

# THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

January 19, 2016

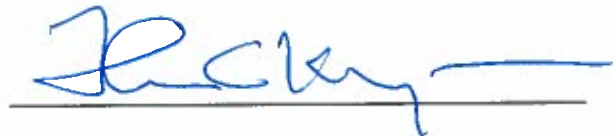
A special meeting of the Trustees of the Cincinnati Southern Railway for the purpose of discussing the current state of the rail industry was held on Tuesday January 19, 2016, at 3:00 p.m. at the offices of Cors & Bassett, with the following members present, with the following members present: Messrs. Kilcoyne, McOwen, Sutmoller, Sylvester, and Riordan. Ms. Emily Woerner, Assistant City Solicitor for the City of Cincinnati was also in attendance.

## STATE OF RAIL INDUSTRY

The Board met to discuss news related to the potential merger of NS with CP. Mr. McOwen noted that in a merger, anyone who believes they are harmed may be a part of proceedings before the STB. Mr. McOwen also presented the Board with the publically-available positions of NS and CP regarding the merger. No action taken.

## ADJOURN

Mr. Sylvester moved to adjourn. Mr. McOwen seconded. All agreed. Meeting adjourned.

A handwritten signature in blue ink, appearing to read "Kilcoyne", written over a horizontal line.

Mr. Kilcoyne, President

A handwritten signature in blue ink, appearing to read "Emily Woerner", written over a horizontal line.

Ms. Woerner, Clerk

# THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

March 15, 2016

A special meeting of the Trustees of the Cincinnati Southern Railway for the purpose of discussing items on the agenda for the cancelled March 11, 2016 meeting was held on Tuesday March 15, 2016, at 8:00 a.m. at the offices of Cors & Bassett, with the following members present: Messrs. Kilcoyne, McOwen, Sutmoller, and Riordan. Ms. Emily Woerner from the City Solicitor's office were also in attendance. Mr. Sylvester was absent.

## APPROVAL OF LAST MEETING MINUTES

Ms. Woerner presented the Board with the minutes from the December 8, 2015 and January 19, 2016 meetings. Mr. Riordan moved to approve, Mr. McOwen seconded. Unanimously approved.

## NOSSAMAN SECOND AMENDMENT

Mr. Kilcoyne presented the Board with a second amendment to the professional services contract with Nossaman, LLC. The amendment raised the amount of the contract to \$30,000. Mr. Riordan moved to approve, Mr. McOwen seconded. Unanimously approved.

## TVA Crossing Easement

CNOTP requested that the Board approve a crossing easement in or near Rockwood, Roane County, Tennessee in the amount of \$9,500. The Board considered the item. Mr. Riordan moved to approve, Mr. Sutmoller seconded. Unanimously approved.

## PAYMENTS

Ms. Woerner presented the Board with various invoices for payment. The Board approved payment in the amount of \$522.00 to Wessels Workplace Services for moving services and \$98.29 to Tim Riordan to reimburse him for copying services related to

research he conducted. Mr. McOwen moved to approve, Mr. Sutmoller seconded  
Unanimously approved.

TOPICS FROM ANNUAL MEETING WITH NORFOLK SOUTHERN


The Board met with NS on March 11, 2016 to receive an update of the condition of the line. The Board discussed next steps for preparing for renegotiation of the lease with CNOTP. The Board further requested that Mr. Sheys, outside counsel to the Board, prepare a letter to the STB expressing the Board's concerns with the proposed structure of a CP purchase of NS. The Board authorized Mr. Kilcoyne to sign such a letter. Mr. Sutmoller moved to authorize Mr. Kilcoyne to sign the letter, and Mr. McOwen seconded. Unanimously approved.

ADJOURN

Mr. Riordan moved to adjourn. Mr. McOwen seconded. All agreed. Meeting adjourned.



