

2009 IN REVIEW

OPERATIONS

- Carloads served by the Indiana & Ohio Railway Company (IORY) for 2009 were 4,742. Traffic has decreased since 2006 on the WESTCO owned lines, but WESTCO had a very high 4th quarter for 2009, a 46.7% increase over the 4th quarter of 2008. Declines for the year were most notable in grains, fertilizer and manufacturing products.

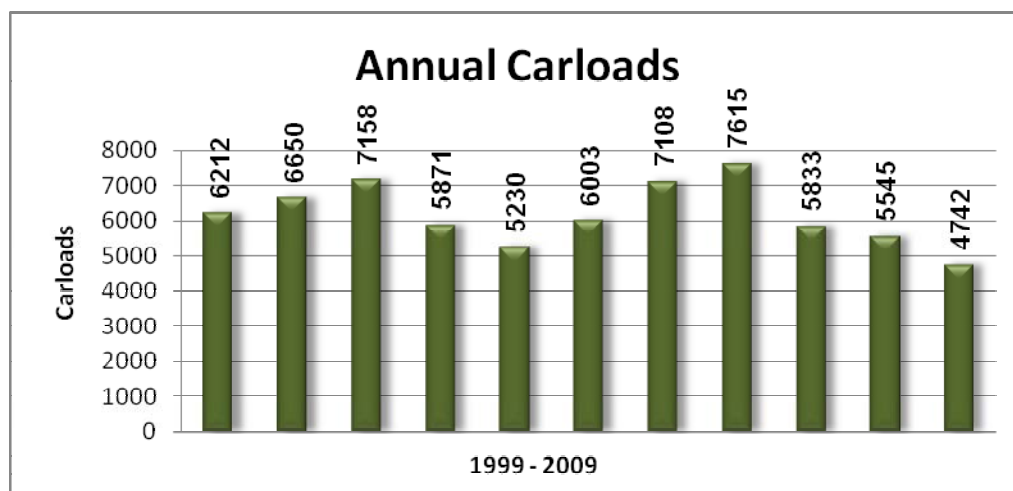
West Central Ohio Port Authority

Board of Directors

Gordon Conn
Gerald Damewood
John Detrick
Dr. Richard Henry
Betty Mowrey
Dale Ritenour
Alan Thompson

Secretary-Treasurer

Thea J. Walsh



MARKETING

- Staff designed and produced a marketing brochure with the intent to provide a brief introduction to the WESTCO Port Authority which will be a valuable asset to leave with potential customers on the track.
- The West Central Ohio Port Authority website was created (www.westcopa.org) and contains all the necessary information for a potential shipper to learn more about the resource that WESTCO is in transportation.
- Staff created a “Marketing Folder” which serves as a means of organizing WESTCO’s marketing efforts. The folder includes an introductory letter, Maintenance Fee Schedule, brochure, Rail Development Plan, WESTCO System Map, and IORY System Map.

- Bluegrass Farms of Ohio Inc. received a \$7.5 million forgivable state loan to finance an intermodal facility near Jeffersonville. The facility is intended to send grain shipments by cargo container to Queensgate Terminals, a rail to barge project planned on River Road near Lower Price Hill. State officials said the \$7.5 million loan will lead to the development of a \$10 million facility that employs 24 people during construction and five after it is completed.
- WESTCO implemented rate increases that were made effective January 1, 2009. Below is the new rate schedule (changes highlighted in orange indicate a decrease and changes highlighted in blue indicate an increase)

	Covered	Covered					Standard	Uni-Level
	Hopper	Hopper		Standard	Large		Flatcar	Auto
Commodity	263	286	Tank	Boxcar	Boxcar	Gondola	265K	Racks
Grains	\$58.00	\$69.00						
Salt	\$58.00	\$69.00		\$58.00				
Fertilizers	\$75.00	\$94.00	\$94.00					
All other	\$150.00	\$187.00	\$187.00	\$100.00	\$125.00	\$45.00	\$75.00	\$75.00
Alternate Schedule								
Grains	\$65.00	\$65.00						
Fertilizers	\$88.00	\$88.00	\$88.00					
All Other	\$175.00	\$175.00	\$175.00	\$175.00	\$175.00	\$175.00		

