



OHIO RAIL DEVELOPMENT COMMISSION

Mail Stop #3140, 1980 West Broad Street, Columbus OH 43223

John R. Kasich, Governor • Mark Policinski, ORDC Chairman

January 9, 2018

Dear Commissioners:

Enclosed please find relevant information to the **Tuesday, January 16, 2018**, Commission Meeting. Minutes of the November 15, 2017, Commission Meeting are included for your review.

This meeting will be held at **The Ohio Department of Transportation, 1980 W. Broad St., Room GB. The Committees will meet at 10 a.m. The Policy Committee will meet in Room GB. Members of the Administrative Committee are encouraged to join the Policy Committee for a State Rail Plan discussion.**

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

If you haven't already done so, please contact Julie Finnegan to confirm your attendance. You may reach her at 614-728-9497 (telephone) or by e-mail at julianne.finnegan@dot.ohio.gov.

We look forward to seeing you.

Sincerely,

Mark Policinski
Chairman

Enclosures



www.rail.ohio.gov

phone: 614.644.0306

IMPROVING RAIL TODAY FOR TOMORROW'S ECONOMY



OHIO RAIL DEVELOPMENT COMMISSION

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**The Ohio Department of Transportation
1980 West Broad Street, Columbus, Ohio**

**COMMISSION MEETING AGENDA
Tuesday, January 16, 2018, 11:00 a.m. Room GB**

Policy Committee will meet in Room GB at 10:00 a.m.

CALL TO ORDER: Mark Policinski, Chairman

- Welcome
- Roll Call
- Approval of Minutes from November 15, 2017 Meeting

EXECUTIVE DIRECTOR REPORT: Matt Dietrich

FINANCE REPORT: Megan McClory

ITEM FOR APPROVAL

- Resolution 18-01 Pratt Industries New Facility

APPROVED PROJECT BRIEFINGS

- Reagent Chemical Transload/Distribution Facility

COMMITTEE REPORTS

OLD BUSINESS

NEW BUSINESS

PUBLIC COMMENT

ADJOURN



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IMPROVING RAIL TODAY FOR TOMORROW'S ECONOMY

**MINUTES FROM THE OHIO RAIL DEVELOPMENT COMMISSION
REGULAR BI-MONTHLY MEETING
November 15, 2017**

CALL TO ORDER

The meeting of the Ohio Rail Development Commission was called to order by Chairman Policinski at 11:00 a.m. on Wednesday, November 15, 2017.

MEMBERS PRESENT

Executive Director Dietrich, Chairman Mark Policinski, Commissioners Solomon Jackson, Eric Richter, Andrew Bremer, Tom Zitter, Mark Johnson, and Bill Lozier were in attendance, as well as Rachel Near representing Ohio Development Services Agency. Commissioner Tom Maphet, as well as Senator LaRose, Representative Sheehy, and Representative Dever were unable to attend. There were 8 voting members present, therefore a quorum was obtained.

APPROVAL OF THE MINUTES OF THE SEPTEMBER MEETING

Chairman Policinski asked for a motion to approve the minutes of the September 13, 2017 meeting. Commissioner Richter moved to approve the minutes and Commissioner Johnson seconded the motion. The minutes were approved with 8 votes in the affirmative.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Dietrich presented his report to the Commissioners, which can be found on page 6 of the packet. In addition to the items in the packet, Mr. Dietrich elaborated on the INFRA Grant information included on pages 8 and 9, as well as the application overall. Additionally, Mr. Dietrich discussed the changes at CSX and how those have affected Ohio, specifically the change from the hub-and-spoke model back to direct service. He announced ORDC is keeping an eye on how these changes affect the customers in Ohio, most specifically.

Executive Director Dietrich also touched upon the Genesee & Wyoming partnership with Canadian Pacific in Ohio. Mr. Dietrich briefly mentioned the other federal funding grants ORDC partnered on, in various capacities. Lastly, Mr. Dietrich emphasized staff outreach efforts in both safety and economic development areas. He asked Ms. Finnegan to elaborate on TRAINFO as a result of attending one of these conferences. Ms. Finnegan explained that it may provide a low-cost way to predict train traffic and notify community and safety officials so that potential blockages can be mitigated.

Representatives Sheehy and Dever arrived at 11:08 a.m.

Mr. Dietrich did announce he was nominated by the Standing Committee on Rail Transportation (SCORT) to serve and the vice-chair.

Chairman Policinski asked how long the deal between G&W and CP took to come to fruition. Mr. Dietrich said it was an active concept for at least a decade, involving many partnerships with state and private agencies to prepare the site for this partnership. Representative Sheehy asked if the partnership would be to the detriment of the North Baltimore facility. Mr. Dietrich explained it will bring more competition in Ohio, particularly within a 50-100 mile radius of the facility,

and we are unaware of any direct impact on North Baltimore currently. The results of this partnership are yet to be realized, but we are invested in safety and roadway infrastructure around the North Baltimore facility and in the success of all Ohio businesses.

There were no additional questions.

FINANCE REPORT

Megan McClory, ORDC's Secretary-Treasurer, presented the Finance Report to the Commissioners, which can be found on page 10 of the packet. Ms. McClory announced Hydrodec did agree to a repayment plan in lieu of other collection options, and the grant will be repaid within a year. Ms. McClory also noted the 2018 calendar is available and the January and March meetings dates are on Tuesdays.

Lastly, Ms. McClory informed the Commissioners of ORDC's new intern, Brianna Cunningham, working under Tom Burns, who will be doing GIS work.

There were no questions.

RESOLUTION 17-11 – Camp Chase Railway Rehabilitation

ORDC staff member Tim Brown presented to the Commissioners the briefing on page 22 of the commission packet. Mr. Brown provided the background information found in the packet and introduced Brendan Keener from the railroad to elaborate on the project.

Mr. Keener explained the previous winter and weather brought about awareness of deteriorated ties and track condition that the railroad felt needed addressed, not only to serve current customers, but to also better serve a new customer on the line. In addition to the benefits of better service, the railroad wants to repair the line so there are reductions in potential interactions with the traveling public utilizing the bike path that runs parallel to the railroad.