Mr. Kilcoyne, President

  
Ms. Woerner, Clerk

THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

May 10, 2016

A special meeting of the Trustees of the Cincinnati Southern Railway for the purpose of discussing tax credit agreement proceeds was held on Tuesday May 10, 2016, at 1:00 p.m. at the offices of Cors & Bassett, with the following members present: Messrs. Kilcoyne, McOwen, Sutmoller, Sylvester, and Riordan. Ms. Emily Woerner and Mr. Luke Blocher from the City Solicitor's office were also in attendance.

TAX CREDIT AGREEMENT PROCEEDS

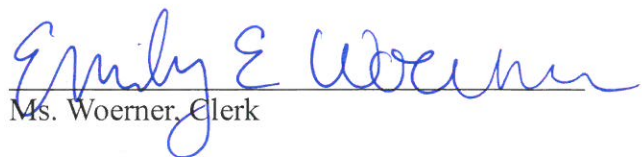
Mr. Blocher presented the Board with the City Administration's request to receive tax credit agreement proceeds ahead of schedule so that the City can purchase certain real property that will form the Wasson Way bicycle trail. The Board discussed whether it could delay its retention of funds while still being prepared for any potential issues associated with the long-term lease of the CSR. Mr. Sylvester presented four different scenarios. The Board discussed each and asked questions of Mr. Blocher. The Board asked Ms. Woerner to work with Mr. Blocher in crafting an amendment to the MOU that remitted money to the City ahead of schedule, made the early payment of the money contingent on the money being used for the Wasson Way project, and that ensured that the Board would retain its amount from the next tax credit proceeds received. No further action taken.

ADJOURN

Mr. Sutmoller moved to adjourn. Mr. Riordan seconded. All agreed. Meeting adjourned.



Mr. Kilcoyne, President



Ms. Woerner, Clerk

# THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

June 21, 2016

A special meeting of the Trustees of the Cincinnati Southern Railway for the purpose of discussing items on the agenda for the cancelled June 14, 2016 regular meeting was held on Tuesday June 21, 2016, at 3:00 p.m. at the offices of Cors & Bassett, with the following members present: Messrs. Kilcoyne, McOwen, Sutmoller, and Sylvester. Ms. Emily Woerner and Mr. Luke Blocher from the City Solicitor's office and Mr. Kerry Roe from Clark Shaffer Hackett were also in attendance. Mr. Riordan was absent.

## APPROVAL OF LAST MEETING MINUTES

Ms. Woerner presented the Board with the minutes from the March 15, 2016 and May 10, 2016 meetings. Mr. Sutmoller moved to approve, Mr. Sylvester seconded. Unanimously approved.

## KERRY ROE PRESENTATION

Mr. Kerry Roe presented the Board with the 2015 Audited Financial and the 2014 and 2015 Report on Agreed-Upon Procedures. Mr. Sylvester moved to approve both reports. Mr. Sutmoller seconded. Unanimously approved.

## OFFICE SPACE UPDATE

Mr. McOwen reported about the state of the Board's office in the NS building on Gest Street. He noted that NS staff has a key to the room for emergency situations and noted that other non-Board items were present in the room. The Board tabled the issue and will address at a future date.

## PAYMENTS

Ms. Woerner presented the Board with various invoices for payment. The Board approved payment in the amount of \$1,767.50 to Vehr Communications for management of the website; \$3,385.00 and \$5,440.00 to Nossaman for legal services; \$10,450 to the

American Shortline Association for membership; \$7,794.94 to the Law Department for the services of Ms. Woerner; \$2,936.25 to Rob Finley for consulting services; and \$7,000 and \$500 to Clark, Schaffer, Hackett for auditing services. Mr. Sylvester moved to approve, Mr. McOwen seconded Unanimously approved.

