



Mike DeWine, Governor
Jon Husted, Lt. Governor

Rail Development Commission

Mark Policinski, Chair

November 14, 2019

Dear Commissioners:

Enclosed please find relevant information to the **Wednesday, November 20, 2019** Commission Meeting. Minutes of the Wednesday, September 25, 2019 Commission Meeting are included for your review.

The meeting will be held at the **Ohio Department of Public Safety, 1970 W. Broad Street, Atrium. The Administrative Committee will meet at 10:00 a.m. in the Atrium. The Policy Committee will meet at 10:00 a.m. at Public Safety in Conference Room 1101.**

The ORDC Commission meeting will begin promptly at 11:00 a.m.

If you haven't already done so, please contact Wende Jourdan to confirm your attendance. You may reach her at 614-728-9497 or by e-mail at wende.jourdan@dot.ohio.gov.

We look forward to seeing you.

Sincerely,

Mark Policinski
Chairman

Enclosures





COMMISSION MEETING AGENDA

Wednesday, November 20, 2019 – 11:00 a.m.

Ohio Department of Public Safety - Atrium
1970 West Broad Street, Columbus, Ohio

The Policy Committee will meet in Rm. 1101 at 10:00 a.m.
The Administrative Committee will meet in the Atrium at 10:00 a.m.

CALL TO ORDER: Mark Policinski, Chairman

- Welcome
- Roll Call
- Approval of Minutes from September 25, 2019 Meeting

EXECUTIVE DIRECTOR'S REPORT: Matt Dietrich

FINANCE REPORT: Megan McClory

ITEMS FOR APPROVAL

- Resolution 19-12: Indiana Northeastern Railroad Track Upgrade
- Resolution 19-13: Adoption of the State Rail Plan

PROJECT BRIEFINGS

- Church & Dwight Rail Infrastructure Expansion
- Ohio Logistics Rail Spur Extension

COMMITTEE REPORTS

OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT

ADJOURN*

*Upon adjournment Brianne Brown, ODOT Legal Counsel, will be present to conduct the annual required Fraud/Ethics Training for the commissioners.



**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.

Below are the activities of the Ohio Rail Development Commission since the September 2019 meeting:

At-Grade Railroad Crossing Adaptability Study: The second stakeholder workshop was held on October 10th. ORDC also presented the study to the Ohio Association of Regional Council's Transportation Directors meeting. Staff is currently reviewing Working Paper Two – Data Availability and Gaps and Working Paper Three – Methodology.

Existing Federal Grant Awards:

- NS River Line INFRA Grant:
 - o NS & ORDC met with the Army Corps of Engineers and the Ohio Environmental Protection Agency on October 3rd for a field review of the bank stabilization portion of the project.
 - o NS is recalculating the Benefit Cost Analysis (BCA) to accompany a request to modify the project scope. The project scope modification would remove the yard improvements and extend the rail line improvements south of the facility
- I&O Delta Yard CRISI Grant
 - o ORDC is awaiting final grant document review with the FRA.

New Federal Grant Funding Opportunity: At the September meeting, the Commission approved Resolution 19-11 authorizing staff to assist with three potential projects for the most recent Consolidated Rail Infrastructure and Safety Improvements (CRISI) submission. Two of the projects were submitted for consideration on October 18th. ORDC is playing a support role for the Southwestern Ohio Regional Transit Authority (SORTA) grant request to rehabilitate the track and bridges on the Indiana & Ohio (I&O)-operated Blue Ash line. ORDC will assist with the administration of the project and provide all post-grant reporting if the project is awarded funds. ORDC is the grant applicant and project sponsor for the Village of Greenfield project to rehabilitate the I&O-operated Village-owned line. This project has a broad level of support with ORDC receiving financial commitments from the Village of Greenfield, Highland County, Appalachian Partnership for Economic Growth (APEG), the Governor's Office of Appalachia/Appalachian Regional Commission, Ohio Department of Transportation and Ohio Development Services Agency.

Outreach and education:

- All Aboard Ohio Fall Meeting – Staff provided an update on the State Rail Plan.
- Federal Highway Administration's Office of Freight Management and Operations and Office of Planning "Talking Freight" webinar series. Staff provided a presentation of the AASHTO Freight Rail Bottom Line Update.
- Ohio Economic Development Association Annual Summit: Staff attended the conference and ORDC also had an informational booth.

- American Shortline Railroad Association Eastern Region Meeting: Staff attended this conference held in Columbus this year. Additionally, staff presented “How Short Lines and State DOTs Can Work Best Together.”
- Ohio Municipal League Conference: ORDC had an informational booth.
- Upcoming activities include an informational booth at the County Commissioners and County Engineers Associations Winter Meeting.

State Rail Plan: While the approval of the State Rail Plan is on the agenda, I want to take this opportunity to recognize all the work that went into the plan. First, Tim Brown of the ORDC and Alex King of WSP did much of the actual work on the plan. However, this plan needed the input of many stakeholders at many levels: industry, customer, community and advocacy. Without their participation there would be no plan, so I want to formally recognize and thank all who participated.

Staff has been giving a lot of thought on how to best utilize this information moving forward. During the information-gathering portion of the State Rail Plan process, several areas were identified as possible action items. Staff has been able to advance some of those items already. Others are still in the development phase. Below is a list of the items under consideration:

1. Blocked At-Grade Railroad Crossings – ORDC has already initiated work on blocked crossings. The information received in the State Rail Plan validated complaints and concerns ORDC staff was already hearing from communities, individuals and the railroads. While ORDC staff continue to address individual reports, our primary work is focused on the Adaptability Study to develop a quantitative measure of the “importance” of the crossing to the community.
2. Railroad Bridges – ORDC heard a lot about railroad bridges from communities and MPOs. These concerns focused on safety, aesthetics and compatibility with surrounding land uses. At the current time, ORDC works with individual communities as issues arise. Railroads are usually responsive to community safety concerns. However, aesthetics and compatibility of the structure for the community remain outstanding issues.
3. Access to Rail Service – This is an area where input from the state rail plan validated previous concerns voiced to ORDC. Rail-served industrial sites are more valuable than non-rail served sites but there is a limited supply of “good” sites. As a result, companies are looking at other options such as intermodal, port, or transload facilities. In the last 12 months ORDC staff received approximately 12 inquires/potential projects regarding transload facilities. ORDC staff is working with JobsOhio to review the sites currently designated in JobsOhio’s site inventory as rail-served to determine: If they are rail served, and if there are any specific infrastructure needs that are required to provide rail service. For transload facilities, ORDC staff is developing a proposal to submit for ODOT Planning and Research funding for a study to identify existing transloads in the state and analyze if there are geographic or industry specific gaps in the state that should be addressed.
4. Developing a “reservoir” of projects for federal grant opportunities. Historically ORDC staff have solicited projects for federal grant opportunities only after a grant announcement. Recent CRISI grant opportunities have had quick turnaround times

from Notice of Funding Opportunities (NOFO) to Application Deadline so that is no longer a sustainable method of project solicitation for all but the most basic projects. ORDC staff are working on a plan to advance the projects identified in Attachment C of the State Rail Plan through the project development process so that they can be quickly evaluated and ready for future grant opportunities.

MEMORANDUM
November 8, 2019

TO: Commissioners
FROM: Megan McClory
SUBJECT: Finance Report

Accomplishments and Highlights of the Finance Section from September 18, 2019, to November 8, 2019:

1. **Fiscal Reports.** Staff have prepared monthly statements reflecting current outstanding loans, revenue collection, and project balances. Two loans were recently repaid:
 - a) The Buckeye Transfer Realty loan was repaid on time on October 1, 2019. This \$350,000 loan, approved and closed in 2014, funded on-site rail infrastructure to expand the company's transloading operation. The ORDC funds and the project supported the retention of 25 jobs at the company's location in Columbiana.
 - b) The Indiana Eastern's loan for the Meridian Transload Facility on the Ohio South Central Railroad was repaid on time on October 1, 2019. This \$208,000 loan, also approved and closed in 2014, was used to establish a rail-served transload and warehousing facility in the City of Jackson.

The three loans remaining in repayment were in good standing as of November 1.

2. **2020 Meeting Schedule.** The final 2020 meeting schedule is included in the meeting packet.
3. **Consultant contracts.** Staff has entered into the following agreements:
 - a) Bergmann & Associates: Up to \$7,200 for a benefit-cost analysis (BCA) in support of ORDC's application for Consolidated Rail Infrastructure and Safety Improvements from the Federal Railroad Administration. The BCA is a required element of the application and is of sufficient complexity that the services of an experienced consultant were required. This work was completed within a very short timeframe and came in under budget at a total of \$6,660.
 - b) DiPerna & Company: Up to \$10,000 for financial advisory services for proposed loans. ORDC will use this contract to analyze and provide advice on the structure of proposed Commission loans. The final cost is dependent on the number of tasks (loans) assigned and the value of each loan analyzed but will not exceed the contract maximum.

ORDC LOANS SUMMARY

As of 9/30/2019

| SFY | Name | Loan Amount | 2020 | 2021 | 2022 | 2023 | 2024 | Fees | Interest | Total Payments |
|------|---|--------------|------------|------------|------------|------------|-----------|-----------|------------|----------------|
| FY14 | Napolean, Defiance & Western ** | \$ 1,000,000 | \$ 173,018 | | | | | \$ 10,500 | \$ 35,889 | \$ 1,046,389 |
| FY15 | Buckeye Transfer Realty, LLC * | \$ 350,000 | \$ 24,380 | | | | | \$ 4,000 | \$ 12,561 | \$ 366,561 |
| FY15 | Indiana Eastern/Ohio South Central RR * | \$ 208,000 | \$ 116,120 | | | | | \$ 500 | \$ 12,933 | \$ 221,433 |
| FY15 | Nelson Packaging Company * | \$ 500,000 | \$ 76,236 | \$ 76,236 | \$ 76,236 | \$ 31,765 | | \$ 5,500 | \$ 28,847 | \$ 534,347 |
| FY17 | Ashland Railway * | \$ 700,000 | \$ 146,771 | \$ 146,771 | \$ 146,771 | \$ 85,616 | | \$ 7,500 | \$ 27,084 | \$ 734,584 |
| FY19 | Cleveland Commercial Railroad ** | \$ 60,000 | \$ 37,075 | | | | | \$ 224 | \$ 1,362 | \$ 61,586 |
| FY19 | Bluegrass Farms * | \$ 553,097 | \$ 115,747 | \$ 118,311 | \$ 118,311 | \$ 118,311 | \$ 39,437 | \$ 6,031 | \$ 30,767 | \$ 589,895 |
| FY19 | Jamen Holding Company *** | \$ 500,000 | | | | | | | | \$ 500,000 |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | \$ 3,871,097 | \$ 689,348 | \$ 341,319 | \$ 341,319 | \$ 235,693 | \$ 39,437 | \$ 34,255 | \$ 149,443 | \$ 4,054,795 |

Loan Amount Received to Date: \$ 317,513

Loan Balance Due: \$ 371,835

* Loans Active

** Loans Paid Off

*** Loans in Process

All loans are current as of the date of this report.

ORDC LOANS SUMMARY

As of 10/31/2019

| SFY | Name | Loan Amount | 2020 | 2021 | 2022 | 2023 | 2024 | Fees | Interest | Total Payments |
|------|--|--------------|------------|------------|------------|------------|-----------|-----------|------------|----------------|
| FY14 | Napolean, Defiance & Western ** | \$ 1,000,000 | \$ 173,018 | | | | | \$ 10,500 | \$ 35,889 | \$ 1,046,389 |
| FY15 | Buckeye Transfer Realty, LLC ** | \$ 350,000 | \$ 24,380 | | | | | \$ 4,000 | \$ 12,561 | \$ 366,561 |
| FY15 | Indiana Eastern/Ohio South Central RR ** | \$ 208,000 | \$ 116,120 | | | | | \$ 500 | \$ 12,933 | \$ 221,433 |
| FY15 | Nelson Packaging Company * | \$ 500,000 | \$ 76,236 | \$ 76,236 | \$ 76,236 | \$ 31,765 | | \$ 5,500 | \$ 28,847 | \$ 534,347 |
| FY17 | Ashland Railway * | \$ 700,000 | \$ 146,771 | \$ 146,771 | \$ 146,771 | \$ 85,616 | | \$ 7,500 | \$ 27,084 | \$ 734,584 |
| FY19 | Cleveland Commercial Railroad ** | \$ 60,000 | \$ 37,075 | | | | | \$ 224 | \$ 1,362 | \$ 61,586 |
| FY19 | Bluegrass Farms * | \$ 553,097 | \$ 115,747 | \$ 118,311 | \$ 118,311 | \$ 118,311 | \$ 39,437 | \$ 6,031 | \$ 30,767 | \$ 589,895 |
| FY19 | Jamen Holding Company *** | \$ 500,000 | | | | | | | | \$ 500,000 |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | \$ 3,871,097 | \$ 689,348 | \$ 341,319 | \$ 341,319 | \$ 235,693 | \$ 39,437 | \$ 34,255 | \$ 149,443 | \$ 4,054,795 |

Loan Amount Received to Date: \$ 461,803

Loan Balance Due: \$ 227,546

* Loans Active

** Loans Paid Off

*** Loans in Process

All loans are current as of the date of this report.