Norton Road has been the subject of many complaints by the traveling public since well before Indiana Boxcar took over the line. Commissioner Lozier asked what surface they will install. Mr. Keener indicated they would like to install concrete. Executive Director Dietrich announced the ORDC has had good luck with tub crossings through the pilot surface program and staff will try to do that when possible. He also explained how ORDC is trying to partner when possible, or comprehensively look at projects, in order to address surfaces. Mr. Lozier commended staff on these actions.

There were no additional questions.

Commissioner Jackson made a motion to approve Resolution 17-11 and Commissioner Lozier seconded it. A discussion followed. Roll Call was taken and the resolution was approved as presented with 8 votes in the affirmative.

PROJECT BRIEFING – Ohio South Central Railroad Bellisio Foods Spur

ORDC staff member Tom Burns presented to the Commissioners the briefing on page 27 of the commission packet. Mr. Burns provided background information found in the packet and

introduced Sam Brady and Jennifer Jacobs with the Jackson County Economic Development Partnership, Mayor Randy Heath from the City of Jackson, and George Andres from the railroad to elaborate on the project.

Mr. Andres explained how the project has been in the works for many years and what finally brought it about was the purchase of the Bellisio plant by a Thai company that is making significant investment into the plant and the use of rail. He noted how the City of Jackson submitted the application for rehabilitating the spur and putting it back in service, and the support of Appalachian Regional Commission. Mr. Andres also expanded on how the phasing in of service will occur, in four phases, each addressing independent shipping and receiving needs.

Mayor Randy Heath praised George Andres and the service he has provided, as well as the ORDC for being the best state agency he has ever worked with.

Commissioner Zitter asked if the railroad would be able to ship back to the west coast using the same reefers. Mr. Andres explained CSX does not have reefers and the option to use UP would be beneficial to this service.

There were no additional questions.

PROJECT BRIEFING – Youngstown and Southeastern Railroad Pump System

ORDC staff member Tim Brown presented to the Commissioners the briefing on page 30 of the commission packet. Mr. Brown provided the background information found in the packet and introduced Brendan Keener from the railroad to elaborate on the project.

Mr. Keener explained the situation that has led to the flooding issue in this location and the restoration of service during rain events is important to potential customers on the southern portion of the line.

Commissioner Zitter asked how deep the water gets in this location. Mr. Keener said it gets up to a few feet deep, well beyond the level they are comfortable running a locomotive through.

There were no additional questions.

PROJECT BRIEFING – MetalX, LLC

ORDC staff member Tim Brown presented to the Commissioners the briefing on page 33 of the commission packet. Mr. Brown provided the background information found in the packet and introduced Matt Gilroy from Fulton County Economic Development to elaborate on the project.

Mr. Gilroy described the site location and its importance to North Star BlueScope. Kevin Carretta from MetalX explained more about the facility, what the company will be doing and how it is tied to North Star BlueScope, as well as the steel industry in the area. Mr. Carretta also explained how rail is a significant time and money saver, allowing the company to better serve their customers.

Commissioner Zitter asked if the IORY has direct access to the steel mill. Mr. Brown said there is direct access from MetalX to North Star BlueScope from the IORY.

There were no additional questions.

PROJECT BRIEFING – Origo Production Facility

ORDC staff member Tim Brown presented to the Commissioners the briefing on page 36 of the commission packet. Mr. Brown provided the background information found in the packet.

There were no questions.

COMMITTEE REPORTS

Commissioner Zitter reported on the Policy Committee, explaining how the committee held a public input meeting for the State Rail Plan. He thanked Tim Brown and Alex King for their time and organization, as well as Art Arnold for his comments.

There were no additional comments.

OLD BUSINESS

There is no old business.

NEW BUSINESS

There is no new business.

PUBLIC COMMENT

There is no public comment.

ADJOURN

Chairman Policinski adjourned the meeting at 11:48 a.m.

This document reflects the accomplishments and highlights of the Ohio Rail Development Commission since the November Meeting:

Evelyn Winkfield retired from ORDC on December 29, 2017. Evelyn handled all accounts receivable as well as property management and staff training. Megan McClory is leading the effort to fill that position. Additionally, Megan is working with ODOT Human Resources to develop a position description for a new grants administrator role that will report to Tom Burns.

Capital Budget request: ORDC has requested \$1.83 million in capital funding for a railroad infrastructure improvement project to replace the Raccoon Run Bridge in Newark, Licking County. The requested replacement of the Raccoon Run Bridge is on the state-owned Panhandle Line and would match \$1.1 million in private funds from the railroad. The bridge is a critical component of the rail line, with 71% of the traffic on three railroads, the Columbus & Ohio River Railroad, Ohio Central Railroad, and Ohio Southern Railroad, dependent on it to reach interchange sites with Norfolk Southern and CSX Transportation in Columbus. Given the state ownership involved, ORDC believes that the capital budget process provides an opportunity to fund this project.

ODOT Oversized/Overweight Permitting: Julie Finnegan has been working with ODOT Permits to streamline the permitting process when it comes to at-grade railroad crossings. Julie worked with all stakeholders, including the freight railroads, to seek input on how the current process is utilized by all parties. As a result of Julie's work, she will be awarded a "Camo Belt" from the Office of LEAN, Department of Administrative Services.

CSX: Hunter Harrison, CEO of CSX, passed away in December. James Foote has been named CEO. In a recent filing, Mr. Foote stated that CSX will continue the implementation of "precision railroading" begun under Mr. Harrison.

