



Ohio Rail Development Commission

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Minutes of Panhandle Line Committee Meeting August 25, 2008

The meeting was called to order by Chairman Tom McOwen. Committee members Solomon Jackson, Herk Wolfe, Larry Sowers and William Lozier were in attendance.

The entire meeting agenda was devoted to a presentation by officials of the Genesee & Wyoming about their recently announced purchase of the Ohio Central Railroad System. Representing the G&W were:

- David J. Collins, Senior Vice-President of the New York / Pennsylvania Region
- Mark W. Hastings, Executive Vice-President, Corporate Development

Mr. Collins and Mr. Hastings presented a brief power-point presentation on the Genesee & Wyoming, describing the company and its world-wide railroad holdings. They also spoke about the purchase of the Ohio Central Railroad System and why it was such an attractive acquisition for the company, which is based in Greenwich, Connecticut.

They said they see Ohio as a “very rail-friendly state” and view the Ohio Central as a “good physical plant resulting from years of consistent investment”.

Following the presentation, the meeting was opened up for questions from Committee members, staff and the public.

Commissioner Jackson commented that he hadn't seen any negative press about the sale of the Ohio Central and saw that as a good sign. He commented further that Ohio is a good marketplace for the G&W to be entering and that he sees the fact of the G&W being a publically-traded company as a sign that they have been through a lot of public scrutiny.

Commissioners Wolfe and Sowers echoed Jackson's comments, as did Committee Chairman McOwen.

Chairman McOwen brought up the topic of the Panhandle Line and asked what the G&W's intentions are toward the Neilston Connector. The G&W officials stated they intend to observe the current lease agreement, saying they are confident with the existing language in the agreement regarding the connector.

As to the issue of excursion service on the Panhandle Line, the G&W officials said the company is familiar with the current language and the agreement with the Dennison Depot Museum regarding the Polar Express excursions. They said the railroad is comfortable with the liability

coverage provided by the Museum, and stated an offer to the Museum to provide both locomotives and crews to run the trains at their cost.

Commissioner Jackson asked what part of the offer to buy the Ohio Central involved the Panhandle Line itself: what does it mean to the G&W?

The G&W officials responded that the Panhandle is part of the system and that it is hard to separate it from the rest of the system in terms of its importance. They stated further that they see the purchase of the Ohio Central as a separate issue from the negotiations over a long-term lease.

Lou Jannazo asked if the Panhandle Line wasn't involved in the deal, would the G&W still proceed with the purchase? Commissioner Jackson said the committee is just trying to get a handle on how the G&W views the worth of the Panhandle Line.

The G&W responded that the worth of the Panhandle Line is subject to what happens in the marketplace. They commented that few knew that Eastern coal would again be popular and that has created more business on the Panhandle and other rail lines.

Commissioner Jackson also asked about the G&W diversity policy. The G&W officials responded that they see an aging population of workers within the rail industry and a growing need to recruit younger people.

Gloria Howard asked if the G&W had thought of establishing a mentoring program to assist new staff coming on board. They responded that the G&W has a couple of different levels of mentoring:

- Classroom training for lower to middle level managers to both bring them into the industry and enable them to advance within the company.
- Mentoring for new hires on field jobs (locomotive, train, and maintenance crews)

The public was asked to comment.

Wendy Zucal, Executive Director of the Dennison Depot Museum thanks both Jerry Jacobsen and Bill Strawn of the Ohio Central for their cooperation over the years on the Depot's excursion trains. She acknowledged that the last couple of years have been challenging, but was glad a solution was able to be worked out. She also thanked the G&W officials for their offer of locomotives and train crews for the Polar Express and welcomed the G&W.

Rick Platt of the Heath, Newark, Licking County Port Authority stated that the Panhandle Line is essential to the Port Authority and local business and that he is looking forward to working with the G&W.