Revenue Received FY 2020

September 2019

| Name | CT # | Invoice # | Refunds / | Panhandle | Gas & Oil Leases, Royalties and Other - 4N4 (49995) | ORDC Loan Payment - 4N4 | | | Running Total |
|---------------------------------------|------|---------------------------|-----------|------------|--|-------------------------|-------------------|-------------------|----------------------|
| | | | 4N40/7002 | | | Fees (29991) | Princ. (79955) | Inter. (79956) | |
| Ashland Railway - Trail Bridge | ACH | | | | | | 11,294.56 | 936.35 | 594,238.86 |
| Bluegrass Farms | ACH | | | | | | 9,218.28 | 0.00 | 603,457.14 |
| Buckeye Transfer | ACH | | | | | | 6,073.07 | 21.95 | 609,552.16 |
| Indiana Eastern/OSC | ACH | | | | | | 1,707.34 | 202.04 | 611,461.54 |
| Nelson Packaging | ACH | | | | | | 5,921.43 | 431.60 | 617,814.57 |
| Cleveland Commercial | ACH | | | | | | 30,000.00 | 75.00 | 647,889.57 |
| Ashtabula Carson & Jefferson Railroad | 19 | RA200201 | | | 254.78 | | | | 648,144.35 |
| Encino Energy | 19 | Mar-Jun 2019 Royalties | | | 1,741.24 | | | | 649,885.59 |
| Eric Petroleum | 19 | Mar-Jun 2019 Royalties | | | 25.69 | | | | 649,911.28 |
| MFC Drilling (Medina Fuel) | 19 | RA200202 | | | 250.00 | | | | 650,161.28 |
| Charter Communications | 20 | RA200104 | | | 316.70 | | | | 650,477.98 |
| Carroll Electric Cooperative | 21 | RA200303 | | | 250.00 | | | | 650,727.98 |
| Diversified Energy | 21 | 7/17 - 6/19 Royalties | | | 28.32 | | | | 650,756.30 |
| Enlink Midstream Operating LP | 21 | RA200304 | | | 250.00 | | | | 651,006.30 |
| Cardinal Gas Service | 22 | RA200302 | | | 307.48 | | | | 651,313.78 |
| Aqua Ohio Inc | 23 | RA200301 | | | 389.50 | | | | 651,703.28 |
| Enervest Operating LLC | 23 | RA200305, 306 | | | 500.00 | | | | 652,203.28 |
| Genesee & Wyoming Inc | 23 | Aug 2019 Trackage | | | 9,532.07 | | | | 661,735.35 |
| Genesee & Wyoming Inc | 24 | RA200307 | | 93,016.55 | | | | | 754,751.90 |
| Monthly Total | | | 0.00 | 93,016.55 | 13,845.78 | 0.00 | 64,214.68 | 1,666.94 | 172,743.95 |
| Grand Total | | | 0.00 | 370,557.70 | 66,680.97 | 0.00 | 311,930.90 | 5,582.33 | 754,751.90 |

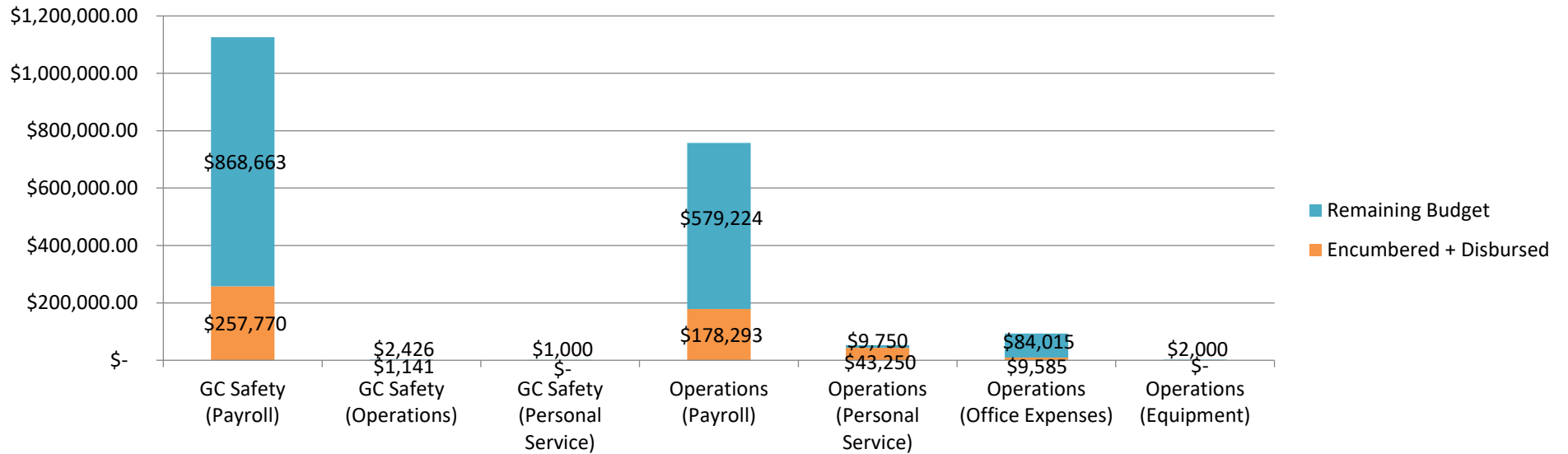
Revenue Received FY 2020

October 2019

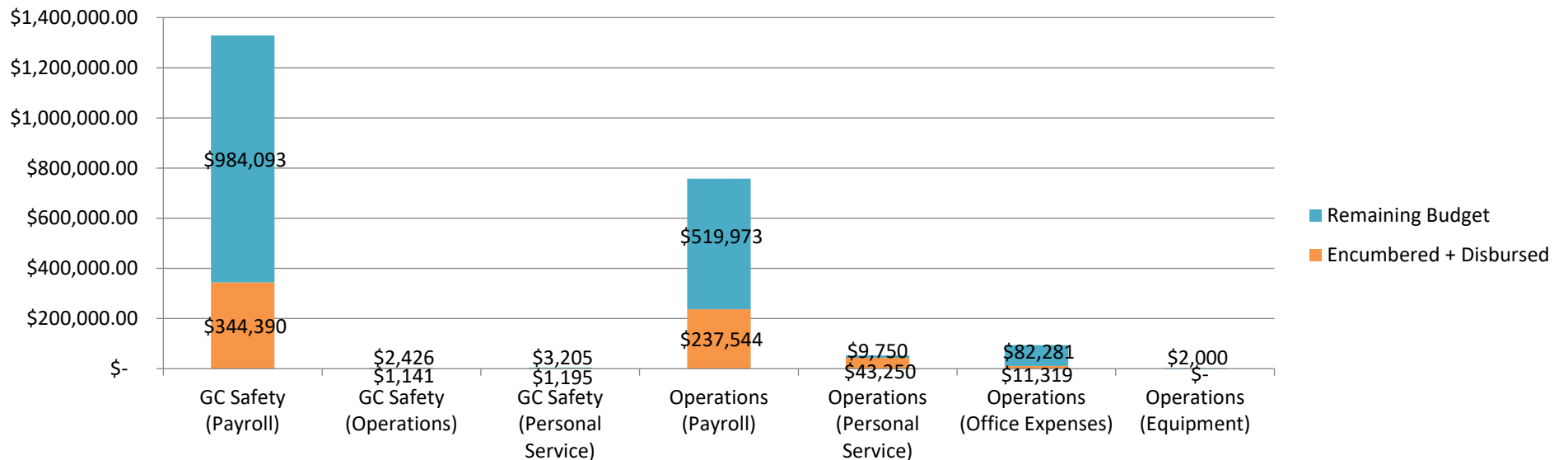
| Name | CT # | Invoice # | Refunds / | Panhandle | Gas & Oil | ORDC Loan Payment - 4N4 | | | Running |
|--|------|---------------------------------------|-----------|------------|---|-------------------------|-------------------|-------------------|--------------|
| | | | Reimburse | Lease | Leases, Royalties and Other - 4N4 (49995) | Fees (29991) | Princ. (79955) | Inter. (79956) | Total |
| Ashland Railway - Trail Bridge | ACH | | | | | | 11,316.53 | 914.38 | 766,982.81 |
| Bluegrass Farms | ACH | | | | | | 9,218.28 | 0.00 | 776,201.09 |
| Buckeye Transfer | ACH | | | | | | 6,084.05 | 10.97 | 782,296.11 |
| Indiana Eastern/OSC | ACH | | | | | | 1,710.42 | 198.96 | 784,205.49 |
| Nelson Packaging | ACH | | | | | | 5,932.13 | 420.90 | 790,558.52 |
| Indiana Eastern/OSC | 26 | Jackson Warehouse Loan Balloon Pmt | | | | | 108,482.86 | 0.00 | 899,041.38 |
| Ohi-Rail Corp | 25 | 2019 Q2 License Revenue | | | 2,150.00 | | | | 901,191.38 |
| Encino Energy | 27 | 07-2019 Royalty | | | 1,689.79 | | | | 902,881.17 |
| Village of Minerva | 28 | RA200404 | | | 250.00 | | | | 903,131.17 |
| Heath Newark Licking County Port Authority | 29 | RA200403 | | | 1,266.78 | | | | 904,397.95 |
| Genesee & Wyoming Inc | 30 | RA200402 | | 93,016.55 | | | | | 997,414.50 |
| Genesee & Wyoming Inc | 30 | Sep-19 Trackage | | | 8,446.44 | | | | 1,005,860.94 |
| Enervest Operating LLC | 31 | RA200401 | | | 378.16 | | | | 1,006,239.10 |
| Monthly Total | | | 0.00 | 93,016.55 | 14,181.17 | 0.00 | 142,744.27 | 1,545.21 | 251,487.20 |
| Grand Total | | | 0.00 | 463,574.25 | 80,862.14 | 0.00 | 454,675.17 | 7,127.54 | 1,006,239.10 |

Fiscal Year 2020 Agency Operations

Operating Expenses vs. Budget (through 9/30/19)



Operating Expenses vs. Budget (through 10/31/19)



ORDC Operations & Revolving Loan Fund Report as of October 1, 2019

| | Spending authority | Cash |
|---|--------------------|---------------|
| Fiscal Year 2020 Appropriation | \$ 2,875,800 | |
| Cash Balance as of 10/1/19 | | \$ 10,178,793 |
| LESS: OPEN PRIOR YEAR ENCUMBRANCES | | \$ 2,633,188 |
| NET CASH AVAILABLE FOR 2020 USE | | \$ 7,545,605 |
| Fiscal Year 2020 Appropriation | | \$ 2,875,800 |
| LESS: PAYROLL AND OTHER COSTS (Budgeted) | \$ 932,081 | |
| LESS: PROJECTS ENCUMBERED or DISBURSED | | |
| LESS: PROJECTS APPROVED BUT NOT ENCUMBERED | | |
| Jamen Holding Company/TriMor Corporation (loan) | \$ 500,000 | |
| Bucyrus Industrial Railroad | \$ 400,000 | |
| LESS: PROPOSED COMMITMENTS FOR FY 2020 | | |
| NET SPENDING AUTHORITY/CASH AVAILABLE* | \$ 1,043,719 | \$ 4,669,805 |

*Controlling Board approval will be necessary to fund projects beyond the available spending authority.