ORDC Staff Outreach:

Since the November meeting, ORDC staff has participated in the following:

- Booth At the County Engineers Association of Ohio (Megan, Cathy, Julie) – Columbus
- Presentation for JobsOhio Project Manager Training (Matt, Tom) – Columbus
- Presentation at the Transportation Research Board Annual Meeting (Tom) – Washington, DC
- Presentation at ODOT's LTAP Funding & Resources Workshop (Megan) – Columbus
- Presentation at Central Ohio Rural Planning Organization Meeting (Matt) – Columbus

In February, staff is scheduled for:

- Presentation to the Ohio Township Association – Columbus
- AASHTO Rail Council (Matt, Megan, Tom) – Washington, DC
- Presentation of the State Rail Plan to the Ohio Association of Regional Councils (OARC) (Matt, Tim) – Columbus

MEMORANDUM

January 8, 2018

TO: Commissioners
FROM: Megan McClory
SUBJECT: Finance Report

Accomplishments and Highlights of the Finance Section from November 8, 2017, to January 8, 2018:

1. **Fiscal Reports.** Staff has prepared statements to reflect current outstanding loans, revenue collection, and project balances. All 8 loans currently in repayment are in good standing. The pending loan to Ashland Railway was closed on December 27, 2017, and the first disbursement has been issued. This loan was approved in 2016 and is being used to rehabilitate the Trail Bridge, a critical link between the railroad's two lines.
2. **Fiscal Section Staffing.** Long-time ORDC staffer Evelyn Winkfield retired on December 29, 2017, after 24 years of service to ORDC/ODOT Rail. Evelyn managed all of our accounts receivable activities, as well as maintaining the budget for the Grade Crossing Safety programs and supporting property management and employee training activities. We are in the process of refilling her position.

ORDC - Loan Payback (Active Loans)

December 4, 2017

	Loans	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Loan App., Interest & Admin. Fees	Total Payments
FY11 American Rail Center **	\$298,524	\$10,398						\$16,230	\$314,754
FY13 Cleveland Commercial Railroad *	\$105,000	\$21,942	\$10,971					\$5,318	\$110,318
FY13 Marion Industrial Center *	\$1,000,000	\$208,972	\$191,558					\$36,389	\$1,036,389
FY15 Buckeye Transfer Realty, LLC *	\$350,000	\$73,140	\$73,140	\$24,380				\$16,561	\$366,561
FY15 Indiana Eastern/Ohio South Central RR *	\$208,000	\$22,913	\$22,913	\$116,120				\$13,433	\$221,433
FY14 Napoleon, Defiance Western Railway *	\$1,000,000	\$208,972	\$208,972	\$174,144				\$46,389	\$1,046,389
FY15 River Rail Development *	\$325,000	\$67,916	\$67,916	\$67,916	\$16,979			\$15,414	\$340,414
FY15 Nelson Packaging *	\$500,000	\$76,236	\$76,236	\$76,236	\$76,236	\$76,236	\$31,765	\$34,347	\$534,347
FY17 Mahoning Valley Economic Development ***	\$30,000								
FY17 Ashland Railway ***	\$504,600								
	\$4,321,124	\$690,490	\$651,706	\$458,796	\$93,215	\$76,236	\$31,765	\$184,081	\$3,970,605

Loan Amount Received to Date: \$350,444

Loan Balance Due: \$340,046

*Loans Active

**Loans Paid Off

***Loans in Process

- as of the above date all loan payments are current

ORDC - Loan Payback (Active Loans)

January 2, 2018

	Loans	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Loan App., Interest & Admin. Fees	Total Payments
FY11 American Rail Center **	\$298,524	\$10,398						\$16,230	\$314,754
FY13 Cleveland Commercial Railroad *	\$105,000	\$21,942	\$10,971					\$5,318	\$110,318
FY13 Marion Industrial Center *	\$1,000,000	\$208,972	\$191,558					\$36,389	\$1,036,389
FY15 Buckeye Transfer Realty, LLC *	\$350,000	\$73,140	\$73,140	\$24,380				\$16,561	\$366,561
FY15 Indiana Eastern/Ohio South Central RR *	\$208,000	\$22,913	\$22,913	\$116,120				\$13,433	\$221,433
FY14 Napoleon, Defiance Western Railway *	\$1,000,000	\$208,972	\$208,972	\$174,144				\$46,389	\$1,046,389
FY15 River Rail Development *	\$325,000	\$67,916	\$67,916	\$67,916	\$16,979			\$15,414	\$340,414
FY15 Nelson Packaging *	\$500,000	\$76,236	\$76,236	\$76,236	\$76,236	\$76,236	\$31,765	\$34,347	\$534,347
FY17 Ashland Railway *	\$700,000	\$58,333	\$142,821	\$146,771	\$146,771	\$146,771	\$85,616	\$34,584	\$734,584
FY17 Mahoning Valley Economic Development ***	\$30,000								
	\$4,516,524	\$748,823	\$794,527	\$605,567	\$239,986	\$223,007	\$117,382	\$218,665	\$4,705,189