INFRASTRUCTURE MAINTENANCE

- The South Charleston Slow Orders Track Rehabilitation project was completed in the spring of 2009. The project was funded by a grant/loan for \$400,000/\$200,000 from the Ohio Rail Development Commission. A more detailed project description enclosed at the end of this report.
- WESTCO received a \$1 million grant from the American Recovery and Reinvestment Act for the Rehabilitation of track and bridges on the WESTCO line. The project includes the rehabilitation of 6.8 miles of track (5 miles on Urbana line, 1.8 miles on Mechanicsburg Line), the reconstruction of two crossings on State Route 4, and the rehabilitation of 13 bridges on the Urbana line. Atlas Construction Company performed the work for the track rehabilitation and crossing repairs and the project is expected to be completed by the spring. The bridge portion of the project will be managed by the Suburban Maintenance and Construction Inc., and is expected to begin in the spring.
- WESTCO worked with HDR Engineering Inc., which handled the engineering and construction oversight for each project.

PLANNING

- Staff produced the 2009-2011 Rail Development Plan which documents WESTCO's success and changes since the last Rail Development Plan (2006) as well as provide the layout for WESTCO's administrative and capital future plans. Below are the major capital projects planned for the upcoming years:
 - Rehabilitation of the Industrial Lead Track in Urbana M.P. 116.7 to 104.2 - \$925,000
 - Rehabilitation of Urbana Line M.P. 124 to M.P. 116.6 - \$550,000
 - Rehabilitation of Mechanicsburg Line M.P. 2 to M.P. 7 - \$370,000

In addition, the plan provides for the future rehabilitation of bridges rates as Priority 3 on an as needed basis (26 bridges total).

- Director Alan Thompson represented WESTCO on the Clark County-Springfield Transportation Coordinating Committee (TCC).

PROPERTY

- WESTCO executed a purchase and sale agreement with David Baucher for the sale of 2.5 acres of excess port authority property for a price of \$2,500.00 per acre.
- Property leases and utility licenses were processed during the year.

ADMINISTRATION

- The WESTCO Board of Directors met ten times in 2009.
- Director Dale Ritenour was re-appointed to a new four year term ending September 1, 2012 by the Clark County Commissioners.
- Directors Alan Thompson (At-Large Member) and Betty Mowrey (Champaign County) were elected as Chairman and Vice Chairman, respectively, for 2010.
- The Budget/Finance Committee met once in 2009.
- The audit was completed for 2008 by the Auditor of State. It is available for review on-line at <http://www.westcopa.org/audits.html> and <http://www.auditor.state.oh.us>.
- Administration services for the port authority are provided through a cooperative agreement among WESTCO, the Clark County-Springfield Transportation Coordinating Committee (TCC) and the Board of Commissioners of Clark County.

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South Charleston Line Slow Order Track Rehabilitation

The West Central Ohio Port Authority rehabilitated approximately 10 miles of the 27 mile track on the South Charleston line to in Clark, Madison, and Fayette counties. The Indiana & Ohio Railway Company downgraded the track in several areas due to deteriorating condition and trains were only allowed achieve a max speed of 10 mph. WESTCO used their engineering services through HDR for construction management services on the project. There was no new expansion of the rail, but the project rehabilitated track by installing 6,000 ties, removing 6,000 scrap ties, installing 2,800 anchors, distributing and placing 3,000 tons of ballast, surfacing 10 miles of track, surfacing 8 turnouts, and removing 1 turnout at M.P. 227.7. With all of the improvements made to the rail, the project allowed for the rail to be upgraded to 25 miles per hour and removed all of the slow orders.

Wintrow Construction Corporation of Barberton, Ohio was selected by WESTCO as the prime construction contractor. The project began in November 2008, but due to the winter weather, it was not completed until the spring of 2009.

The project was partly financed with a grant of \$200,000 and a low interest loan of \$400,000 from the Ohio Rail Development Commission. The IORY contributed detour costs to the project.