ORDC Operations & Revolving Loan Fund Report as of November 1, 2019

| | Spending authority | Cash |
|---|--------------------|---------------|
| Fiscal Year 2020 Appropriation | \$ 2,875,800 | |
| Cash Balance as of 11/1/19 | | \$ 10,298,864 |
| LESS: OPEN PRIOR YEAR ENCUMBRANCES | | \$ 2,589,392 |
| NET CASH AVAILABLE FOR 2020 USE | | \$ 7,709,472 |
| Fiscal Year 2020 Appropriation | | \$ 2,875,800 |
| LESS: PAYROLL AND OTHER COSTS (Budgeted) | \$ 932,081 | |
| LESS: PROJECTS ENCUMBERED or DISBURSED | | |
| LESS: PROJECTS APPROVED BUT NOT ENCUMBERED | | |
| Jamen Holding Company/TriMor Corporation (loan) | \$ 500,000 | |
| Bucyrus Industrial Railroad | \$ 400,000 | |
| LESS: PROPOSED COMMITMENTS FOR FY 2020 | | |
| NET SPENDING AUTHORITY/CASH AVAILABLE* | \$ 1,043,719 | \$ 4,833,672 |

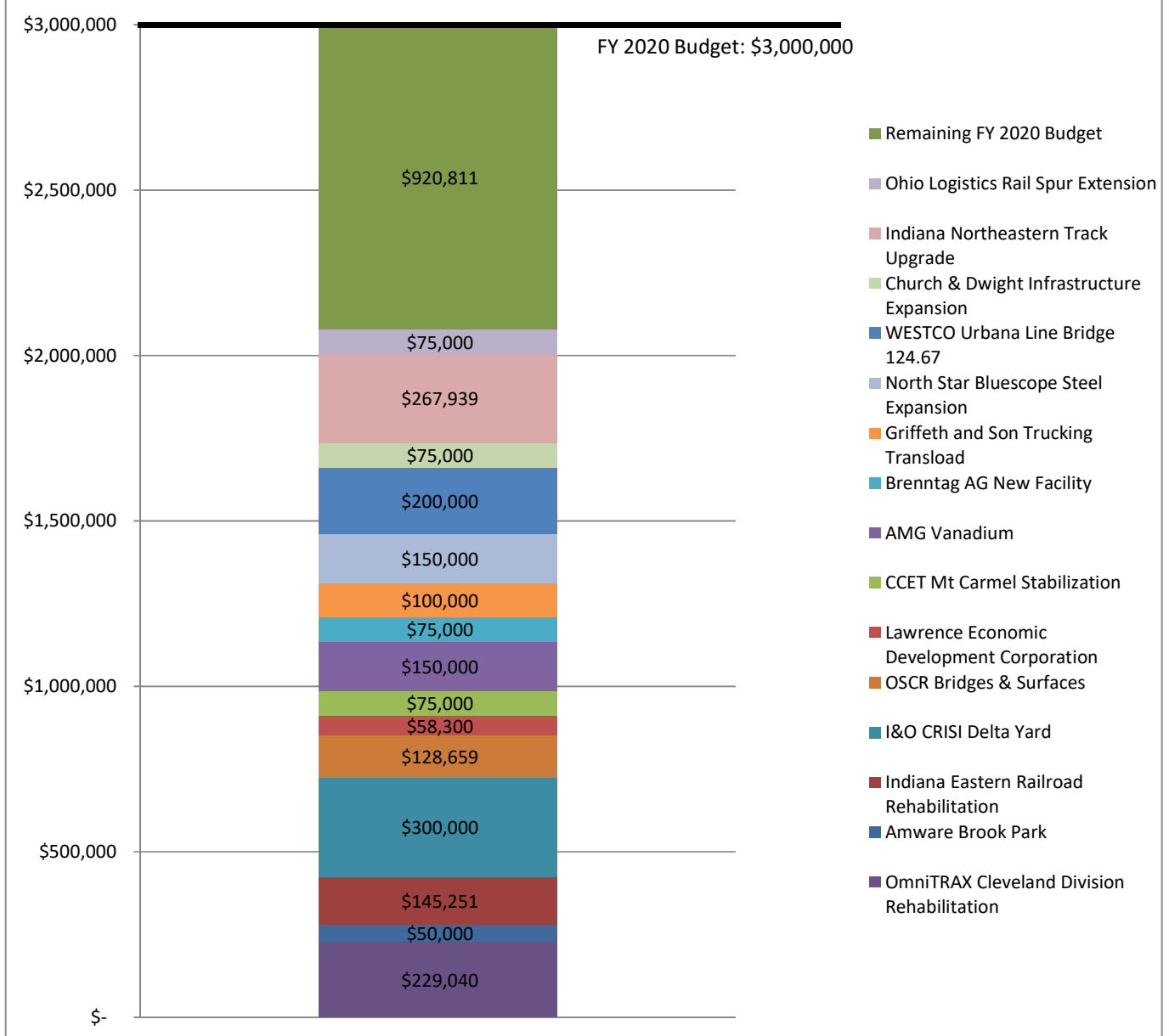
*Controlling Board approval will be necessary to fund projects beyond the available spending authority.

FISCAL YEAR 2020 BUDGET PROJECTION

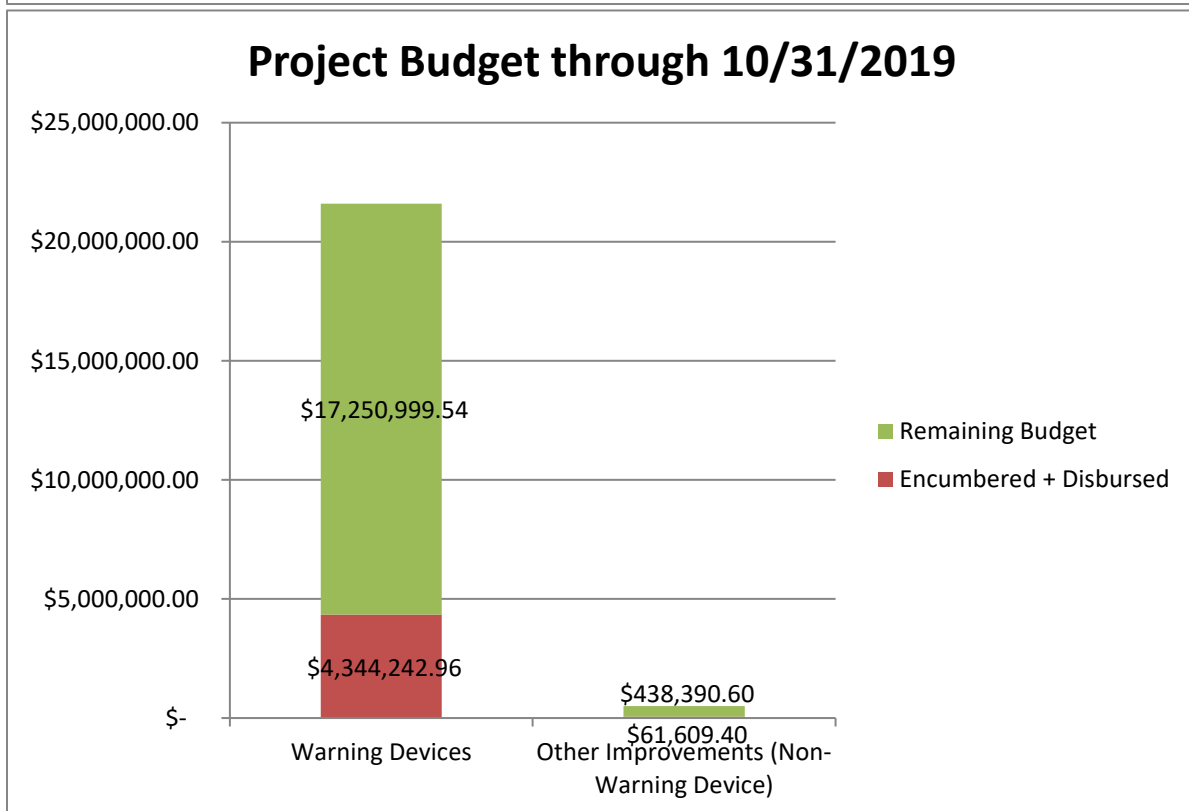
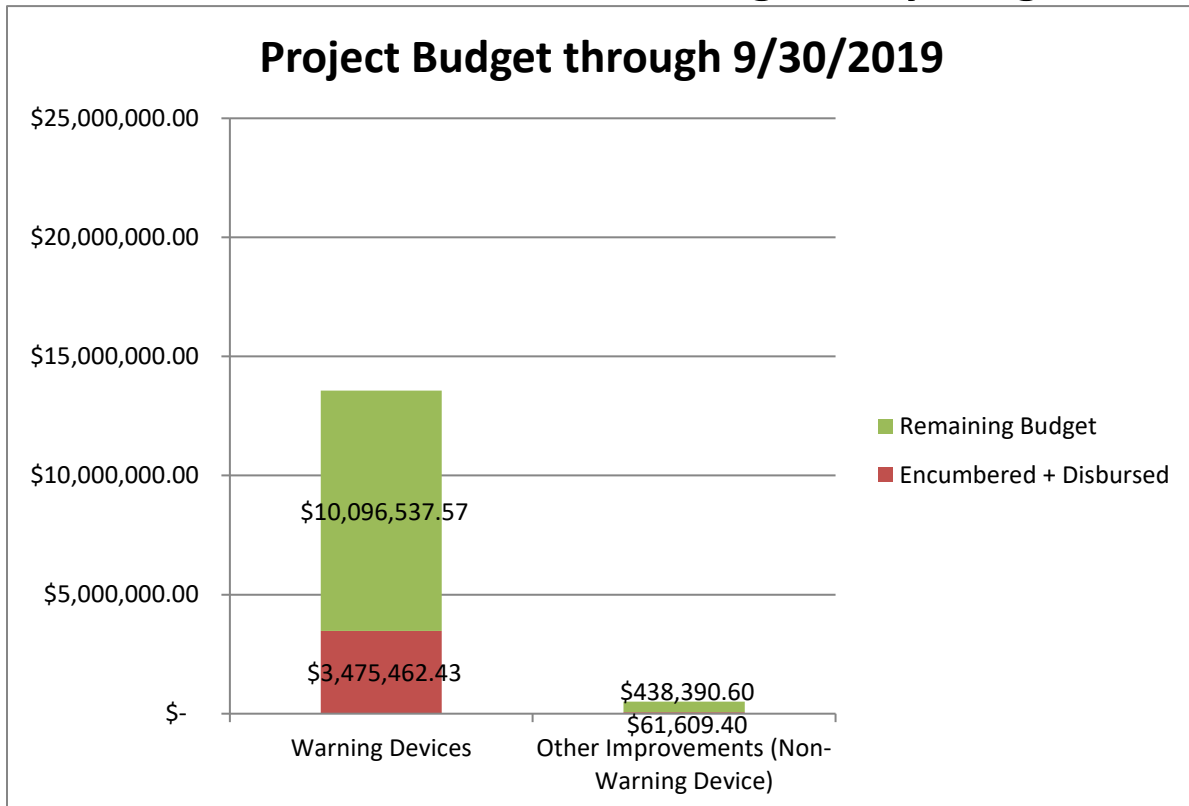
11/13/2019

| | | | | | Available Funds for FY 2020 | Grants | Loan & Grant w/ Payback |
|--|----------------|------------------|---------------|----------------------|-----------------------------|--------------|----------------------------|
| | | | | | | \$ 3,000,000 | \$ 6,100,000 |
| | | Total Project | Rail Portion | Requested Funding | | | |
| FY 2019 PROJECTS APPROVED | | | | | | | |
| Cleveland & Cuyahoga Rwy Cleveland Division Rehabilitation | Rehabilitation | \$ 1,108,749 | \$ 1,108,749 | \$ 229,040 | \$ 229,040 | | |
| Jamen Corp/Trimor Corp | Spur | \$ 1,300,000 | \$ 1,300,000 | \$ 500,000 | | \$ | 500,000 |
| FY 2020 PROJECTS APPROVED | | | | | | | |
| AMG Vanadium | Spur | \$ 350,000,000 | \$ 5,300,000 | \$ 150,000 | \$ 150,000 | | |
| Amware Corporation & Recycle-It Corporation | Spur | \$ 273,524 | \$ 273,524 | \$ 220,000 | \$ 50,000 | | |
| Brenntag AG New Facility | Spur | \$ 15,000,000 | \$ 1,000,000 | \$ 75,000 | \$ 75,000 | | |
| Bucyrus Industrial Railroad | Spur | \$ 400,000 | \$ 400,000 | \$ 400,000 | | \$ | 400,000 |
| CCET Mt Carmel Stabilization | Rehabilitation | \$ 151,500 | \$ 151,500 | \$ 75,000 | \$ 75,000 | | |
| Griffeth and Son Trucking Transload | Spur | \$ 2,600,000 | \$ 1,108,000 | \$ 100,000 | \$ 100,000 | | |
| I&O CRISI Delta Yard | Rehabilitation | \$ 7,168,000 | \$ 7,168,000 | \$ 300,000 | \$ 300,000 | | |
| Indiana Eastern Railroad Rehabilitation | Rehabilitation | \$ 290,502 | \$ 290,502 | \$ 145,251 | \$ 145,251 | | |
| Lawrence Economic Development Corporation | Spur | \$ 58,300 | \$ 58,300 | \$ 58,300 | \$ 58,300 | | |
| North Star Bluescope Steel Expansion | Spur | \$ 663,000,000 | \$ 1,700,000 | \$ 150,000 | \$ 150,000 | | |
| OSCR Bridge Repairs & Grade Crossing Surfaces | Rehabilitation | \$ 257,319 | \$ 257,319 | \$ 128,659 | \$ 128,659 | | |
| WESTCO Urbana Line Bridge 124.67 | Rehabilitation | \$ 400,000 | \$ 400,000 | \$ 200,000 | \$ 200,000 | | |
| TOTAL OF APPROVED PROJECTS | | \$ 1,042,007,894 | \$ 20,515,894 | \$ 2,731,250 | \$ 1,661,250 | \$ | 900,000 |
| FY 2020 PROJECTS FOR APPROVAL | | | | | | | |
| Indiana Northeastern Track Upgrade | Rehabilitation | \$ 602,645 | \$ 602,645 | \$ 267,939 | \$ 267,939 | | |
| Church & Dwight Infrastructure Expansion | Spur | \$ 38,000,000 | >\$75,000 | \$ 75,000 | \$ 75,000 | | |
| Ohio Logistics Rail Spur Extension | Spur | \$ 209,000 | \$ 209,000 | \$ 75,000 | \$ 75,000 | | |
| TOTAL FOR APPROVAL | | \$ 38,811,645 | \$ 811,645 | \$ 417,939 | \$ 417,939 | \$ | - |
| FUNDING REMAINING IF ALL PROJECTS APPROVED | | | | | \$ 920,811 | \$ | 5,200,000 |
| ACTIVE COMMITMENTS | | | | | | | |
| ASRY Willard Line Rehab and Rail Test | Rehabilitation | \$ 1,417,754 | \$ 1,417,754 | \$ 708,877 | \$ 708,877 | | |
| Regional Growth Partnership | Spur | \$ 72,000,000 | \$ 800,000 | \$ 100,000 | \$ 100,000 | | |
| Regional Growth Partnership | Spur | \$ 3,000,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | | |
| Youngstown-Warren Regional Chamber | Spur | \$ 43,451,104 | \$ 490,000 | \$ 250,000 | \$ 250,000 | | |
| TOTAL COMMITMENTS | | \$ 119,868,858 | \$ 2,732,754 | \$ 1,083,877 | \$ 1,083,877 | \$ | - |
| FUNDING REMAINING AFTER APPROVED PROJECTS AND COMMITMENTS | | | | | \$ (163,066) | \$ | 5,200,000 |