Loan Amount Received to Date: \$407,118

Loan Balance Due: \$341,705

*Loans Active

**Loans Paid Off

***Loans in Process

- as of the above date all loan payments are current

Revenue Received FY 2018
November 2017

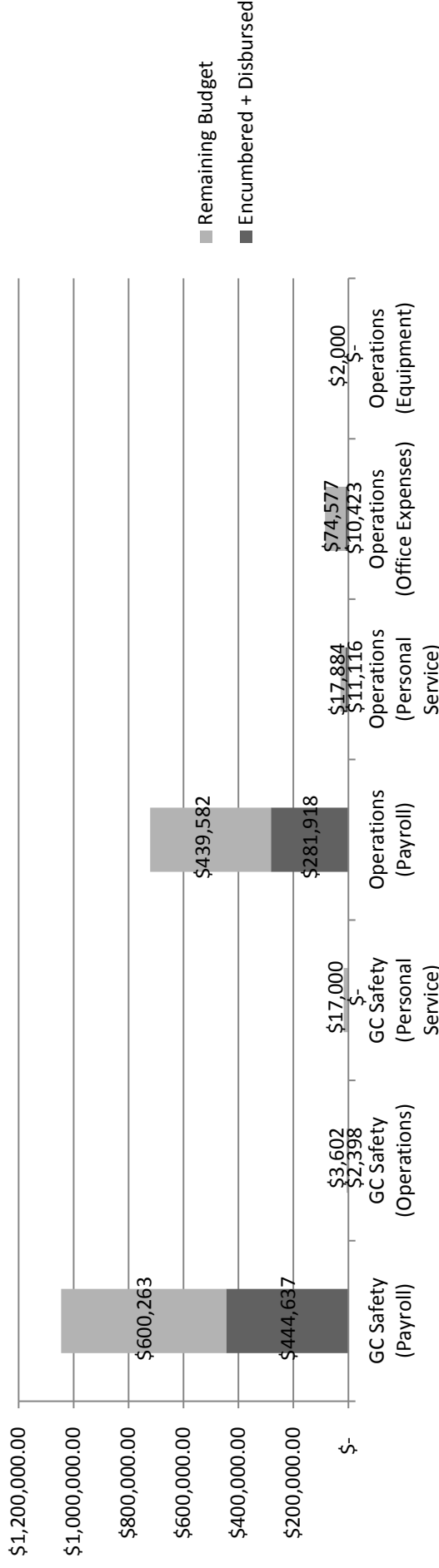
Name	CT #	Invoice #	Refunds / Reimburse 4N40	Panhandle Lease	Gas & Oil Leases, Royalties and Other - 4N4 (49995)	ORDC Loan Payment - 4N4		Running Total
						Fees (29991)	Princ. (79955) Inter. (79956)	
Buckeye Transfer		Electronic Transfer					5,836.77	258.25
Cleveland Commercial		Electronic Transfer					1,782.91	45.60
Indiana Eastern/OSC		Electronic Transfer					1,640.91	268.47
MIC		Electronic Transfer					16,827.59	586.76
Napolean, Defiance & Western		Electronic Transfer					16,496.97	917.38
Nelson Packaging		Electronic Transfer					5,691.04	661.99
River Rail Development/Strauss Industries		Electronic Transfer					5,313.37	346.29
Eric Petroleum Corp.	28				35.16			809,564.87
Aqua Ohio Inc.	29	RA002017			367.14			809,932.01
Genesee & Wyoming	30	RA002217		88,953.70				898,885.71
Genesee & Wyoming	30	trackage			8,076.61			906,962.32
Monthly Total			0.00	88,953.70	8,478.91	0.00	53,589.56	3,084.74
Grand Total			0.00	532,299.77	73,893.15	7,000.00	277,353.48	16,415.92
								906,962.32

**Revenue Received FY 2018
December 2017**

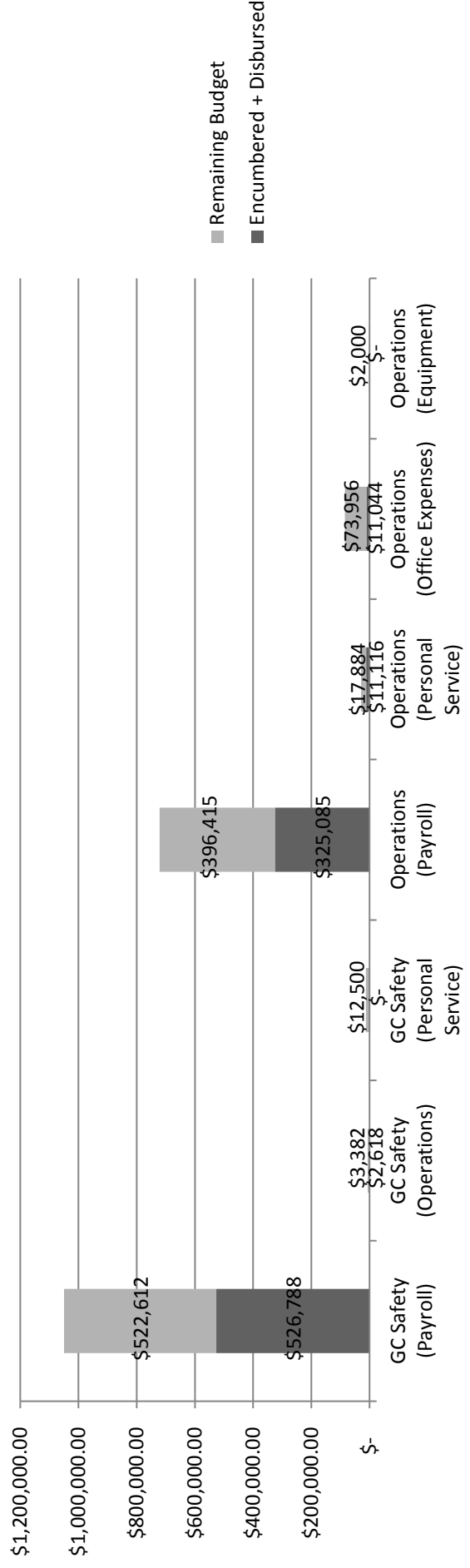
Name	CT #	Invoice #	Refunds / Reimburse 4N40	Panhandle Lease	Gas & Oil Leases, Royalties and Other - 4N4 (49995)	Fees (29991)	ORDC Loan Payment - 4N4 Princ. (79955)	Inter. (79956)	Running Total
Buckeye Transfer		Electronic Transfer					5,847.31	247.71	913,057.34
Cleveland Commercial		Electronic Transfer					1,786.13	42.38	914,885.85
Indiana Eastern/OSC		Electronic Transfer					1,643.87	265.51	916,795.23
MIC		Electronic Transfer					16,857.98	556.37	934,209.58
Napolean, Defiance & Western		Electronic Transfer					16,526.76	887.59	951,623.93
Nelson Packaging		Electronic Transfer					5,701.31	651.72	957,976.96
River Rail Development/Strauss Industries		Electronic Transfer					5,322.97	336.69	963,636.62
MFC Drilling, Inc.	31	RA002117			250.00				963,886.62
Diversified Energy	32				44.39				963,931.01
Carroll Electric Cooperative	32	RA002317			750.00				964,681.01
Ashtabula, Carson & Jefferson RR	32	advance payment			300.00				964,981.01
Hydrodec of North America (grant payback)	33	(GRF)	1,000.00						964,981.01
Jefferson County Water & Sewer	34	RA002717			500.00				965,481.01
Genesee & Wyoming	34	trackage			8,291.35				973,772.36
Village of Hopedale	35	RA003017			250.00				974,022.36
National Gas & Oil Cooperative	35	RA002817			750.00				974,772.36
Frontier Communications	36	RA002617			750.00				975,522.36
Ohi-Rail Corp.	36	50/50 annual license fees			16,000.00				991,522.36
Genesee & Wyoming	37	RA003117		88,953.70					1,080,476.06
Hydrodec of North America (grant payback)	38	(GRF)	1,000.00						1,080,476.06
Dominion East Ohio	39	RA002517			367.14				1,080,843.20
		Monthly Total	0.00	88,953.70	28,252.88	0.00	53,686.33	2,987.97	173,880.88
		Grand Total	0.00	621,253.47	102,146.03	7,000.00	331,039.81	19,403.89	1,080,843.20

