 19-09 – Bucyrus Industrial Railroad, LLC Loan

ORDC staff member Tom Burns presented the briefing on page 51 of the commission packet. Mr. Burns introduced Mr. Casey Cathcart, President of Cathcart Rail, to give some

background on the project. Mr. Cathcart briefed the commissioners on the history of the company and reported that the company has been rapidly growing since 2016. Approval of the ORDC loan, he said, will help create an industrial railroad in Bucyrus to serve new customers and bring more jobs to the area. Mr. Cathcart reported the company plans to hire an additional 25 employees in Bucyrus prior to the end of the year, with final employment expected at 200 in Ohio once they are finished hiring.

Commissioner Zitter asked if there were any questions for Mr. Cathcart regarding his project. Hearing none Commissioner Zitter asked for a motion to approve Resolution 19-09. Commissioner Near moved to approve the resolution and Commissioner Slusher seconded the motion. Roll call was taken with six votes in the affirmative, one recused. The motion is approved as presented.

Vice Chairman Jackson returned to the meeting at 11:25 a.m.

RESOLUTION 19-10 – WESTCO Port Authority Bridge Rehabilitation

ORDC staff member Tim Brown presented Resolution 19-10 to the commissioners on page 56 of the commission packet. Mr. Brown introduced Mr. Louis Agresta, Secretary-Treasurer for WESTCO, to talk about the project. Mr. Agresta reported that the Port owns 94 miles of rail across several counties in Ohio. WESTCO leases these lines to the Indiana & Ohio Railways which provides rail service to customers on the line. This project involves the rehabilitation of a bridge at milepost 124.67 which has severely corroded bridge components. Business along this line has been growing over the years. This bridge, upon inspection, has been designated as a high priority. Mr. Agresta reported that WESTCO will be responsible for continued maintenance of the rehabilitated bridge. He thanked the Commission for their consideration of this important projects and asked if there were any questions that he could answer. Vice Chairman Jackson asked Mr. Agresta when the last time was that an engine has been on the bridge. Mr. Agresta responded that there was an engine on the bridge yesterday and trains run over that bridge three times per week. In response to a question from Vice Chairman Jackson, Mr. Agresta reported that repairs are expected to last a minimum of thirty years. Commissioner Slusher asked about the age of the bridge and condition of the substructure. Mr. Agresta stated the bridge was erected in the early 1900s and the condition is such that the bridge is not to the point of needing to be taken out of service yet but repairs are absolutely necessary in the near future.

Vice Chairman Jackson asked for a motion to approve Resolution 19-10. Commissioner Johnson moved to approve the motion and Commissioner Biehl seconded the motion. Roll call was taken with seven votes in the affirmative. The motion is approved as presented.

RESOLUTION 19-11 - FRA CRISI Grant Applications

ORDC staff member Tom Burns presented the briefing on page 61 of the commission packet. He reported that staff is requesting the Commission approve a resolution which will enable staff to work with multiple entities on Consolidated Rail Infrastructure and Safety Improvements Grant applications to the FRA. Mr. Burns stated that no funding requests are being made of the commission, rather an official declaration of support to allow staff to investigate the possibility

of working on the three projects. They are as follows: a project on the Village of Greenfield-owned line, a project with the Southwestern Ohio Regional Transit Authority, and a project with the Wheeling & Lake Erie Railway. Mr. Burns reiterated that any funding requests will be done separately and in the future. Commissioner Lozier asked if the CRISI grant requires a state sponsor on the application. Mr. Burns responded that any rail-related entity can apply, but having a state sponsor the application provides additional expertise. ORDC's role would be to serve as the agency responsible for submission, reporting and administering any necessary items for the execution of a potential CRISI award.

Executive Director Dietrich reiterated ORDC is attempting to be value-added to these entities as a state partner.

Vice Chairman Jackson asked for a motion to approve Resolution 19-11. Commissioner Lozier moved to approve the resolution and Commissioner Johnson seconded the motion. Roll call was taken and the motion was approved as presented with seven votes in the affirmative.

Prior to hearing the project briefings Vice Chairman Jackson announced he will be recusing himself for both the Brenntag and North Star Bluescope briefings and that Commissioner Zitter will once again serve as Presiding Officer.