Fiscal Year 2020 Grant Commitments vs. Budget



Fiscal Year 2020 Grade Crossing Safety Program





**COMMISSION MEETING DATES
- CALENDAR YEAR 2020 -**

January 22
March 18
May 13
July 15
September 16
November 18

At the Direction of the Commission, all meetings in CY 2020 will take place at:

Ohio Department of Public Safety – 1970 West Broad Street, Atrium
Columbus, Ohio 43223



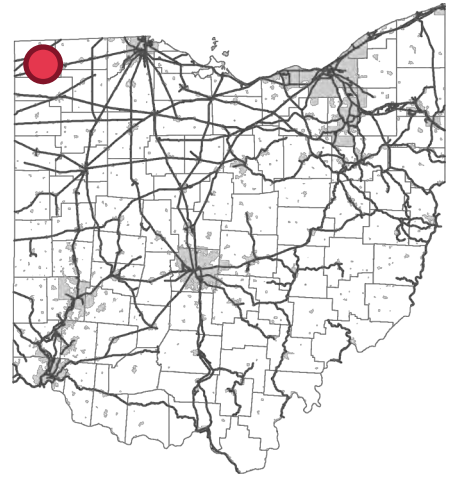
Indiana Northeastern Railroad Track Upgrade

Rail Project Funding

| | |
|----------------|------------------|
| INE Investment | \$334,706 |
| ORDC Grant | \$267,939 |
| | \$602,645 |

Project Benefits

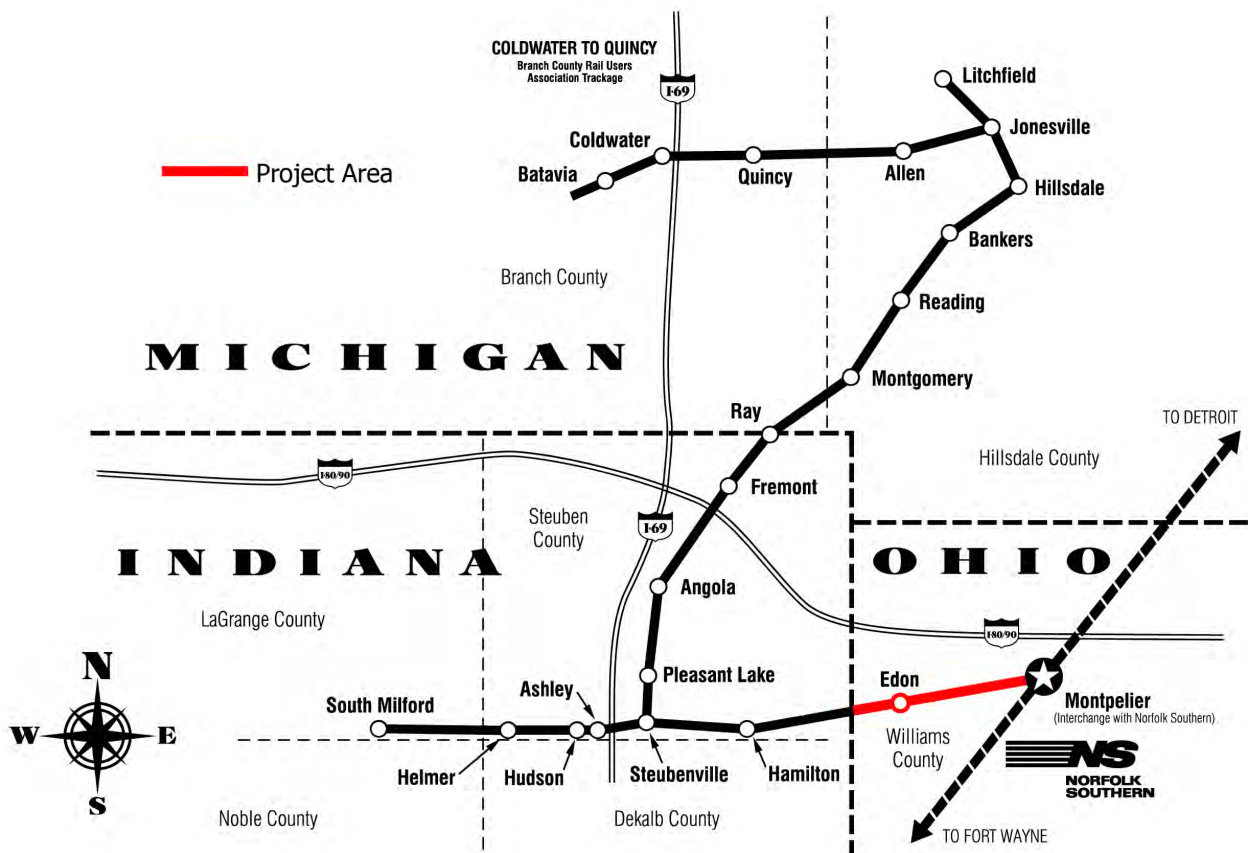
- Improves conditions of 8.55 miles of track in Ohio to Class 2 on the mainline and Class 1 for sidings
- Increases efficiency of operations



ORDC Goals and Objectives

Economic Development: This project preserves and enhances existing rail lines and corridors.

Efficient Railways: This project improves on-time performance and provides improved transportation choices for Ohio communities and industries.



**INDIANA NORTHEASTERN RAILROAD
TRACK UPGRADE
Williams County, OH
October 30, 2019**

Indiana Northeastern Railroad (INE) seeks ORDC funding assistance to upgrade its mainline in Ohio to FRA Class 2 condition. Staff recommends approval of a grant in the amount of \$267,939. INE's share of the cost is \$334,706 for a total project cost of \$602,645. The project involves tie replacement, ballast distribution, rail anchor installation, bolt tightening, and surfacing of 8.55 miles of track to achieve Class 2 condition for the mainline track and Class 1 condition for sidings. The project also involves the reconstruction of the grade crossings on County Roads 9 and 8.5 in Williams County.

INE's 104 miles of track extends from its interchange with NS in Montpelier, Ohio into northeastern Indiana and southern Michigan. Because INE's only interchange is in Ohio, all INE traffic from Indiana and Michigan moves over its 8.55 miles of track in Ohio. Additionally, INE has a customer located in Edon, Ohio (Edon Farmers Coop). A substantial portion of INE's traffic consists of grain. INE handles unit grain trains that utilize Norfolk Southern locomotive power. These unit trains benefit INE customers because they are more efficient and cost effective; however, since they limit the amount of time allowed to INE and its customer to load the trains, improving track conditions and therefore track speeds will ease their operation. INE has partnered with INDOT on track upgrades in Indiana in pursuit of these operational improvements.

INE will be responsible for continued maintenance of the mainline to Class 2 standards and the sidings to Class 1 standards.

RESOLUTION 19-12
RE: INDIANA NORTHEASTERN RAILROAD COMPANY
GRANT FUNDING

A RESOLUTION DETERMINING THE APPROPRIATENESS OF ASSISTANCE PROPOSED TO BE PROVIDED TO THE INDIANA NORTHEASTERN RAILROAD COMPANY UNDER CHAPTER 4981 OF THE OHIO REVISED CODE.

WHEREAS, this Commission as the Ohio Rail Development Commission (“ORDC”) created by Chapter 4981 of the Ohio Revised Code, has the responsibility of reviewing and making recommendations to ORDC staff with respect to the assistance under Chapter 4981 of the Ohio Revised Code (the “Act”) proposed to be provided; and

WHEREAS, the ORDC has under consideration the provision of assistance under the Act to the Indiana Northeastern Railroad Company (the “Company”); and

WHEREAS, the ORDC staff has submitted to this ORDC a Request for Assistance submitted by the Company; the determination of the Executive Director of the ORDC and the facts upon which such determination is based, that the proposed assistance will conform to the requirements of the Act and the terms of the proposed assistance; and

WHEREAS, the ORDC has reviewed such submissions and discussed them with the Executive Director and staff of the ORDC the proposed assistance; and

WHEREAS, on the basis of such review and discussions, the ORDC has determined that the provision of assistance to the Company, as set forth in the ORDC staff’s submissions, is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the ORDC of the State of Ohio:

Section 1. That the ORDC determines that the assistance proposed to be provided under the Act to assist the Company with the Rail Service Project (as defined below) is appropriate.

Section 2. That the ORDC approves the proposed assistance to the Company, the nature, amount and terms of which are summarized in Exhibit A attached hereto.

Moved By _____

Seconded By _____

| | | | | | |
|-------------------------------|------------------------------|-----------------------------|---------------------------------|------------------------------------|----------------------------------|
| Mark Policinski, Chairman | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent | <input type="checkbox"/> Abstained | <input type="checkbox"/> Recused |
| Allen Biehl | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent | <input type="checkbox"/> Abstained | <input type="checkbox"/> Recused |
| Dean Hempfling | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent | <input type="checkbox"/> Abstained | <input type="checkbox"/> Recused |
| Solomon Jackson | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent | <input type="checkbox"/> Abstained | <input type="checkbox"/> Recused |
| Mark G. Johnson | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent | <input type="checkbox"/> Abstained | <input type="checkbox"/> Recused |
| William Lozier | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent | <input type="checkbox"/> Abstained | <input type="checkbox"/> Recused |
| Jack Marchbanks | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent | <input type="checkbox"/> Abstained | <input type="checkbox"/> Recused |
| Rachel Near for Lydia Mihalik | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent | <input type="checkbox"/> Abstained | <input type="checkbox"/> Recused |
| Anthony Reams | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent | <input type="checkbox"/> Abstained | <input type="checkbox"/> Recused |
| Eric Richter | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent | <input type="checkbox"/> Abstained | <input type="checkbox"/> Recused |
| Thomas Zitter | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent | <input type="checkbox"/> Abstained | <input type="checkbox"/> Recused |

ORDC ACTION:

Motion Approved _____
Motion Denied _____

| | |
|--------------|-----------------|
| Other Action | |
| Date | <u>11/20/19</u> |

CERTIFICATE

I, the undersigned Chairman of the ORDC, hereby certify that the foregoing is a true and correct record of the resolution of said ORDC.

 Mark Policinski, Chairman
 Date

EXHIBIT A

A grant to the Company pursuant to Section 4981.032 of the Ohio Revised Code in the amount of up to Two Hundred Sixty Seven Thousand Nine Hundred Thirty Nine Dollars (\$267,939) (the "ORDC Grant") for a project that consists of tie replacement, ballast distribution and other rehabilitation activities to achieve Class II conditions on the mainline and Class I conditions on the sidings on the Company's mainline in Ohio (the "Rail Service Project").