Fiscal Year 2018 Agency Operations

Operating Expenses vs. Budget (through 11/30/17)



Operating Expenses vs. Budget (through 12/31/17)



ORDC Operations & Revolving Loan Fund Report as of December 1, 2017

	Spending authority	Cash
Fiscal Year 2018 Appropriation	\$ 3,875,800	
Cash Balance as of 12/1/17		\$ 9,014,157
LESS: OPEN PRIOR YEAR ENCUMBRANCES		\$ 1,861,612
NET CASH AVAILABLE FOR 2018 USE		\$ 7,152,545
Fiscal Year 2018 Appropriation		\$ 3,875,800
LESS: PAYROLL AND OTHER COSTS (Budgeted)	\$ 837,500	
LESS: PROJECTS ENCUMBERED or DISBURSED		
ASRY Trail Bridge (FY 2017 balance)	\$ 195,400	
LESS: PROJECTS APPROVED BUT NOT ENCUMBERED		
LESS: PROPOSED COMMITMENTS FOR FY 2018		
NET SPENDING AUTHORITY/CASH AVAILABLE*	\$ 2,842,900	\$ 3,276,745

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

ORDC Operations & Revolving Loan Fund Report as of January 2, 2018

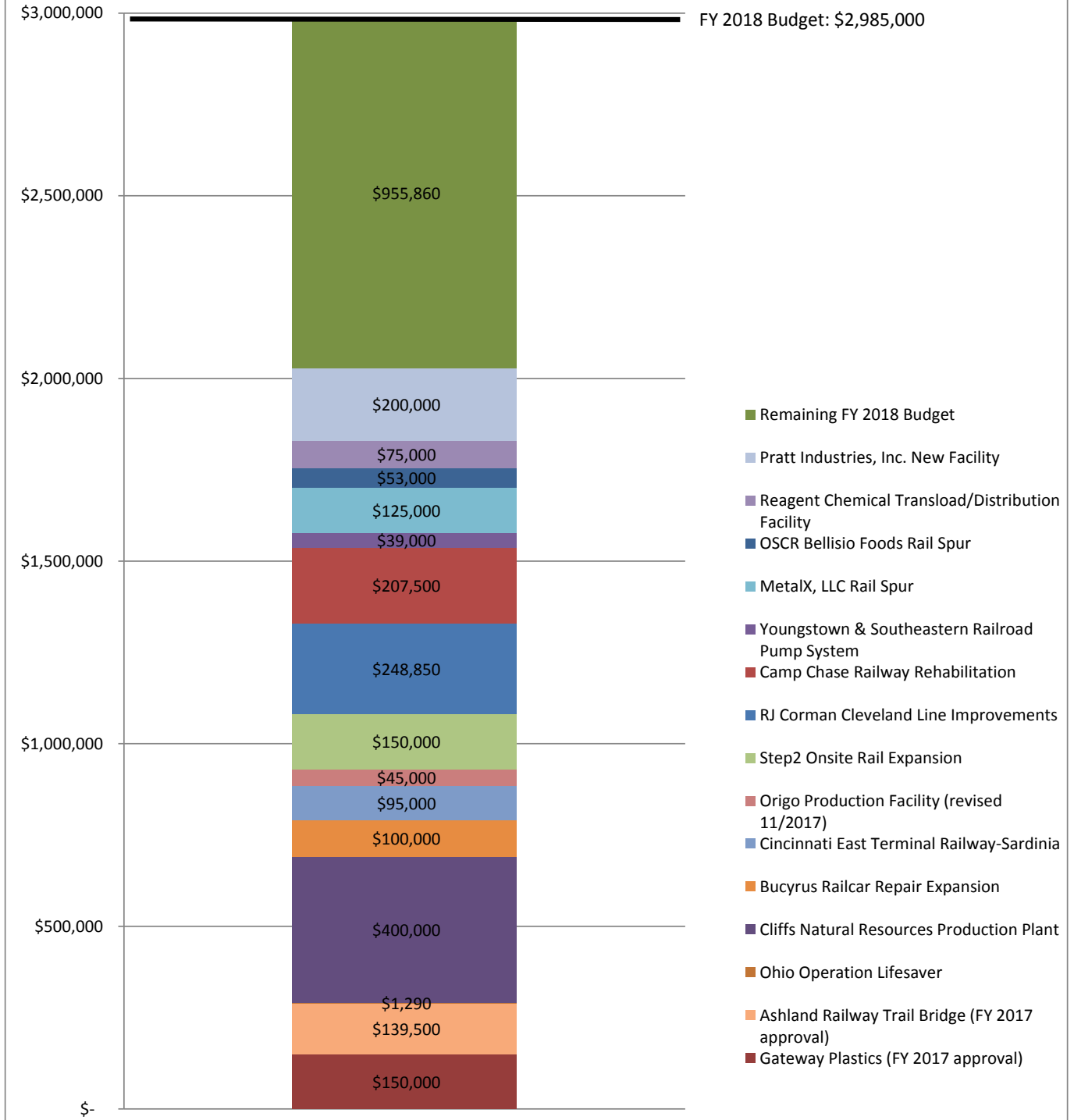
	Spending authority	Cash
Fiscal Year 2018 Appropriation	\$ 3,875,800	
Cash Balance as of 1/2/18		\$ 8,605,149
LESS: OPEN PRIOR YEAR ENCUMBRANCES		\$ 1,429,615
NET CASH AVAILABLE FOR 2018 USE		\$ 7,175,534
Fiscal Year 2018 Appropriation		\$ 3,875,800
LESS: PAYROLL AND OTHER COSTS (Budgeted)	\$ 837,500	
LESS: PROJECTS ENCUMBERED or DISBURSED		
ASRY Trail Bridge (FY 2017 balance)	\$ 195,400	
LESS: PROJECTS APPROVED BUT NOT ENCUMBERED		
LESS: PROPOSED COMMITMENTS FOR FY 2018		
NET SPENDING AUTHORITY/CASH AVAILABLE*	\$ 2,842,900	\$ 3,299,734