#### MOU AMENDMENT

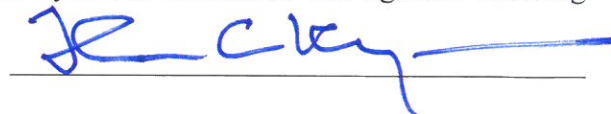
Ms. Woerner presented the Board with an amendment to the MOU between the Board and the City regarding the tax credit agreement payments the Board receives from CNOTP. Mr. Blocher answered the questions of the Board members regarding the City Administration's perspective. The Board considered the amendment. Mr. Sylvester moved to authorize Mr. Kilcoyne to execute the amendment and to remit payment to the City by the end of June 2016. Mr. Sutmoller seconded. Mssrs. Kilcoyne, Sutmoller, and Sylvester voted in favor. Mr. McOwen abstained. Approved.

#### RAIL RESEARCH

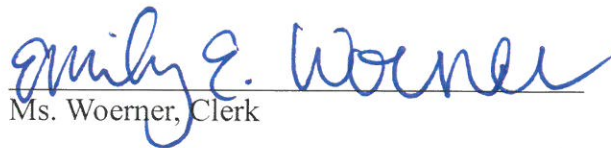
Mr. McOwen presented to the Board some research he has been doing to examine the real estate records of the line. He will continue his research. No action taken by the Board at this time.

#### ADJOURN

Mr. McOwen moved to adjourn. Mr. Sylvester seconded. All agreed. Meeting adjourned.

A handwritten signature in blue ink, appearing to read "J. Kilcoyne", written over a horizontal line.

Mr. Kilcoyne, President

A handwritten signature in blue ink, appearing to read "Emily E. Woerner", written over a horizontal line.

Ms. Woerner, Clerk



## THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

September 13, 2016

A regular meeting of the Trustees of the Cincinnati Southern Railway for the was held on Tuesday September 13, 2016, at 3:00 p.m. at the offices of Cors & Bassett, with the following members present: Messrs. Kilcoyne, Sutmoller, Riordan, and Sylvester. Ms. Emily Woerner from the City Solicitor's office was also in attendance. Mr. McOwen was absent.

### APPROVAL OF LAST MEETING MINUTES

Ms. Woerner presented the Board with the minutes from the June 21, 2015 meeting. Mr. Riordan moved to approve, Mr. Sylvester seconded. Unanimously approved.

### TAX CREDIT AGREEMENTS

Ms. Woerner presented the Board with Federal and Kentucky Tax Credit Agreements for the year 2016. They were in substantially the same form as previous agreements. The Board noted its desire that the timeframe for future agreements be consistent with the legislation in place at the time. Mr. Riordan moved to authorize Mr. Kilcoyne to execute the tax credit agreements. Mr. Sutmoller seconded. Unanimously approved.

### PRESENTATION FROM THE TREASURER

Mr. Sylvester presented the Board with the final financial audit reports as well as the report on current holdings. Ms. Woerner to transmit the audit reports to the Finance Director.

## PAYMENTS

Mr. Sylvester presented the Board with an invoice from Nossaman, LLC in the amount of \$1,467.50 and requested approval of the payment. Mr. Sutmoller moved to approve, Mr. Riordan seconded Unanimously approved.

## NEW BUSINESS: INSPECTION TOUR

The Board requested that Ms. Woerner inquire to NS about scheduling an inspection tour for 2017. Ms. Woerner agreed to do so.

## EXECUTIVE SESSION FOR THE PURPOSES OF DISCUSSING THE POTENTIAL SALE OF REAL ESTATE

Mr. Kilcoyne moved to enter executive session for the purpose of discussing the potential sale of real estate. Mr. Riordan seconded. Ms. Woerner took a roll call vote: Mr. Kilcoyne – aye; Mr. Riordan – aye; Mr. Sylvester – aye; Mr. Sutmoller – aye.

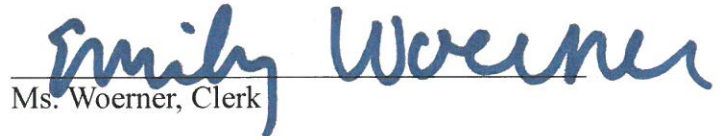
No action taken after the executive session concluded.