The ORDC Grant is subject to the following conditions:

1. The Company must meet all standard ORDC program requirements, including any applicable prevailing wage provisions, in expending the ORDC Grant.
2. The Company shall be responsible for any and all costs in excess of the ORDC Grant.



U.S. Department
of Transportation

**Federal Railroad
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

September 26, 2019

Mark Policinski, Chair
Ohio Rail Development Commission
1980 West Broad Street, Mail Stop #3140
Columbus, Ohio 43223

Dear Mr. Policinski,

The Federal Railroad Administration (FRA) has completed its review of the 2019 State of Ohio Rail Plan (also referred to as the State Rail Plan or SRP), which was prepared by the Ohio Rail Development Commission (ORDC).

FRA's review of the SRP found that it contained the required elements in accordance with 49 U.S.C. 22705 and FRA's 2013 State Rail Plan Guidance. This letter serves as notice that FRA formally accepts the SRP.

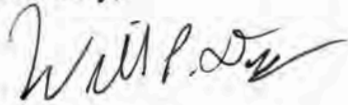
While FRA finds that the SRP meets the minimum requirements, FRA recommends addressing the following points in future updates to the SRP:

- Chapter 2 – State Funding/Financing - Identify how much funding the State has provided for rail over the past five years.
- Chapter 5/Appendix – State's Rail Service and Investment Program (RSIP) Short-Range 4-Year Program Inventory – FRA commends the State of Ohio for identifying and categorizing potential projects for Federal grant funds in the appendices of the SRP. FRA recommends periodically updating this list of projects to reflect the State of Ohio's rail investment priorities.
- Chapter 6 – Include the Summary of Comments document currently posted on the ORDC website in the Appendix section of the SRP, either directly or by reference.

Section 11315(a)(1) of the Fixing America's Surface Transportation Act (P.L. 114-94, December 4, 2015) revised the requirement for State-approved plans to be resubmitted to FRA no less frequently than once every 4 years (previously every 5 years). As such, FRA looks forward to working with you on the next iteration of the State of Ohio Rail Plan, due in 2023.

FRA looks forward to a continued partnership with the State of Ohio to build and maintain a safe, reliable, and efficient U.S. rail network.

Sincerely,

A handwritten signature in black ink, appearing to read "Will Dyer", with a stylized flourish at the end.

Will Dyer
Division Chief, National Rail Planning
Office of Railroad Policy and Development

cc: Matthew Dietrich

Executive Summary

Purpose of the State of Ohio Rail Plan

This 2018 *State of Ohio Rail Plan* (Rail Plan) is an update of the 2010 *Ohio Statewide Rail Plan* (2010 Rail Plan). The Rail Plan complies with the requirements of the Passenger Rail Investment and Improvement Act, which the U.S. Congress passed in 2008, as well as the subsequent more detailed State Rail Plan Guidance (Guidance) issued by the Federal Railroad Administration (FRA) in 2013. Beyond fulfilling the federal mandate, this Rail Plan helps position Ohio for future federal grant opportunities. The Rail Plan has also provided an opportunity to identify issues, opportunities, and needs associated with the Ohio rail system to inform potential future investments and policies.

Per requirements of the FRA Guidance, the Rail Plan consists of six chapters:

- *Chapter 1 – The Role of Rail in Statewide Transportation* discusses the role of rail in Ohio's multimodal transportation system and how public agencies in the state are organized to support rail.
- *Chapter 2 – Ohio's Existing Rail System* provides an overview of Ohio's rail system and trends that impact the system.
- *Chapter 3 – Proposed Passenger Rail Issues, Opportunities, Improvements and Investments* identifies passenger rail issues, opportunities, and improvements that stakeholders have put forward.

- *Chapter 4 – Proposed Freight Rail Issues, Opportunities, Improvements and Investments* discusses freight rail issues, opportunities, and potential improvements.
- *Chapter 5 – Ohio's Rail Service and Investment Program* describes vision, goals, and objectives for the rail system, rail needs that have been identified to address the vision, goals, and objectives, needs identified by stakeholders, and potential projects to sponsor for federal grant applications.
- *Chapter 6 – Coordination and Review* indicates how stakeholders were involved in the development of this Rail Plan and how the Rail Plan was coordinated with other planning efforts.

The findings of the Rail Plan follow.

Ohio Has an Extensive Rail Network that Is Closely Integrated with the State's Economy.

At 5,187 miles, Ohio's network of active rail lines is the fourth most extensive in the nation, behind that of Texas, Illinois, and California. Because Ohio is geographically much smaller than either Texas or California, its rail network is more concentrated. Rail infrastructure (unlike highway infrastructure) is often sold or abandoned if its use does not justify costs to maintain and operate. If Ohio businesses did not use the rail network, it would not be as extensive. The high mileage of rail lines in Ohio reflects the close integration of rail with

Ohio's economy. Including the impact of employee spending and spending across industries, the freight rail industry contributes \$2.8 billion to Ohio's economy annually.

Prominent within Ohio's economy are industries that rely on rail. For example, manufacturing's total share of employment within Ohio is 46 percent higher than in other parts of the country. Within manufacturing, top sectors are 1) steel manufacturing; 2) chemical manufacturing; 3) food and beverage manufacturing; and 4) motor vehicle manufacturing. Each of these sectors is a heavy user of rail. Ohio ranks eighth in the nation for corn production and ninth in the nation for soybean production. Ohio is eleventh in coal production.

The Association of American Railroads ranks states by originating and terminating rail tonnages by commodity. Ohio is ranked among the top 10 states in *originating* tonnage of coal; farm products; crushed stone, sand, and gravel; intermodal; food products; metallic ores; primary metal products; and waste/scrap. Ohio is also ranked among the top 10 in *terminating* tonnage of coal; chemicals; intermodal; crushed stone, sand, and gravel; food products; metallic ores; and waste and scrap.

Rail service in Ohio competes more closely with trucking than in other parts of the country. Nationwide, railroads have focused on markets where economics of railroad transportation are more favorable than that of trucking. Rail transportation costs less than

trucks for delivering large shipments and shipping long distances. The average length of rail haul nationwide increased from 843 miles in 2000 to 1,033 miles in 2017.¹ The share of rail shipments with over 60 carloads shipped at once increased from 45 percent in 2000 to 55 percent in 2013.² Railroads focus on these high volume, long distance markets while trucks dominate shorter haul, lower volume transportation markets.

However, whereas the average rail shipment distance nationwide is 1,033 miles, the average shipment distance to or from Ohio is estimated to be 619 miles.³ Less than 25 percent of the ton-miles originating or terminating in Ohio (compared to 55 percent nationwide) are in shipments of over 60 carloads. Because the average length of haul is shorter and the average number of carloads per shipment is fewer, railroads shipping to and from Ohio compete more closely with trucking than elsewhere, all else being equal.

Two freight railroad companies—CSX Transportation and Norfolk Southern Railway—operate 59 percent of the Ohio rail network. Most of the remaining rail network is operated by local and regional freight railroads (railroads with annual revenues less than \$447.6 million).⁴

¹ Association of American Railroads, *Railroad Ten-Year Trends*.

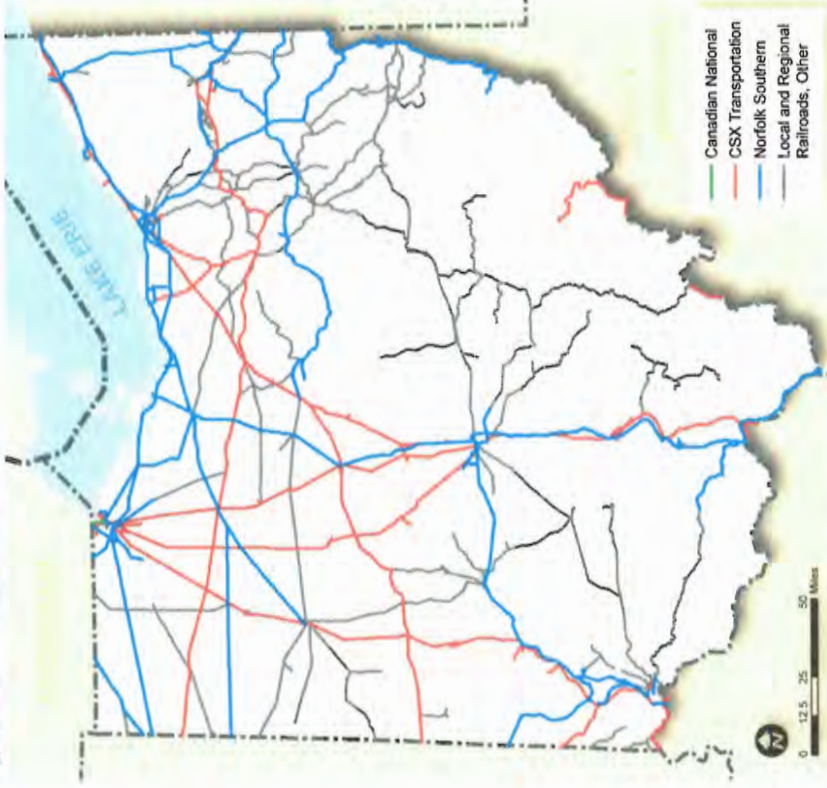
² AASHTO, *AASHTO Freight Rail Study Support Services*, August 2018.

³ Because the STB Waybill Sample is a sample of waybills and not rail shipments, it understates average length of haul, since multiple waybills may carry a single rail move. To account for this, an adjustment was applied to increase estimated Ohio average length of

haul by the ratio by which the STB Waybill Sample nationally undercounts average lengths of haul.

⁴ The federal government and tourist railroads also operate several segments of the Ohio rail network.

Figure ES-1. Ohio Rail Network



Source: Ohio DOT GIS file, WSP USA analysis

Although Most of the Rail Network in Ohio is Owned by Private Freight Railroads, the Public Sector Still Plays an Important Role.

Of the 5,188 miles of active rail lines in Ohio, ownership is as follows:

- 4,589 miles owned by freight railroads
- 210 miles owned by the State of Ohio
- 282 miles owned by county or municipal governments or port authorities
- 77 miles owned by the federal government
- 30 miles owned by tourist railroads

Rail lines owned by state and local governments were generally acquired when these rail lines were threatened with abandonment. They are now operated by freight railroads.

In addition to owning rail lines, the public sector supports the rail network in Ohio in a number of ways, such as helping to secure funding for rail infrastructure projects. Of the 36 rail-related funding applications for projects in Ohio that have been submitted for federal multimodal grants since 2009, 15 were submitted by the State of Ohio, 11 by county or municipal governments, nine by independent government entities like port authorities, and one by a regional planning organization. These included applications for the following multimodal grant programs: Transportation Investment Generating Economic Recovery (TIGER), Fostering Advancements in Shipping and Transportation for the Long-Term Achievement of National Efficiencies (FASTLANE), and Infrastructure for Rebuilding America (INFRA) discretionary grant programs. State, local, and regional planning organizations also provide planning for rail projects.

The Public Utilities Commission of Ohio (PUCO) has regulatory oversight over Ohio's railroad industry through the independent enforcement of state and federal railroad regulations. PUCO employs 14 rail inspectors, maintains Ohio's highway/rail grade crossing database, and administers grade crossing funds.

The Ohio Rail Development Commission's (ORDC) mission is to plan, promote, and implement the improved movement of goods and people faster and safer on a rail transportation network that connects Ohio to the nation and the world. ORDC provides grants, loans, and other assistance, supporting Ohio's rail network through the following:

- Assist economic development projects in gaining rail access.
- Invest in projects that improve the rail network.
- Provide technical expertise for projects involving railroads.
- Help communities who own railroads to investigate rail issues impacting Ohio.

In fiscal years 2017 and 2018, ORDC approved \$5.9 million in grant funds and lent \$790,000 to railroads, shippers, local governments, port authorities for freight rail projects. Expected outcomes of approved projects follow:

- Jobs created: 950
- Jobs retained: 1,850
- Jobs supported: 7,500
- Total jobs affected: 10,300
- Private-sector investment: \$1.2 billion
- Other public-sector investment: \$73 million

In addition to these development activities, ORDC uses federal highway dollars to fund highway/rail crossing safety improvements throughout the state. Working with PUCO, in FY 2018, ORDC administered 58 projects at 67 grade crossings. The improvements included 60 active warning device installation or upgrade projects; two roadway geometry improvements; four grade-crossing eliminations; a statewide preemption planning project; an inventory/database upgrade project; and participation in a bridge (railroad under) project.

Local Communities Have Been Active in Passenger Rail Planning.