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

1/9/2018

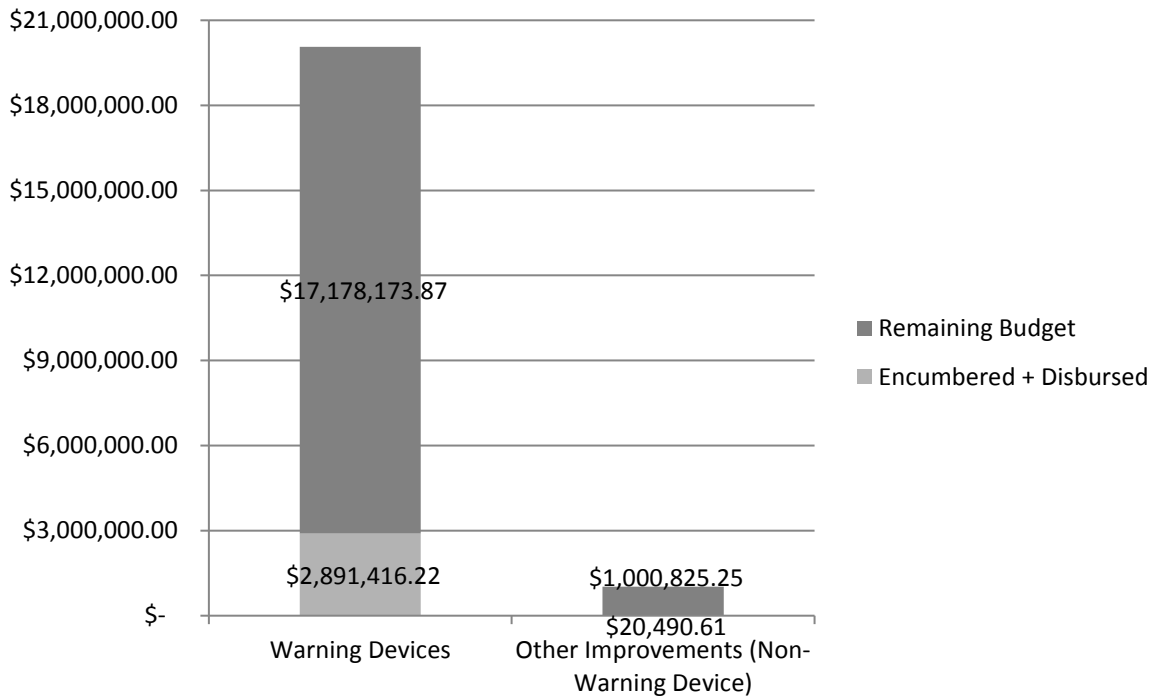
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Fiscal Year 2018 Grant Commitments vs. Budget

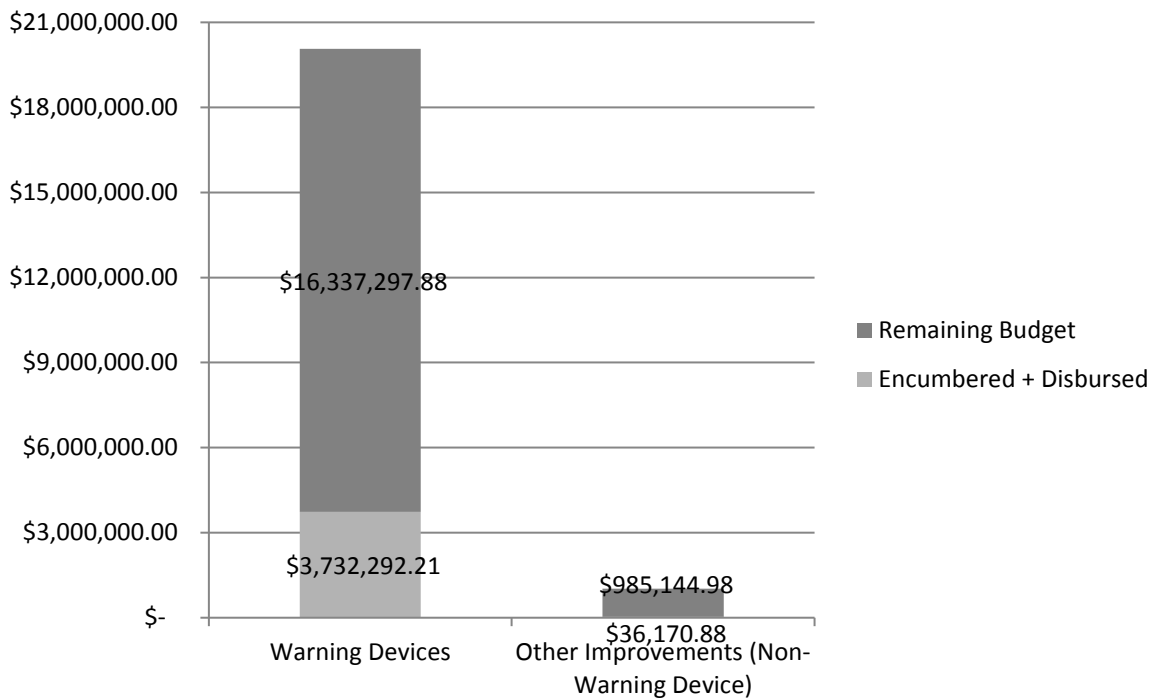


Fiscal Year 2018 Grade Crossing Safety Program

Project Budget through 11/30/2017



Project Budget through 12/31/2017





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Rail Project Funding

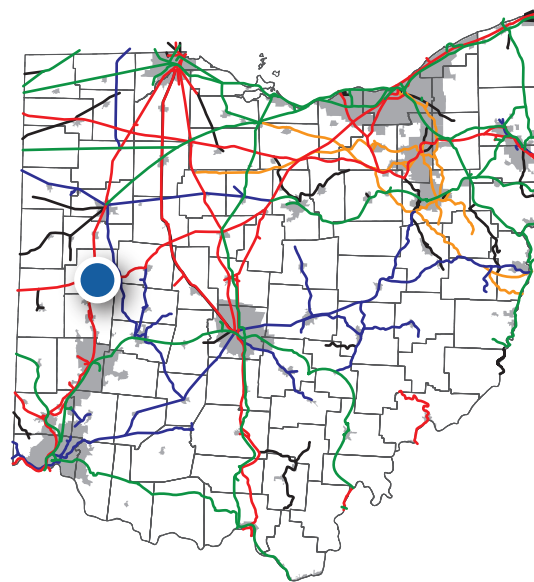
ORDC Grant	\$200,000
Other State and Local Incentives	\$40,000,000
Pratt Industries Investment	\$230,000,000+
	<u>\$270,000,000+</u>

