

Wednesday, October 17, 2007

US Rail official, commissioners discuss status of Jisco property

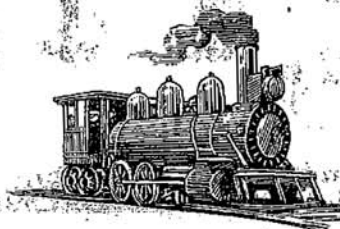
By BARBARA SUMMERS
Telegram Staff Writer

US Rail Representative Marion W. Hall met with Jackson County Commissioners, Prosecuting Attorney Jonathan Blanton, Economic Development Director Kara Willis and Deputy Director Jennifer Jacobs on October 11 to discuss the purchase of the former Jisco property off State Route 776 in Jackson for use as a rail car repair facility.

Joining in the conversation, via telephone, was Terry Hair, of Keramida Environmental, Inc., who has led Phase I and Phase II of the brownfield cleanup of the site through CleanOhio grants. As part of the process, the land has been purchased by the county with sale pending to US Rail.

Much has been done at the site. It has been cleared and asbestos has been removed. However, a scope of work remains, with grant funds still available. Hair noted that a \$275,000 site assessment has been done. It indicates that an underground tank must be removed and there are five small soil areas that must be removed to meet Ohio Environmental Protection Agency standards for a clean site.

The budget allows for disposal of this soil as a hazardous material. If, Hair explained, the soil proves not to be hazardous, then the disposal can be done at a local landfill with the process costing far less.



Keramida offered to work with US Rail so the company could begin installation of rail lines prior to completion of the final cleanup. However, Hall expressed his company's concerns about structuring a financing plan that could meet bankers' stipulations until there is a "no-further-action" status issued for the site and until US Rail is assured that it would not be held liable in future for any contamination on the site that was not of its doing. These documents cannot be issued until the site is cleaned.

At the suggestion of Hair, Blanton will contact the Ohio Department of Development, which has dealt with similar situations under CleanOhio projects, to understand how to navigate through the dilemma.

Commission President Rick McNelly, while assuring Hall that the county does want the company to purchase and utilize the site, noted that rumors are circulating that US Rail is not going to purchase the property. "Do you want the property?" McNelly asked Hall.

"We are committed," Hall responded. Hall said the company knows there are "obstacles." He added that business on the line it currently operates in the areas has decreased by half when they had projected business would increase by half.

Nonetheless, Hall continued, US Rail has made a commitment to Jackson County and to themselves. "We want to make this work," Hall said. He cited the Jisco property as a good location with a good workforce in the area.

"Do you want this property?" McNelly inquired again.

"There are a lot of factors in play," Hall stated. He added that the purchase can't be funded from cash flow because there isn't any on this rail line. However, Hall said that if he thought the project wasn't doable, he wouldn't be sitting in the Commissioners' Office.

Hall said the company has roots in the area and that sometimes things are done simply because you "feel good about doing it." Hall said the project would not have a "pot of gold at the end of the rainbow."

The meeting ended with no conclusions but some possible steps forward and a sense that all parties would like to see the project come to a successful conclusion.