Amtrak serves Ohio via three long-distance (defined as over 750 miles) routes—the Capitol Limited, the Cardinal, and the Lake Shore Limited (Figure 1-1). Due to the scheduling of connecting trains in Chicago, these trains pass through Ohio at night. In Federal Fiscal Year 2017 (ending September 30, 2017), 149,013 people got on or off Amtrak trains in Ohio. Of these, 53,528 got on or off trains in Cleveland while 56,275 got on or off of trains in Toledo—collectively 74 percent of Ohio's Amtrak ridership.

If any new passenger rail services were to be sponsored by the State of Ohio, the state would be required to fund operating costs in excess of ticketing and other train revenues, as well as capital costs and allocated overhead (costs that are not directly attributable to a single service). If the new service was initiated on an existing, privately owned rail line, the State of Ohio would need to negotiate and reach agreement with the freight railroad owners for the new service. The State of Ohio would need to pay for passenger rail service infrastructure improvements, not only to meet desired service levels

but also to provide incremental capacity for the new service to avoid interfering with freight operations. Since most rail lines in Ohio are privately owned, this negotiation would be required for most alternatives.

Figure ES-2. Amtrak Routes and Stations within 30 Miles of Ohio

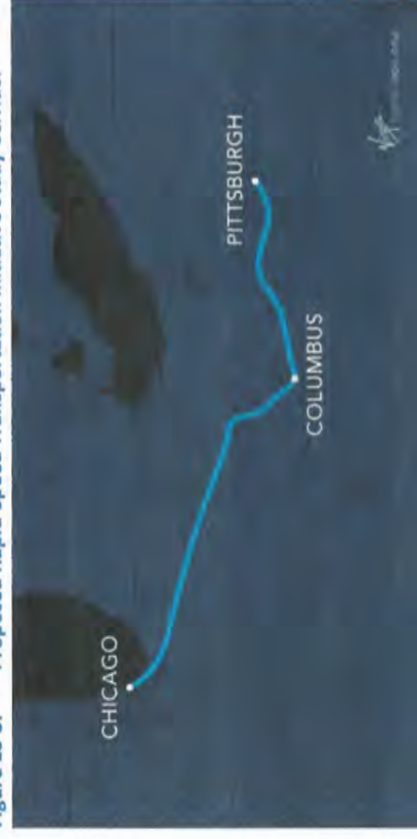


Source: National Transportation Atlas Database, 2017; WSP analysis

During the late 1990s through 2009, Ohio conducted a number of passenger rail studies. Even though some of these studies included environmental work to comply with the requirements of the National Environmental Policy Act (NEPA), the findings are now outdated. Were Ohio to revisit any of these initiatives, any previously completed NEPA work would need to be redone.

Two current initiatives—one by the Northern Indiana Passenger Rail Association (NIPRA) and another by the Mid-Ohio Regional Planning Commission (MORPC)—complement each other. With funding from local governments in Ohio and Indiana, NIPRA is completing work to provide input to an environmental review process under NEPA for passenger rail service between Gary, Indiana, and Lima. MORPC is conducting analogous NEPA work for passenger rail service between Lima and Pittsburgh, through Columbus (Figure ES-3).

Figure ES-3. Proposed Rapid-Speed Transportation Initiative Study Corridor



Source: Mid-Ohio Regional Planning Commission, 2017

MORPC and another metropolitan planning organization, the Northeast Ohio Areawide Coordinating Agency (NOACA), are also studying the feasibility of hyperloop technology. The hyperloop concept involves freight or passenger pods traveling at extremely high speeds within sealed vacuum tubes. MORPC is evaluating hyperloop technology for a corridor between Chicago, Columbus, and Pittsburgh, while NOACA is investigating the feasibility of a hyperloop between Chicago and Cleveland.

In addition, feasibility studies and environmental work for new passenger rail service and passenger rail station improvements on existing passenger rail routes have been proposed or are underway in Cincinnati, Cleveland, Elyria, Oxford, Bryan, Mentor, Sandusky, Ravenna, and Toledo.

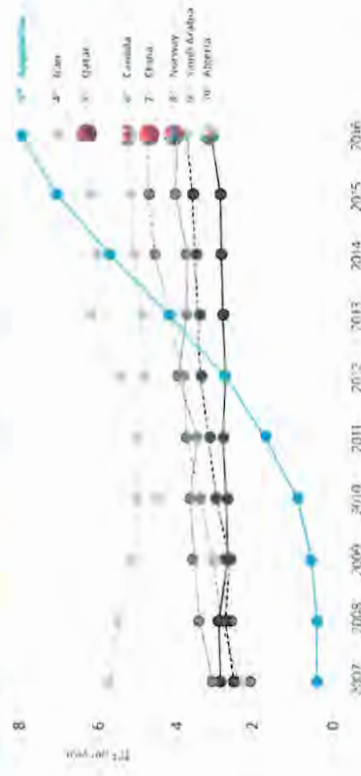
The Public Sector Can Help Take Advantage of New Rail-Related Opportunities.

The needs of Ohio's rail network are constantly changing with shifts in rail markets. The primary responsibility for responding to those changes lies with the private sector, but the public sector can also help ensure that the State of Ohio takes full advantages of opportunities presented.

One example relates to natural gas production made possible by hydraulic fracturing technology. Eastern Ohio, along with Pennsylvania and West Virginia (Appalachia), within the space of several years have collectively become one of the largest natural gas producing areas in the world (Figure 4-3).

[†] From discussion with Brooke Hancock, Jefferson MPO.

Figure ES-4. Appalachia's Ranking among Natural Gas Producers



Source: Deloitte Consulting

Opportunities exist to take maximum advantage of the production of natural gas and byproducts in Ohio by keeping associated value-added activities within the area. Much of the infrastructure needed to take advantage of these opportunities is not rail-related, including gathering lines, processing plants, pipelines, storage facilities, and fueling stations. However, rail plays an important role. Retaining value-added activities in the area not only supports the local economy but is also more efficient. For example, a local manufacturer near Steubenville sources plastic resin pellets from the Gulf Coast.⁵ Given that the raw materials that can be used to make plastic resins are produced locally, if the plastic resin pellets could be locally sourced, shipping costs would be reduced, and the manufacturer could produce at lower cost.

ORDC was awarded a \$16.5 million 2018 Infrastructure for Rebuilding America (INFRA) grant for a \$31.8 million project to

rehabilitate 30 miles of Norfolk Southern Railway line in Jefferson and Belmont Counties. This project supports opportunities for manufacturing natural gas byproducts. Stakeholders mentioned other needs in the area as well, such as rail infrastructure to support a proposed natural gas byproduct hub.

Changes in the steel industry also create opportunities. For example, Cleveland-Cliffs, Inc. is building a \$700 million hot-briquetted iron production facility in Toledo at the port. The facility will convert iron ore to metallic iron for use as feedstock at steel mills that previously relied solely on pig iron and scrap steel as feedstock. This facility will use both the maritime and rail capacity at the Port of Toledo. ORDC has provided financial support to improve rail access to the facility.

Over the years Ohio has supported numerous opportunities to add to and improve the efficiency of rail intermodal services to and from the state. During the completion of the 2010 Rail Plan, the Heartland Corridor project to clear obstructions in to allow double-stack intermodal trains to operate on the Norfolk Southern rail line between Chicago and the Port of Virginia was underway. The State of Ohio was also working with Norfolk Southern to clear the route between Columbus and Cincinnati for double-stack operations. These projects have since been completed and have enabled intermodal services that would not have otherwise been possible.

At the time of the 2010 Rail Plan, the CSX National Gateway Corridor project to clear obstructions to allow double-stack trains on the CSX rail line between Ohio and Washington, DC, between Baltimore, MD, and North Carolina, and between Wilmington and Charlotte, NC, had also been started. As of late 2018, CSX has nearly

completed a new tunnel in Washington, DC, which will be the last of 61 projects to complete the National Gateway Corridor project.

With 12 terminals, Ohio has the third highest number of intermodal terminals in the country behind Illinois and Texas. Intermodal services to and from Ohio support retail and manufacturing and contribute to Ohio's \$15.5 billion logistics industry. Intermodal service in and through Ohio removes truck traffic from Ohio's highway system, thus reducing congestion, pavement damage, emissions, and improving safety.

New intermodal opportunities continue to present themselves. A new intermodal terminal, the Central Ohio Intermodal Center, is opening in Jeffersonville off I-71 southeast of Dayton and southwest of Columbus. The new terminal will provide service for international containers between Jeffersonville and Vancouver, BC.

The project will provide intermodal options to shippers in western and central Ohio as well as a competitive entrant into Ohio's intermodal markets with the Canadian Pacific Railway/Genesee & Wyoming, Inc. service (Figure ES-5). The new terminal will enable local farmers to load containers with identity preserved soybeans for export to Asia. To bring double-stack trains to and from the terminal, several vertical obstructions must be cleared in the Springfield area, and ORDC is assisting with a project to do so. Genesee & Wyoming, Inc. also intends to improve speeds along the rail lines on which the service will rely.

Figure ES-5. Canadian Pacific/Genesee & Wyoming Service to Jeffersonville



Sources: Canadian Pacific

Access to the Rail Network Is Important to Ohio Economic Development.

Stakeholders consulted for this Rail Plan view rail as valuable to economic development. Some were concerned about a lack of rail-served industrial sites. Rail access can be an important differentiator in marketing industrial sites. Fifteen projects to provide rail access to industrial sites were identified by stakeholders during outreach efforts.

JobsOhio has completed an innovative initiative, SiteOhio, to identify marketable industrial sites within the state. The initiative consisted of an in-depth review and analysis of sites submitted by local communities throughout the state. Sites authenticated through this initiative are considered ready for immediate development with a guarantee that all utilities are on site with adequate capacities, due

diligence studies are complete, and the site is free of incompatible uses. While not a requirement, authentication of rail access is a component of the screening process and is recognized as a critical element to attract specific industries.

ORDC funds or finances projects that build rail access to Ohio businesses. Projects are completed as partnerships, where the shipper funds part of the cost of rail access and ORDC funds or finances another portion of the project. Other project partners may fund or finance another portion of the project. ORDC selects projects that will yield public benefits and enable the State of Ohio to leverage private investment.

For shippers that do not have direct rail access to their locations, transload facilities can serve as alternate points of access to the rail network. Local railroads surveyed for this Rail Plan put forward seven potential transload facilities with an estimated construction cost of \$19.7 million. Similar to other freight rail development projects, ORDC has financially supported the development of transload facilities with demonstrated public benefits.

Rates and Service Levels Are of Primary Concern to Ohio Rail Shippers.

In preparing this Rail Plan, the project team met with the membership of two shipper groups and heard individually from 23 rail shippers through an online survey. The dominant concerns of these shippers relate to rail rates and service. At a meeting, agricultural shippers were harshly critical of their rail rates and service. According to meeting attendees, the increase in rail rates and the reduction of rail service has in some cases made agricultural shipments by rail

uneconomical. Agriculture shippers avoid railroad transportation by selling crops to local food, feed, and ethanol processors rather than shipping by rail out of state. Whether this supply chain reconfiguration is in fact the cause, the tonnage of agricultural commodities shipped from Ohio fell by 10 percent between 2009 and 2016. Recent trends in agricultural shipments from Ohio are shown in Figure ES-6.

Figure ES-6. Tonnage of Farm Products Originating in Ohio



Sources: Surface Transportation Board Carload Waybill Sample, Association of American Railroads

Other shippers were concerned about rates and service as well.

State agencies such as ORDC do not have jurisdiction over rail rates or service. However, competition could provide railroads with an incentive against raising rates or lowering service. It is possible to promote competition by looking for cost-effective opportunities for new connections, supporting industrial locations or multimodal facilities that are served by multiple railroads, or providing support for

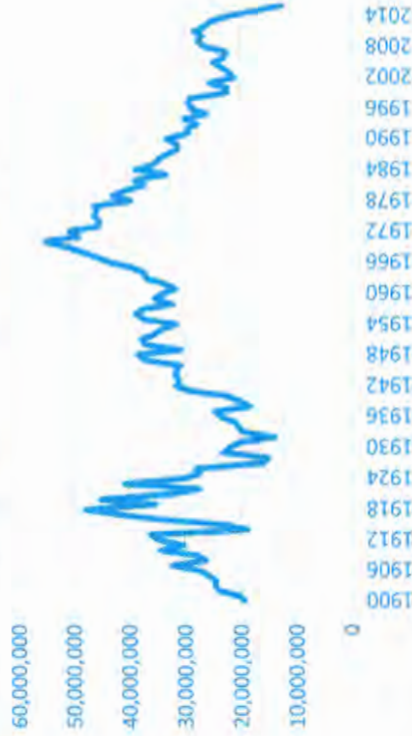
local and regional railroads that can interchange with multiple Class I railroads.

Abandoned, Underutilized Rail Assets Represent Lost Opportunities.