Project Benefits

- 300 new skilled jobs created
- Substantial, quarter-billion dollar investment by a major manufacturer in Wapakoneta and western Ohio

ORDC Goals and Objectives

This project provides rail service to attract a new business under the ORDC Goal Economic Development through a project that will invest millions of dollars and employ 300 people.



PRATT INDUSTRIES, INC.
New Facility in Wapakoneta

January 3, 2018

Pratt Industries requests a grant in the amount of \$200,000 to construct a rail siding for their proposed \$270,000,000+ project in Wapakoneta. The project will consist of the construction of a new recycled paperboard mill along with a corrugated box manufacturing facility. The project is also receiving over \$40,000,000 in benefits from other state and local development programs that support public infrastructure improvements, reduce rates and taxes, and assist with fixed asset investment. Pratt will create 300 jobs associated with this project. Staff recommends approval of this grant request.

Founded 20 years ago, Pratt is America's 5th largest corrugated packaging company and the world's largest privately-held, 100% recycled paper and packaging company, with more than 6,000 highly-skilled, green-collar employees dedicated to the environment and sustainability. The Wapakoneta facility will be Pratt's 5th recycled paper mill, with others located in Staten Island, New York; Valparaiso, Indiana; Shreveport, Louisiana; and the headquarters in Conyers, Georgia. Notably, Pratt works with Jeni's Ice Cream to ensure their online ice cream orders arrive safe, sound, and most importantly, not melted.

The project in Wapakoneta will be phased in two parts: a recycled paper mill and a corrugated box factory. Phase one consists of the recycled paper mill, which will employ 100 workers, and the second phase will be the completion of the adjoining corrugated box factory, employing an additional 200 people. The current timeline anticipates completion of phase one by the end of 2019, and phase two by the end of 2022. In order to match the company's completion timeline, ORDC's job creation requirement will be extended to 2023.

The facility will be located off CSX's line in Wapakoneta, and the rail component of the project has a preliminary estimate over \$1,000,000. CSX and Pratt are working on finalizing the rail design for the facility. While the rail to the new Pratt facilities will cross County Road 25A, a new crossing is not needed, as prior to marketing this site a crossing was established and track installed in the crossing for access to the industrial park. Currently there are no warning devices present at County Road 25A, but appropriate treatments will be agreed upon by all involved parties and installed by the railroad.

RESOLUTION 18-01
RE: PRATT INDUSTRIES, INC.
NEW FACILITY IN WAPAKONETA

A RESOLUTION DETERMINING THE APPROPRIATENESS OF ASSISTANCE
PROPOSED TO BE PROVIDED TO PRATT INDUSTRIES, INC. 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 Pratt Industries, Inc. (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 Polcinski, Chairman	<u> </u> Yes	<u> </u> No	<u> </u> Absent	<u> </u> Abstained	<u> </u> Recused
Andrew Pusateri for David Goodman	<u> </u> Yes	<u> </u> No	<u> </u> Absent	<u> </u> Abstained	<u> </u> Recused
Solomon Jackson	<u> </u> Yes	<u> </u> No	<u> </u> Absent	<u> </u> Abstained	<u> </u> Recused
Mark G. Johnson	<u> </u> Yes	<u> </u> No	<u> </u> Absent	<u> </u> Abstained	<u> </u> Recused
Dean Hempfling	<u> </u> Yes	<u> </u> No	<u> </u> Absent	<u> </u> Abstained	<u> </u> Recused
William Lozier	<u> </u> Yes	<u> </u> No	<u> </u> Absent	<u> </u> Abstained	<u> </u> Recused
Tom Maphet	<u> </u> Yes	<u> </u> No	<u> </u> Absent	<u> </u> Abstained	<u> </u> Recused
Eric Richter	<u> </u> Yes	<u> </u> No	<u> </u> Absent	<u> </u> Abstained	<u> </u> Recused
Johann Klein for Jerry Wray	<u> </u> Yes	<u> </u> No	<u> </u> Absent	<u> </u> Abstained	<u> </u> Recused
Thomas Zitter	<u> </u> Yes	<u> </u> No	<u> </u> Absent	<u> </u> Abstained	<u> </u> Recused

ORDC ACTION:

Motion Approved _____
Motion Denied _____

Other Action	
Date	<u>1/16/18</u>

CERTIFICATE

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

Mark Policinski, Chair

1/16/18
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 Thousand Dollars (\$200,000) (the "ORDC Grant") for a project to install a rail spur at Company's location in Wapakoneta, Auglaize County, Ohio, which will include ties, ballast, surfacing and other related track work.

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.