## ADJOURN

Mr. Sylvester moved to adjourn. Mr. Sutmoller seconded. All agreed. Meeting adjourned.



Mr. Kilcoyne, President



Ms. Woerner, Clerk



THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

October 4, 2016

A special meeting of the Trustees of the Cincinnati Southern Railway for the purposes of discussing the potential sale of real estate was held on Tuesday October 4, 2016, at 3:00 p.m. at the offices of Cors & Bassett, with the following members present: Messrs. Kilcoyne, Suttmoller, Riordan, and Sylvester. Ms. Emily Woerner from the City Solicitor's office was also in attendance. Mr. McOwen arrived after executive session was entered into.

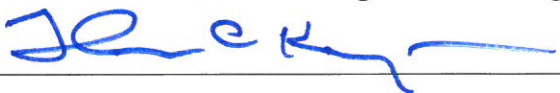
EXECUTIVE SESSION FOR THE PURPOSES OF DISCUSSING THE POTENTIAL SALE OF REAL ESTATE

Mr. Sylvester moved to enter executive session for the purpose of discussing the potential sale of real estate. Mr. Riordan seconded. Ms. Woerner took a roll call vote: Mr. Kilcoyne – aye; Mr. Riordan – aye; Mr. Sylvester – aye; Mr. Suttmoller – aye. Executive session entered into at 3:07 p.m. Mr. McOwen arrived at 3:09 p.m. Executive session adjourned at 4:15 p.m.


No action taken after the executive session concluded.

ADJOURN

Mr. Suttmoller moved to adjourn. Mr. Riordan seconded. All agreed. Meeting adjourned.



Mr. Kilcoyne, President

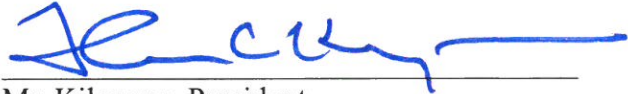


Ms. Woerner, Clerk

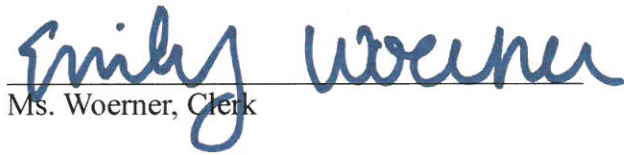
THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

October 13, 2016

A special meeting of the Trustees of the Cincinnati Southern Railway for the purposes of discussing the potential sale of real estate was scheduled for Thursday October 13, 2016 at 3 p.m. Mr. Kilcoyne and Mr. Riordan were present, along with Ms. Woerner from the City Solicitor's Office. Not having a quorum present, the meeting was cancelled.

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Mr. Kilcoyne, President

A handwritten signature in blue ink, appearing to read "Emily Woerner", written over a horizontal line.

Ms. Woerner, Clerk

# THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

November 4, 2016

A special meeting of the Trustees of the Cincinnati Southern Railway for the purposes of discussing general matters and the potential sale of real estate was held on Thursday November 3, 2016 at 3 p.m at the offices of Cors and Bassett. Mssrs. Kilcoyne, Riordan, McOwen, Sylvester, and Sutmoller were all present, with Mr. Kilcoyne arriving after the executive session was entered into. Ms. Woerner, Assistant City Solicitor was also present.

## NEW BUSINESS:

Mr. McOwen presented the Board with a research project that he has been working on regarding title to real estate in the Board's name. Mr. McOwen requested hiring Dotty Carman, former clerk to the Board, at a rate of \$50 per hour to work on such real estate research matters. Mr. Riordan moved that the Board authorize Mr. Kilcoyne to execute an agreement hiring Dotty Carman to do real estate research work for the Board. Mr. McOwen seconded. Unanimously approved.

