

PANHANDLE ADVISORY COMMITTEE MEETING JUNE 25, 2008

NOTE: Due to the departure of Kimberly Gibson from ODOD and therefore her absence from this meeting, this Panhandle Committee Meeting was an "unofficial" meeting with no voting taking place, no official minutes and no sign-in sheet. The information provided below is a summary of the discussions that took place.

Panhandle Committee members and interested parties met on Wednesday, June 25, 2008 at the offices of the Ohio Rail Development Commission. Chairman McOwen commenced the meeting at 11:15 a.m. Members present were as follows: Committee Chairman Tom McOwen; Commissioner Solomon Jackson; ORDC Staff Matt Dietrich, Megan McClory and Stu Nicholson and ORDC Counsel Alan Klodell. Also present were Bill Strawn, President of Ohio Central Railroad Systems; Rod Willcox, Attorney for Ohio Central Railroad Systems; Daniel Van Epps; Shane Stegmiller, Hannah News Service; and Mindy Kemplin, aide to Rep. Allan Sayre.

Chairman McOwen provided a quick review of the Panhandle trip that was taken by staff and commissioners on June 19 from Columbus to Pittsburgh. The overall consensus was the trip was extremely value-added to the discussions on the long term lease options on the line. Everyone thanked Chairman McOwen for donating the use of his personal rail car as well as his wife's contribution of preparing food and beverages. Mr. Bill Strawn was also instrumental to the trip's success as was Bill Callison of the Wheeling & Lake Erie.

ORDC Executive Director Matt Dietrich presented the overview of Article 26 in the current lease document that provides for "Passenger Service" in the current lease. He reviewed letters "A-D" of the document. No one raised any concerns. Mr. Strawn, however, inquired about letter "E" which provides ORDC the right to allow qualified rail passenger operators other than Ohio Central to operate on the rail property. Mr. Strawn asked if ORDC would "look to the Federal Railroad Administration for the definition of qualified rail passenger operators." Discussion followed with Commissioner Jackson noting that letter "E" in this section "concerns him."

Commissioner Jackson indicated he wanted certain declarations made in the lease that ensures freight is always protected. He reiterated the Panhandle Line is a "freight corridor."

Lou Jannazo, ORDC's Chief of Project Development, indicated a statement needs to be included within the lease that the state can allow/mandate passenger service on the line.

The issue of indemnification was raised with Commissioner Solomon stating he was not sure if indemnification language in the proposed lease is enough to cover all forms of proposed passenger rail service on the line. He noted differences between what is required for Amtrak, commuter rail and excursions. Discussion followed.

Passenger Service on the Panhandle

Mr. Strawn stated it is his belief that it would take an investment of approximately \$30-\$40 million to ready the Panhandle line for passenger service. Such items as passing sidings, signals, station facilities and other line upgrades would need to be completed prior to passenger service.

Ohio Central's legal counsel, Rod Willcox, suggested that perhaps a general statement of support for developing passenger rail on the Panhandle is sufficient for the lease, with language that the ORDC could negotiate with the current operator. Additional discussion took place.

Chairman McOwen reiterated the original intent of the State of Ohio owning the line was to preserve the corridors but there are areas along the line where bike trails are very close. Rails to Trails was designed to utilize corridors not in use with options to reinstate service should the opportunity arise. Chairman McOwen stated the Commission should take a position of bike paths as not being in line with the goals of the Commission. He reported the risk to the public is too great and asked the committee to think of ways to address this issue.

Stu Nicholson was asked to contact Amtrak to obtain a copy of the "boiler plate" agreements they typically have with the major freight railroads to get their trains on to the freight rail lines. Mr. Nicholson indicated he would so.

Mr. Nicholson reported the next Rail Liability Meeting is tentatively scheduled to take place on the next Panhandle Committee Meeting date.

Next Meeting

The next meeting of the Panhandle Committee was tentatively scheduled for Thursday, July 17th at 11:00 a.m.

NOTE: This meeting was ultimately canceled due to no replacement being named for Kimberly Gibson and therefore no quorum being available.