

Meeting Minutes

West Central Ohio
Port Authority
December 16th, 2021

Members Present

David Carr, Gene Baumgardner, Richard Flax, Dr. Richard Henry (via phone), David Faulkner, Wes Bahan

Others Present

Louis Agresta, WESTCO
Devesh Kamal, CSH
Bill Henderson, GWRR

Tammi Angle, CAHD
Mitch George, Clean Water Environmental
Nemi Rogers, GWRR

The meeting was called to order by Chairman Baumgardner at 9:00 am. Director Henry was not immediately available when called. He did eventually join the meeting after about 20 minutes. Once he joined, the board unanimously agreed that it was indeed Dr. Henry on the phone.

I. Minutes

A motion was made by Director Faulkner to approve the minutes from the November 18th, 2021 meeting. The motion was seconded by Director Carr. A roll call vote was taken. The motion carried without opposition.

II. Financial Report

Louis stated that for the month of November WESTCO had \$212,931.71 in receipts and \$41,409.61 in disbursements. Louis stated that the receipts were primarily comprised of the Sutphen Port Fee, Q3 Maintenance fee invoices and the storage lease payment. He stated that the disbursements were comprised of general admin expenses and the Urbana Industrial Bridge project. Louis stated that for the year WESTCO has received \$1,546,326.73 in receipts and paid out \$1,568,968.65 in disbursements.

A motion was made by Director Carr to approve the financials for November 2021. The motion was seconded by Director Flax. A roll call vote was taken. The motion carried without opposition.

III. Administrative Report

A. Clean Water Environmental Presentation

Louis introduced Mitch George with Clean Water Environmental. Louis stated that he met with Mitch, Bill Henderson, and Nemi Rogers a couple of weeks ago out at Glen Echo to discuss the possibility of transloading hazardous material from Glen Echo to the CWE facility in Dayton.

Mitch was excited about the potential relationship and wanted to have an opportunity to present about his company to the WESTCO board. Bill Henderson and Nemi Rogers with the railroad were also on hand to participate in the discussion about the project.

Mitch George stated that his company is an industrial waste company that operates a facility in both West Dayton as well as Mansfield, Ohio. He stated the Dayton facility is 80 years old this year. He stated that the Dayton facility added some new technology this year that would allow them to accept material from all over the country. In order to do that, they would need a rail site to accept that material. He stated that the material that is handled is hazardous and he looked forward to hopefully working through the issues surrounding that.

Mitch explained to the board what CWE does. He stated that they no longer process the hazardous materials. They used to several years ago. They now consolidate them. He spoke to the companies high standard and commitment to ethics and environmental friendliness. He said that they continually exceed EPA and other regulatory standards. He spoke about their hazardous wastewater treatment addition at the plant. He said that a couple of years ago a large processor went offline, which has caused a glut of waste in this arena. Mitch spoke to how the machine separates the water from the waste.

Louis asked what types of precautions would be taken if they were to handle waste at Glen Echo. Mitch stated that as part of the regulatory process they are required to think of contingencies to the contingencies of potential outcomes. He stated that is done through a document called a SBCC Plan. It identifies action steps for any and all potential spills and leaks. It is completed by a Professional Engineer. He stated that one of these would be created at Glen Echo should we enter into a relationship.

He stated that in addition to the SBCC Plan, they have a Facility Response Plan. He said the SBCC Plan addresses potential issues, the Facility Response Plan identifies what happens should something go wrong. It identifies things like who the proper first responders are and what should immediately happen. He stated that this plan gets into the hands of the first responders and helps train them in the event of an issue. Mitch continued to speak to the company's history and how it has evolved to get to what it looks like today.

Louis asked Mitch about potential car volumes should WESTCO enter into a lease with CWE. Mitch stated that the technology is new and they have only had the machine for less than 6 months. He stated that his team has several leads, but it is hard to say how long it takes to buy in. He said that he expects the first client to be a rail car per week and go up incrementally from there.

Chairman Baumgardner asked what implications a spill would have on the site. He stated there are already other customers at the site and he wanted to know how a spill would impact them. Mitch stated that a complete release from a rail car would shut the spur down. He stated it would cause a large amount of remediation and containment to make sure it didn't leak into local waterways. He said that is highly unlikely to happen. Louis asked about a potential derail. He asked if the cars are built to keep the material into the car. Mitch said that they are. He again reiterated that a complete void of the material is highly unlikely. He said that something that may be more likely he is a breach of a line while the material is pumping and a lot of material was to come out and exceed to the drip containment and result in a spill of 1,000 gallons. He said remediation on a spill like that can be done quickly. He said it could be done in a couple of days.