While shipments of some commodities to and from Ohio have increased, others have declined, causing rail assets to be underutilized or abandoned. Coal remains the highest tonnage commodity to be shipped to, from, and within Ohio by rail, but Ohio's 2016 coal production was less than a quarter of the state's peak coal production in 1970 (Figure ES-7). Furthermore, Ohio's coal production has not remained in the same place with mines being developed and abandoned stretching back into the early 19th century. Southeastern Ohio is dotted with underutilized or abandoned rail lines that used to serve these mines. The ownership of some of these abandoned rail corridors is unknown, which makes it difficult to repurpose the corridors or land. While most of these corridors would unlikely be used for rail transportation again, they could be repurposed as recreation trails, or the land could be used for other purposes.

Shipments of coal terminating in Ohio fell by over half between 2008 and 2016. Further declines are likely, since four coal-fired power plants in Ohio are expected to be decommissioned or converted to natural gas by 2030. The reduction in demand for coal has and will create the potential for rail lines that previously served those plants to be underutilized. Other customers could be affected if the loss of coal traffic has a materially adverse economic effect on operation of the line.

Figure ES-7. Ohio Coal Production in Tons (1900 – 2016)



Sources: U.S. Geological Survey, U.S. Energy Information Administration

Shifts in steel markets have also caused some rail lines either to be underutilized or to require modification before repurposing. Ohio is the second largest steel-producing state second only to Indiana, with steel as the third highest volume commodity shipped to/from Ohio. About half of Ohio's steel production capacity is from basic oxygen process furnaces (integrated) steel mills, while half is from electric arc furnaces (minimills). At one time, a much higher portion of Ohio's steel came from integrated steel mills, and the locations of steel production have shifted. The shift away from integrated steel mills has caused rail assets to be underutilized, such as the underutilized iron ore and metallurgical coal docks at the Port of Toledo. Other rail assets need to be configured, such as rail yards on the Ohio River that were originally built to serve non-extant steel mills but that could now support the energy industry.

Highway/Rail Crossings Continue to Create Mobility and Safety Concerns.

Ohio has the fourth largest number of highway/rail grade crossings in the country behind Texas, Illinois, and California. As of 2018, 5,737 at-grade vehicular public crossings are located in Ohio, of which 58 percent have flashing lights and roadway gates, 32 percent have passive systems such as crossbucks, and 10 percent have flashing lights.

Safety at highway/rail grade crossings has generally improved over the past 20 years as shown in Table ES-1.

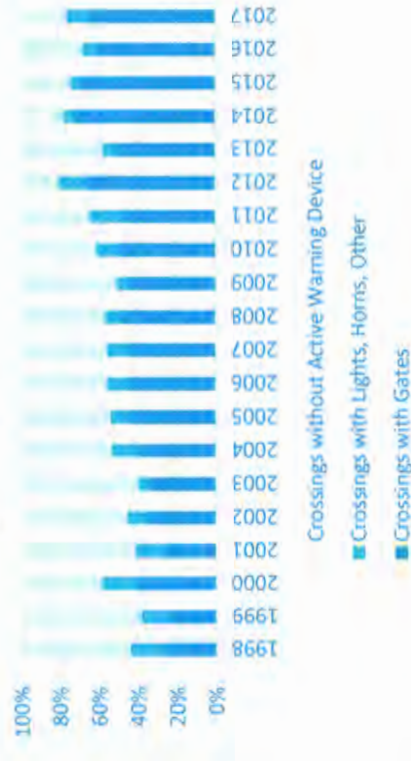
Table ES-1. Average Annual Fatalities, Injuries, Crashes at Ohio Highway/Rail Grade Crossings

| Statistic | 1998 - 2007 | 2008 - 2017 |
|-------------------------|-------------|-------------|
| Fatalities | 16 | 8 |
| Injuries | 42 | 27 |
| Total Number of Crashes | 138 | 78 |

Sources: Federal Railroad Administration Safety Database

However, a source of frustration has been the frequency of accidents at gated crossings. As the most dangerous unprotected crossings have been improved with gates and lights, the share of accidents at crossings without active warning devices has declined, while the share of accidents at gated crossings has increased. As shown in Figure ES-8, most accidents occurred at highway/rail grade crossings without train-activated warning devices (gates, lights or other). Now, most accidents occur at gated crossings.

Figure ES-8. Percentage of Accidents at Highway/Rail Grade Crossings by Warning Device Type



Source: Federal Railroad Administration Safety Database

ORDC has addressed this trend by expanding its crossing improvement program to include modifications to crossings that are already equipped with lights and gates. Nine projects were programmed under this new initiative in FY 2018.

Stakeholders consulted for this Rail Plan were concerned about highway/rail grade crossings blocked by trains for extended periods of time. These create not only a nuisance but also dangerous situations, such as when impatient pedestrians crawl through or under parked trains or when the movements of emergency vehicles are restricted by blocked crossings.

Which measure is appropriate to address blocked crossings depends on multiple factors, but a first step is to understand why trains are blocking a crossing. Trains may block crossings as they wait to access rail lines from passing sidings, as they switch railcars into and out of

yards or industrial locations, or as they change crews. Trains may also block crossings due to operational problems such as equipment malfunctions or train crews reaching their hours of service deadlines. The most complete solutions to blocked crossings are to grade separate or move the rail line, but to do so is costly and often infeasible. Other possible solutions include railroad operating changes so that railroads move operations such as switching cars, changing crews, and holding trains that would otherwise block crossings to locations without busy crossings, or infrastructure/operational changes that remove the need for trains to stop. Communities can also implement solutions that enable them to better manage blocked crossings, such as planning developments and emergency services so that no portion of the community is blocked from emergency services, shifting traffic away from crossings that are often blocked, or providing communication systems that notify emergency responders and drivers of blocked crossings.

In some cases, grade-separated crossings cause problems as well, such as where railroad overpasses do not have adequate clearance for tractor semi-trailers to pass underneath. Trucks often become stuck under overpasses, and truck access to some areas may be inconvenient due to limited/insufficient crossings.

Of 123 Rail Infrastructure Projects Identified by Stakeholders, 66 Could Be Considered for a Federal Grant.

This Rail Plan used the following approaches to gain input from stakeholders and members of the general public:

- **In person meetings.** Meetings were held with Ohio Association of Regional Councils, Ohio Railroad Association, Ohio

Agriculture Business Association, four port authorities, nine MPOs, and two port terminal operators.

- **Conference calls or phone interviews.** Conference calls or phone interviews were held with the Ohio Aggregate and Industrial Minerals Association, two port authorities, and one port terminal operator.
- **Survey/information requests.** Surveys and information requests were sent to Norfolk Southern, CSX, Amtrak, and each local or regional railroad operator in Ohio. Responses were received from Norfolk Southern, CSX, and 17 local/regional railroads.
- **Online survey.** A link to an online survey was posted to the ORDC website between January 2018 and June 2018. A total of 341 responses were received.
- **ORDC Policy Committee meetings.** ORDC's Policy Committee meets every other month. Committee meetings are open to the public. Meetings in November 2017 and January 2018 were devoted to this Rail Plan.

Based upon feedback from stakeholders, a review of MPO long-range transportation plans, and prior meetings between ORDC and local/regional railroads, a list of 123 projects was developed (Table ES-2).

Table ES-2. Number and Costs of Projects by Project Category

| Category | All Projects | Projects with Cost Estimates | Cost of Projects with Estimates (\$2018) |
|--|--------------|------------------------------|--|
| Bridge rehabilitation – bring railroad bridges to modern standards and a state of good repair | 3 | 3 | \$2,000,000 |

| Category | All Projects | Projects with Cost Estimates | Cost of Projects with Estimates (\$2018) |
|--|--------------|------------------------------|--|
| Grade separation – grade separate rail and highway rights-of-way | 15 | 11 | \$169,904,000 |
| Industrial access – build rail sidings or spurs to industrial locations | 15 | 5 | \$9,541,000 |
| Passenger rail – improve existing infrastructure or build new infrastructure to improve passenger service | 16 | 11 | \$1,023,923,000 |
| Rail capacity – improve rail yards or rail lines to expand capacity | 16 | 12 | \$100,393,000 |
| Rail connection – establish or improve connections between rail lines | 4 | 4 | \$65,248,000 |
| Rail rehabilitation – bring rail lines to modern standards and a state of good repair | 28 | 21 | \$42,298,000 |
| Road clearance – raise the level of rail overpasses to tractor/semi-trailers to pass underneath | 10 | 6 | \$88,925,000 |
| Other – create rail bypass, new rail line, preserve right-of-way, build new bridge, improve crossing | 8 | 4 | \$300,650,000 |
| Transload or intermodal – improve or construct new transload or intermodal terminal | 8 | 8 | \$39,434,000 |
| Grand Total | 123 | 84 | \$1,842,816,000 |

ORDC has sponsored rail projects for competitive federal discretionary grant programs, including Better Utilizing Investments in Leveraging Development Program (BUILD, formerly TIGER) and INFRA (formerly FASTLANE). In order to be ready for future federal grant opportunities, ORDC staff have reviewed the projects in Table ES-2 and selected a subset that as of 2018/2019 could be considered for sponsorship for a federal grant application. No attempt has been

made to assess the likely public benefits of these projects. Rather, projects have been reviewed solely based on their readiness. To be considered for sponsorship for a federal grant application, projects must meet the following criteria:

- The size of the projects and amount of likely requested funding is consistent with past federal discretionary grant programs. The project will likely fit the eligibility and criteria of federal discretionary grant programs and will be consistent with ORDC's mission.
- If sponsored by an MPO, the project will be fiscally constrained⁶ and will have funding for one or more phases of the project committed in the Statewide Transportation Improvement Program / or the MPO's Transportation Improvement Program. Some idea of funding will be necessary for the project to advance.
- The project will be either sponsored by the asset owner (railroad or other owner of the rail line or structure) or the asset owner has endorsed the project. There will be a funding estimate for the project.

Additionally, ORDC recognizes that stakeholders may have expended funds on planning studies for projects where funding estimates for future phases, either additional planning or actual construction, are unknown. Potential future phases of such projects will be considered for potential sponsorship for a federal grant application if there is a reasonable understanding of the technical challenges involved in completing that phase. Because these projects lack cost estimates for

the potential future phase(s), asterisks appear next to the project categories in Table ES-3.

While ORDC may sponsor listed projects for a competitive grant application, inclusion in Table ES-3 does not imply a commitment on ORDC's part to do so. ORDC also reserves the right to submit projects not on the list of projects if the proposed project meets its goals and objectives.

⁶ The MPO believes that the project can be implemented using committed, available, or reasonably available revenue sources.

Table ES-3. Projects to be Considered for Federal Competitive Grant Applications

| Category | All Projects | Projects with Cost Estimates | Cost of Projects with Estimates (\$2018) |
|--|--------------|------------------------------|--|
| Bridge rehabilitation – bring railroad bridges to modern standards and a state of good repair | 2 | 2 | \$2,000,000 |
| Grade separation – grade separate rail and highway rights-of-way | 8 | 8 | \$122,444,000 |
| Industrial access – build rail sidings or spurs to industrial locations | 5 | 4* | \$5,130,000 |
| Passenger rail – improve existing infrastructure or build new infrastructure to improve passenger service | 5 | 2* | \$2,373,000 |
| Off-rail capacity – improve rail yards or rail lines to expand capacity | 11 | 11 | \$51,413,000 |
| Rail connection – establish or improve connections between rail lines | 3 | 3 | \$3,498,000 |
| Rail rehabilitation - bring rail lines to modern standards and a state of good repair | 21 | 21 | \$42,298,000 |
| Road clearance – raise the level of rail overpasses to | 1 | 1 | \$12,841,000 |
| Other – create rail bypass, new rail line, preserve right-of-way, build new bridge, improve crossing | 2 | 2 | \$32,065,000 |
| Transload or intermodal – improve or construct new transload or intermodal terminal | 8 | 8 | \$39,434,000 |
| Grand Total | 66 | 62 | \$313,496,000 |

* Funds have been invested in certain projects, but the cost of future phases is unknown.

RESOLUTION 19-13
RE: ADOPTION OF THE STATE RAIL PLAN

A RESOLUTION ADOPTING THE FINAL DRAFT OF THE STATE RAIL PLAN AS THE OFFICIAL RAIL PLAN OF THE STATE OF OHIO.