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Rail Project Funding

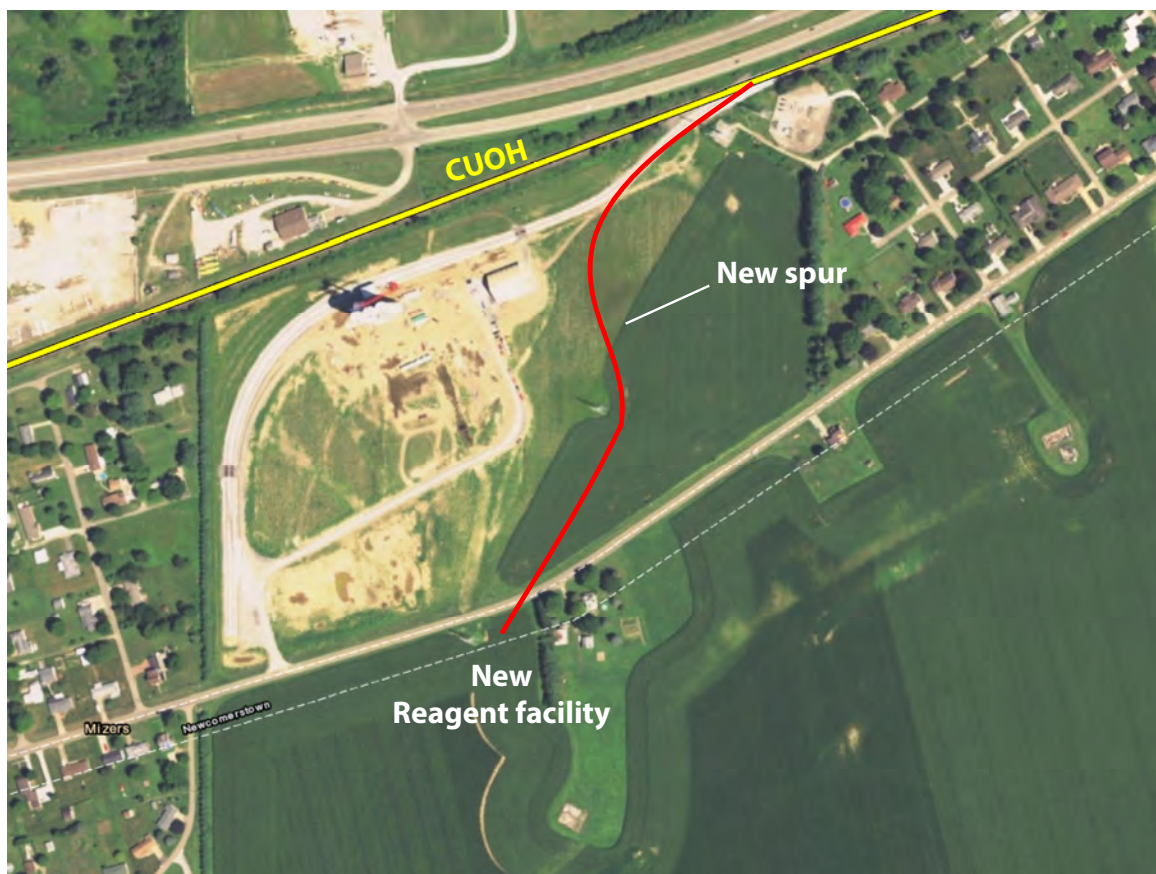
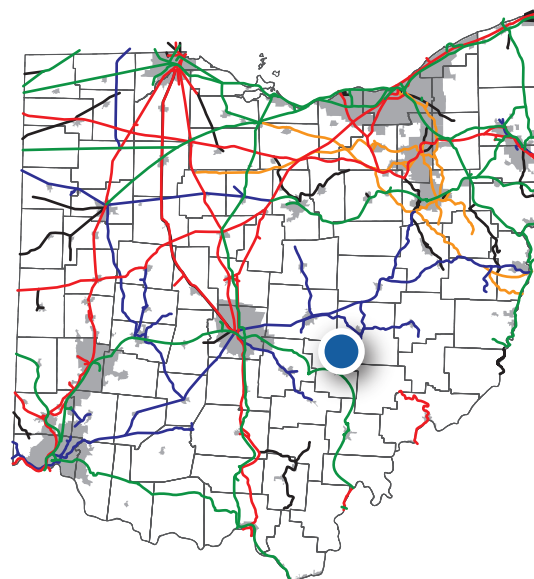
ORDC Grant	\$75,000
Local Incentives	\$450,000
Reagent Chemical Investment	\$1,351,000
	<u>\$1,876,000</u>

Project Benefits

- 15 new jobs created at new transload/distribution facility
- Opens the southern half of the Newcomerstown CIC-owned industrial park to rail-related development

ORDC Goals and Objectives

This project provides rail service to attract a new business under the ORDC Goal Economic Development through a project that will employ 15 people and improve infrastructure at an important industrial park in Tuscarawas County.



REAGENT CHEMICAL TRANSLOAD/DISTRIBUTION FACILITY

Newcomerstown

January 2, 2018

Reagent Chemical requests a grant in the amount of \$75,000 to offset the rail costs of building a new chemical transload facility in Newcomerstown. The facility would be located in an industrial park owned by the Newcomerstown Community Improvement Corporation. Current estimates of the rail component, which include a new crossing over County Road 15, are approximately \$876,000. Staff supports this project as it not only creates 15 new jobs, but also opens the southern half of the CIC-owned industrial park to rail-related development.

Reagent Chemical is the nation's largest marketer of hydrochloric acid (HCl), a commodity chemical with applications in the food, energy, steel, and industrial sectors. Reagent's HCl infrastructure extends from Canada to Mexico and the East Coast to California. The new transload and distribution facility in Newcomerstown would be a new hydrochloric acid distribution facility designed to primarily serve the fracking industry in eastern Ohio. Reagent also owns their own railcars and truck trailers to be used at the transload. The facility will be equipped with the most modern, industry-standard safety equipment available.

The facility will be located on the state-owned Panhandle Line, operated by the Columbus & Ohio River Railroad (CUOH). The rail infrastructure itself will consist of a new spur constructed off of an existing spur, so construction will not impact main-line operations. The line will cross County Road 15, and the new crossing will have protection agreed-upon by Newcomerstown and the CUOH. The new facility will be located on the south side of County Road 15.

The facility will result in the creation of 15 jobs in Newcomerstown. Investment for the facility will total approximately \$1,000,000. The Newcomerstown location was in competition with sites in Pennsylvania. Local agencies are offering Reagent a total of \$450,000 in grant funds. As a requirement of the ORDC grant, additional rail access in the industrial park will be preserved to the south side of County Road 15, and crossing safety treatments will be agreed upon by all local parties, including the railroad.

January 16, 2018

Pursuant to Ohio Rail Development Commission Resolution 99-15 “Spending and Signatory Guidelines,” the undersigned hereby approves of the project described in the Project Briefing entitled **REAGENT CHEMICAL TRANSLOAD/DISTRIBUTION FACILITY** and dated January 2, 2018, as described in that briefing.

Matthew R. Dietrich
Executive Director

Mark Policinski
Chairman