Louis stated that he and Tammi did let WESTCO's insurance company know about the potential relationship. WESTCO would likely have to work with another insurance company to get additional coverage. Chairman Baumgardner asked Mitch about CWE's insurance and the coverage WESTCO would receive through it. Mitch stated that he did recommend that WESTCO do get their own coverage, but added that WESTCO would be covered by CWE's insurance while they were on our site. CWE is covered by a \$7.5 million aggregate policy for environmental site pollution. He stated that number is likely to go up. Bill Henderson stated that he did forward an example agreement from the GWRR to Louis to help draft an agreement.

Director Faulkner asked Mitch what he liked about the Glen Echo site rather than another site in Dayton. Mitch stated that they have rented a spur near Gettysburg and US 35 in Dayton for quite some time. He stated that the site isn't ideal. It is too close to a main road in Dayton. It is still unlikely that anything bad would happen with that situation, but it is better to be a little more remote than next to a main road. Glen Echo has that and is the main reason they are interested in the site. Director Faulkner also brought up Glen Echo's close proximity to Cedar Bog and the aquifer. He worried about the optics of transloading hazardous materials in that area. He also raised concerns about if the yard was ever shut down how that would impact Tech II and unloading the frames for Navistar.

Bill Henderson added that the railroad does work with materials like this every day. He stated that WESTCO should be indemnified of all liabilities. He also stated that he understands all of the concerns raised by the board. He added that it may not seem like all of the hassle surrounding the hazardous waste is worth 5 railcars a month. He stated though that if it truly safe and it will be, he added that it should be considered.

Mitch George added that if containment is the issue the conversation could be had about constructing some permanent containment on the site. Everyone agreed that the purpose of today's conversation was exploratory only and they will continue to exchange information in the coming months.

Devesh added that there are other parties that should be brought into the conversation as it develops, including the health department.

Chairman Baumgardner asked if there were any other questions from the board. There were not. The board meeting proceeded with the other administrative items on the agenda.

Louis apologized for the late agenda item add, but stated there was something else to discuss before moving on to the Urbana Industrial Bridge Project agenda item. He stated that when he found out Bill and Nemi with the railroad would be attending, he would to have a conversation about the issues surrounding the Maintenance Fee collection with Menards. Louis stated that Louis, Bill, and Nemi had a conference call with Menards earlier in the fall. He stated that the result from that call was that Menards didn't mind paying the maintenance fee, but they wanted it billed to the timber mills they do business with. The plan from that meeting was that the railroad would pay WESTCO directly and could in turn pass that bill along to the mills. Louis stated that the WESTCO board is growing frustrated with not getting paid for the carloads arriving at Menards since it has been almost a year since carloads started arriving at the facility.

Chairman Baumgardner spoke to a frustration of being left out of the process almost entirely when it comes to Menards. He stated that moving forward WESTCO would like to be involved in plan review since the spur would affect WESTCO track. He stated that although the ultimate approval lies with the railroad's engineering group, it would be nice to have WESTCO involved since these projects to impact our track.

Louis added that for whatever reason communication surrounding this project has lacked from the beginning. Louis added that he takes blame for some of that. He stated that it is imperative that WESTCO collect maintenance fees from Menard's because the Maintenance Fee is foundational to WESTCO's operations. If Menard's doesn't pay it, why would Sunrise, Heritage, or any other shipper on the line?

Bill stated that they would work to make it right. Louis stated that he appreciated that and that they would really like to get this resolved as soon as possible. He stated that it has been an ongoing issue for multiple months and no real progress has been made.

B. Urbana Industrial Bridge Project Flagging and Change Order

Louis stated that the Urbana Industrial Bridge project was done. He showed the board pictures of the finished bridge work. He stated that the construction for the project was paid last month. He added that the flagging and a small \$750 change order would be paid this month to close out the project.

Louis again apologized for having to add another item to the agenda. He stated that the flagging for the 2021 Track Rehab project came in. He stated that in order to pay it the board needed to approve a change order in the amount of \$47,019.75.

Director Carr made a motion to amend the contract with Wintrow Construction and amend the 2021 budget by \$47,019.75 in order to pay the flagging costs associated with the 2021 Track Rehab project. The motion was seconded by Director Bahan. A roll call vote was taken. The motion carried without opposition.