PROJECT BRIEFING – AMG Vanadium, LLC New Facility

ORDC staff member Tom Burns presented the project which can be found on page 65 of the commission packet. Mr. Burns introduced Tom Centa, Executive Vice President, and Shawn Buchtel, Controller, of AMG Vanadium to speak about their project. Mr. Centa spoke about the company being a critical materials company and reported they work to meet the needs of their customers for lighter, stronger, more heat resistant materials. AMG has three locations in the United States with one in Cambridge, Ohio. They desire to be the leading recycling company in the world. AMG converts hazardous waste for use as a valuable product in multiple industries. The company is requesting a grant in the amount of \$150,000. This money will be used to assist with rail infrastructure at the new facility. The project will result in the creation of 100 new jobs. Commissioner Zitter asked how the company handles the excess sulfur. Mr. Centa reported the sulfur is sent through a scrubber and sold back to customers for use in the fracking industry. Representative Sheehy inquired about the number of refineries in Ohio that AMG currently receives product from. Mr. Centa responded that AMG is not currently receiving product from a refinery in Ohio, but that they expect that to change as a result of this project. Commissioner Zitter asked if any of the material is radioactive when the company receives it. Mr. Centa responded that the company does not receive any radioactive product.

There were no further questions asked. Mr. Centa thanked the commission for its assistance.

PROJECT BRIEFING – Griffeth & Son Trucking Transload

ORDC staff member Tom Burns presented the project which can be found on page 71 of the commission packet. Mr. Burns introduced Mr. Jim Griffeth, President of Griffeth Trucking, and

asked him to give an overview of the project. Mr. Griffeth reported they have been in the trucking business for 34 years and recently purchased the Heritage Plastics building in order to expand their trucking business and use the facility to transfer stone for various customers in the area. The \$100,000 grant from ORDC is necessary to offset costs associated with the needed rail infrastructure at the facility to assist with transloading limestone to their customers. The rail line has been inactive for the past 3 years. Once reactivated, Griffeth & Son will be able to serve new customers. The company commits to creating 40 new jobs as a result of this project and will retain 30 positions at the project site. There were no questions.

Vice Chairman Jackson recused himself from further discussion at 12:07 p.m.

PROJECT BRIEFING – Brenntag New Facility

ORDC staff member Tom Burns presented the briefing on page 68 of the commission packet. Mr. Burns introduced Mr. Andy Lorenz of the Regional Growth Partnership who was present as the company’s representative due to flight complications of the Brenntag representative. Mr. Lorenz reported that Brenntag began operations in the 1870s. The company is a global leader in chemical distribution. They have hundreds of locations in multiple countries across the globe. The \$75,000 grant is part of a \$15 million investment the company is making in a brownfield location in Toledo, Ohio. As a result of this project, Brenntag has committed to hiring 45 new employees at the new facility and expects to further increase business with the addition of the transload capabilities. There were no questions.

PROJECT BRIEFING – North Star Bluescope Steel Expansion

ORDC staff member Tom Burns presented the briefing for North Star Bluescope Steel which can be found on page 74 of the commission packet. Mr. Burns introduced Mr. Ryan Modglin, Senior Plant Engineer with North Star Bluescope and Mr. Andy Lorenz of the Regional Growth Partnership. Mr. Modglin gave an overview of the facility in Delta, Ohio. The company is planning a \$700 million expansion to their existing facility which includes approximately \$1.7 million in added rail infrastructure. North Star Bluescope is an industry leader in hot rolled steel. The expansion will assist the company in adding 800,000 tons of steelmaking capacity. North Star Bluescope provides products for use in many industries including automotive, construction and agriculture. The \$100,000 grant is necessary to help offset the costs associated with the rail infrastructure at the facility. North Star Bluescope commits to creating 90 new jobs and will retain the existing 397 jobs at the project site. The expected completion date of this project is an aggressive date of June of 2021. There were no questions asked.

Vice Chairman Jackson returned to the meeting at 12:29 p.m.

COMMITTEE REPORTS

Vice Chairman Jackson reported that both the Policy and Administrative Committees met prior to the commission meeting. He asked Commissioner Zitter to give a report on the Policy Committee. Commissioner Zitter stated that the Executive Director’s Report presented by

Executive Director Dietrich at the start of the meeting on the adaptability study covered the discussion at the Administrative Committee meeting and that he had no further comments to add.

For the Administrative Committee's report, Vice Chairman Jackson asked Megan McClory to report on the status of the committee's task of updating the commission's by-laws. Ms. McClory reported that the committee is reviewing the by-laws to modernize some of the terminology that was useful at the commission's inception in 1994 but now needs some updating. She reported the task is nearly completed and, once finished, the document will be brought before the commission for review and vote.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

PUBLIC COMMENT

There was no public comment.

ADJOURN

Vice Chairman Jackson adjourned the meeting at 12:32 pm.