WHEREAS, this Commission as the Ohio Rail Development Commission (“ORDC”) created by Chapter 4981 of the Ohio Revised Code, has the responsibility of developing, promoting, and supporting safe, adequate, and efficient rail service throughout the state and shall maintain adequate programs of investigation, research, promotion, planning, and development for rail service, which programs shall include the consideration of recommendations by public or private planning organizations; and providing for the participation of private corporations or organizations and the public in the development, construction, operation, and maintenance of rail service, and as franchisees of rail service pursuant to ORC 4981.03 of the Ohio Revised Code; and

WHEREAS, the Fixing America’s Surface Transportation Act of 2015 (“FAST”) establishes minimum requirements for the preparation and periodic revision of a State Rail Plan; and

WHEREAS, FAST further requires that the Secretary of Transportation may not approve capital investment grants for discretionary rail grant funding programs unless a state has an approved State Rail Plan; and

WHEREAS, the ORDC has under consideration a State Rail Plan that has been developed by staff from ORDC and a retained consultant, WSP; and

WHEREAS, on the basis of its review and discussions, the ORDC has determined that the State Rail Plan as presented is appropriate and the Federal Railroad Administration has also determined that the State Rail Plan as presented is appropriate and fulfills the requirements of FAST;

NOW, THEREFORE, BE IT RESOLVED by the ORDC of the State of Ohio that the State Rail Plan is adopted as the official State Rail Plan for the State of Ohio:

Moved By _____
Seconded By _____

| | | | | | |
|-------------------------------|--------|-------|-----------|--------------|------------|
| Mark Policinski, Chairman | ___Yes | ___No | ___Absent | ___Abstained | ___Recused |
| Allen Biehl | ___Yes | ___No | ___Absent | ___Abstained | ___Recused |
| Dean Hempfling | ___Yes | ___No | ___Absent | ___Abstained | ___Recused |
| Solomon Jackson | ___Yes | ___No | ___Absent | ___Abstained | ___Recused |
| Mark G. Johnson | ___Yes | ___No | ___Absent | ___Abstained | ___Recused |
| William Lozier | ___Yes | ___No | ___Absent | ___Abstained | ___Recused |
| Jack Marchbanks | ___Yes | ___No | ___Absent | ___Abstained | ___Recused |
| Rachel Near for Lydia Mihalik | ___Yes | ___No | ___Absent | ___Abstained | ___Recused |
| Anthony Reams | ___Yes | ___No | ___Absent | ___Abstained | ___Recused |
| Eric Richter | ___Yes | ___No | ___Absent | ___Abstained | ___Recused |
| Thomas Zitter | ___Yes | ___No | ___Absent | ___Abstained | ___Recused |

ORDC ACTION:

Motion Approved _____
Motion Denied _____

| | |
|--------------|-----------------|
| Other Action | |
| Date | <u>11/20/19</u> |

CERTIFICATE

I, the undersigned Chairman of the ORDC, hereby certify that the foregoing is a true and correct record of the resolution of said ORDC.

Mark Policinski, Chairman

11/20/19
Date

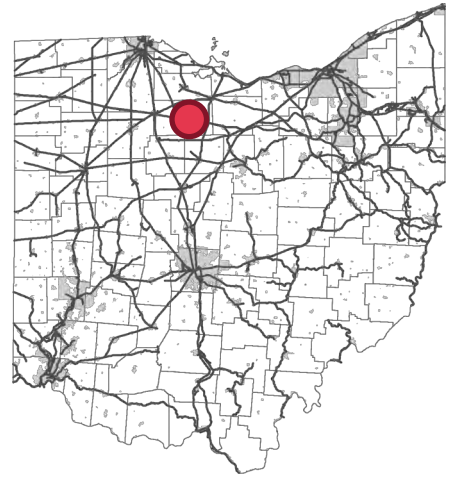
Church & Dwight Rail Infrastructure Expansion

Rail Project Funding

| | |
|-----------------|---------------------|
| Church & Dwight | \$37,925,000 |
| ORDC Grant | \$75,000 |
| | <hr/> |
| | \$38,000,000 |

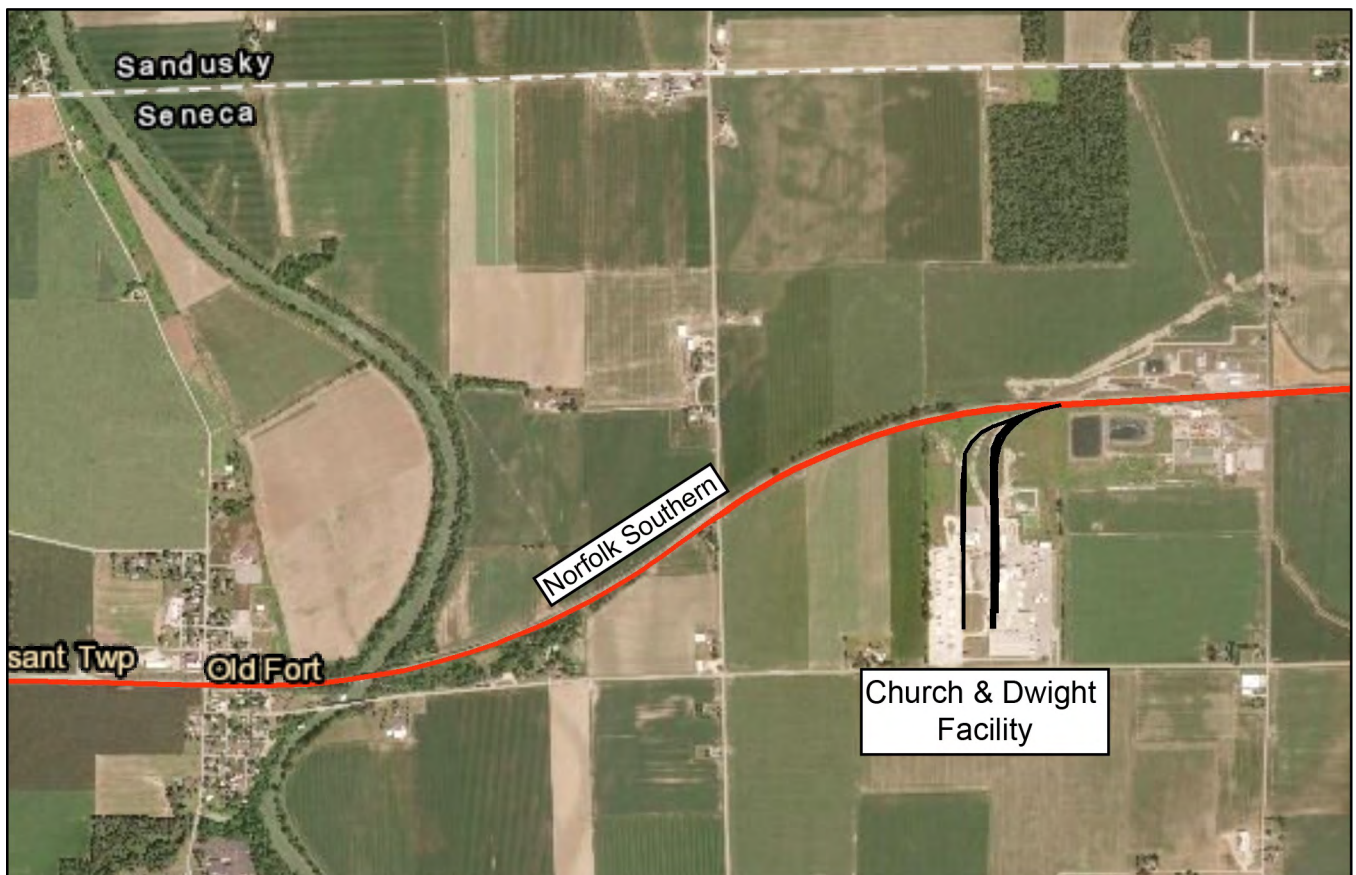
Project Benefits

- Part of a \$38,000,000 investment by Church & Dwight
- 240 jobs retained and 60 new jobs created



ORDC Goals and Objectives

Economic Development: This project enhances rail access to support the expansion of an existing business.



CHURCH & DWIGHT
RAIL INFRASTRUCTURE EXPANSION
Old Fort, OH
November 6, 2019

Church & Dwight (“C&D”) requests an ORDC grant to expand their on-site rail infrastructure in Old Fort, Ohio in order to allow for continued expansion of both current and new product lines. The \$75,000 grant will help to streamline C&D’s rail infrastructure and will allow them to hire 60 new and retain 240 existing employees as part of a \$38,000,000 expansion to the Old Fort facility.

Founded in 1846, Church & Dwight is one of the leading consumer packaged goods companies in the U.S. C&D manufactures and markets a broad range of leading household, personal care and specialty products to consumers and business customers in 115 countries. Its brands include Arm & Hammer, Orajel, and OxiClean. The Old Fort facility was established in 1980 and is the largest sodium bicarbonate manufacturing plant in the world. The facility manufactures a number of products and is one of two baking soda manufacturers in the country.

The facility expansion would be an expansion of the current cat litter line (a project previously supported by ORDC in May 2016) and the installation of a new liquid detergent pod line. C&D is in competition internally with plants in Missouri and Pennsylvania for the expansion.

JobsOhio is offering a direct grant in addition to a workforce development grant, while Seneca County is offering an Enterprise Zone tax incentive and an Ohio Means Jobs workforce grant.



Rail Development Commission

Mike DeWine, Governor
Jon Husted, Lt. Governor

Mark Policinski, Chair

November 20, 2019

Pursuant to Ohio Rail Development Commission Resolution 18-09 “Spending and Signatory Guidelines,” the undersigned hereby approves of the project described in the Project Briefing entitled **CHURCH & DWIGHT RAIL INFRASTRUCTURE EXPANSION**, and dated November 6, 2019, as described in that briefing.

Matthew Dietrich
Executive Director

Mark Policinski
Chair

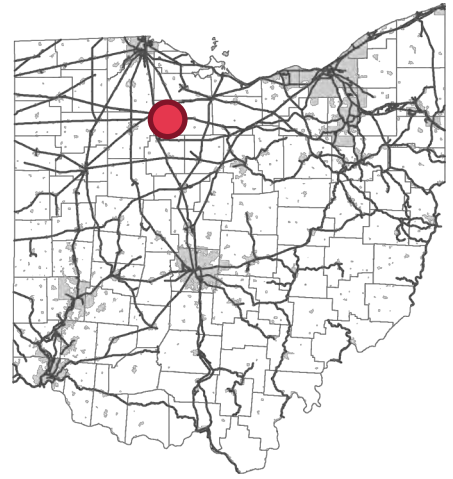


Rail Project Funding

| | |
|----------------|------------------|
| Ohio Logistics | 132,891 |
| ORDC Grant | \$75,938 |
| | <hr/> |
| | \$208,829 |

Project Benefits

- Extension of a rail spur to better serve the company
- Creates 10 new jobs and retains the existing 20 jobs
- Adds 25 new railcars per year



ORDC Goals and Objectives

Economic Development: This project provides rail access to retain existing and attract new businesses

Efficient Railways: This project will provide improved transportation choices for Ohio communities and industries.



**OHIO LOGISTICS
RAIL SPUR EXTENSION
Fostoria, OH
November 5, 2019**

Ohio Logistics (“OL”) requests an ORDC grant of \$75,000 to extend a rail spur to their current location in a warehouse in Fostoria, Ohio. The \$208,829 investment will ensure that OL continues to have rail access at their location and enable them to retain 20 existing positions and hire 10 new employees at the location. This project is a result of continued development activities at the site.

OL is a warehousing and transportation services provider with 22 locations in 7 states, encompassing over 5 million square feet of warehousing space. The warehouse in question, on Jones Road in Fostoria, is being used by OL to service a variety of customers in the area, including Whirlpool, and has a rail spur accessible at the south end of the warehouse.

Recently, a development project resulted in a company, Custom Glass Solutions (“CGS”), being located in the south end of the warehouse. In order to meet the aggressive timeline of the new company, OL vacated approximately 140,000 square feet of the building for CGS’ operation and moved their own operations to the north side of the warehouse, ceding the south end of the warehouse to CGS. This has created an issue in that rail access is only available at the south end of the building (where CGS now operates). Currently, CGS is working with OL to allow them access to the rail served section of the building but with the continued growth of both CGS and OL the rail situation long term is untenable.

The project is the extension of the rail spur to support the public warehousing portion of the building which has an estimated cost of \$132,891. Rail dock doors in line with the new rail spur extension are needed and have an associated cost of approximately \$75,968. The total estimated cost of this rail project is \$208,829.

OL will commit to retaining 20 existing positions and hiring 10 additional new employees at the Jones Road warehouse and will also commit to using 25 railcars/year of volume on the extended siding. Additionally, while not a direct part of this project, CGS has committed to create 90 new jobs.



Rail Development Commission

Mike DeWine, Governor
Jon Husted, Lt. Governor

Mark Policinski, Chair

November 20, 2019

Pursuant to Ohio Rail Development Commission Resolution 18-09 “Spending and Signatory Guidelines,” the undersigned hereby approves of the project described in the Project Briefing entitled **OHIO LOGISTICS RAIL SPUR EXTENSION**, and dated November 5, 2019, as described in that briefing.

Matthew Dietrich
Executive Director

Mark Policinski
Chair