C. 2022 Budget Approval

Louis presented the 2022 budget. He stated that the location of the 2022 Track Rehab was the only change from the draft that was presented in November. He stated that initially, the plan was to rehab the section between Washington Court House and South Solon. After further inspection, the railroad decided that the section of track between the Maitland Diamond to the southern limits of the 2021 job were most essential for repair. Louis stated that the limits were the Maitland Diamond to MP 122. He stated that the budgeted amount for the project was \$800,000. Louis added that he may add the Eagle City Rd crossing to the project scope because he does get complaints about it being rough.

Louis asked the Directors how WESTCO should proceed with the Carrs Mill crossing and the SR 41 crossing in Jeffersonville. Director Carr said that the SR 41 crossing will hold up, but may need minor maintenance to get through the year. Chairman Baumgardner stated that the Carrs Mills crossing frequently sits in water since it is at a low spot. Louis said he would work to get Schlaegel on site to get an estimate for a culvert repair.

Director Carr made a motion to approve the 2022 budget as presented. The motion was seconded by Director Henry. A roll call vote was taken. The motion carried without opposition.

D. 2022 Shipper Credit Approval

Louis reported that if approved this would be the second time the board approved a shipper credit to be split amongst the shippers. Louis stated that he was recommending a \$50,000 credit to be split amongst the shippers based on the percentage of total maintenance fee paid in 2021. Louis stated that the credit is well received by the shippers. He said the credit coupled with the bulk shipping discount in particular is greatly appreciated by the shippers.

Director Faulkner made a motion to approve the 2022 shipper credit of \$50,000 to be split amongst the shippers based on percentage of total maintenance fee paid. The motion was seconded by Director Henry. A roll call vote was taken. The motion carried without opposition.

E. TCC Board Appointment- January 1, 2022 through December 31, 2024.

Louis stated that the TCC is the organization that he works for. He stated that the TCC is the MPO for Clark County. Federal transportation dollars flow through the organization to the communities of Clark County. He stated that the TCC board is made up of elected officials and transportation professionals representing multiple organizations in Clark County. He stated that WESTCO does have a seat on that board. Director Henry has served as the WESTCO representative for several years. Director Henry stated that he would be happy to continue serving. Director Flax stated that he would be happy to serve as the alternate.

Director Carr made a motion to appoint Director Henry to the TCC board from January 1, 2022 through December 31, 2024, with Director Flax as the alternate. The motion was seconded by Director Bahan. A roll call vote was taken. The motion carried without opposition.

F. 2022 Meeting Schedule

Louis presented the recommended meeting schedule for 2022. He stated that the schedule follows similar schedules as prior years with no meetings scheduled for February, April, or October. He reminded everyone that the Chair can call a meeting anytime if it is deemed necessary so long as proper notification is given ahead of time. Louis stated that he would like to have an annual meeting in 2022. He recommended moving it to the summer to make it more likely that it won't be impacted by Covid. The board recommended having that meeting in June. They also recommended trying to have it at Bundy's, which was the 2020 meeting location until it was cancelled.

G. Officer Approval

Louis stated that Chairman Baumgardner was wrapping up his second year as Chairman of the board. He stated that alternating the Chair position between the counties has been important in the past, but doesn't have to be continued in the future.

Director Faulkner made a motion to appoint Director Baumgardner as Chair and himself as Vice-Chair for 2022. The motion was seconded by Director Carr. A roll call vote was taken. The motion carried without opposition.

H. Overhead Traffic

Louis reported that WESTCO received \$33,061.05 for November overhead traffic. He stated that for the year WESTCO has received \$380,693.76. He stated that number will not change because the December amount will be received in January. He also added that \$380,000 is the highest overhead number that he can remember in his time with WESTCO.

IV. Property Report

Director Carr made a motion to enter Executive Session to consider financial and proprietary information considered confidential under Ohio Revised Code Section 4582.091, including trade secrets, on by or on behalf of an employer in connection with relocation, location, expansion, improvement, or preservation of the business of the employer. The motion was seconded by Director Bahan. A roll call vote was taken and passed without opposition.

Director Carr made a motion to leave Executive Session. The motion was seconded by Director Henry. A roll call vote was taken and passed without opposition.

IV. Adjournment

Director Carr made a motion to adjourn the meeting. The motion was seconded by Director Faulkner. A roll call vote was taken. The motion carried without opposition. The meeting was adjourned.

Louis Agresta
Secretary – Treasurer