## INVOICES

Mr. Sylvester presented the Board with an invoice from Nossaman, LLC in the amount of \$1,648 and a reimbursement to Tom McOwen in the amount of \$210 for valuation map racks. Mr. Sylvester moved approval of the payments, Mr. Sutmoller seconded. Unanimously approved.

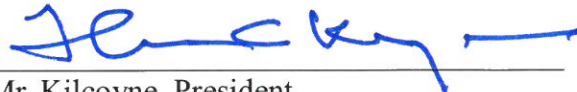
## EXECUTIVE SESSION

Mr. Riordan moved that the Board enter executive session for the purposes of discussing the potential sale of real estate. Mr. Sylvester seconded. Ms. Woerner took a roll call vote: Mr. Riordan – aye; Mr. Sylvester – aye; Mr. Sutmoller – aye; Mr. McOwen – aye. Executive session entered into at 3:15 p.m. Mr. Kilcoyne arrived at 3:29 p.m. Executive session ended at 3:54 p.m.

The Board agreed to schedule another special meeting for the purposes of discussing the potential sale of real estate on November 21, 2016 at 3 p.m. No further action taken.

ADJOURN

Mr. Riordan moved to adjourn. Mr. Sutmoller seconded. Unanimously approved.

A handwritten signature in blue ink, appearing to read "J. Kilcoyne", written over a horizontal line.

Mr. Kilcoyne, President

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Ms. Woerner, Clerk

# THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

November 21, 2016

A special meeting of the Trustees of the Cincinnati Southern Railway for the purposes of discussing general matters and the potential sale of real estate was held on Thursday November 21, 2016 at 3 p.m at the offices of Cors and Bassett. Msrs. Kilcoyne, Riordan, McOwen, Sylvester, and Sutmoller were all present. Ms. Woerner and Mr. Garth, Assistant City Solicitors were also present.

## APPROVAL OF MINUTES:

Ms. Woerner presented the minutes from the September 13, October 4, October 13, and November 4 meetings. Mr. Riordan moved to approve. Mr. McOwen seconded. Unanimously approved.

## INFORMATION REQUEST

Ms. Woerner presented the Board with questions she received from a representative of the New Orleans Public Belt about the CSR. The Board requested that Mr. Garth answer the questions or direct them to CNOTP representatives as appropriate. No further action taken.

## EXECUTIVE SESSION

Mr. Riordan moved that the Board enter executive session for the purposes of discussing the potential sale of real estate. Mr. McOwen seconded. Ms. Woerner took a roll call vote: Mr. Riordan – aye; Mr. Sylvester – aye; Mr. Sutmoller – aye; Mr. McOwen – aye; Mr. Kilcoyne - aye. Executive session entered into at 3:10 p.m. Executive session ended at 3:46 p.m. No further action taken.

## NEW BUSINESS: INSPECTION TRIP

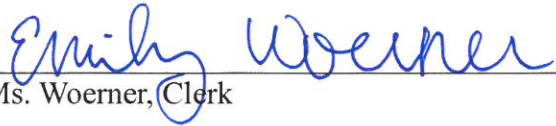
The Board asked Ms. Woerner to reach out to CNOTP to schedule an inspection trip for 2017.

ADJOURN

Mr. Riordan moved to adjourn. Mr. McOwen seconded. Unanimously approved.

A handwritten signature in blue ink, appearing to read "J. Kilcoyne", written over a horizontal line.

Mr. Kilcoyne, President

A handwritten signature in blue ink, appearing to read "Emily Woerner", written over a horizontal line.

Ms. Woerner, Clerk



# THE MINUTES OF THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY

December 13, 2016

A special meeting of the Trustees of the Cincinnati Southern Railway for the purposes of discussing general matters and the potential sale of real estate was held on Tuesday December 13, 2016, at 3:00 p.m. at the offices of Cors and Bassett. Messrs. Kilcoyne, Riordan, McOwen, Sylvester, and Sutmoller were all present. Mr. Garth, Assistant City Solicitor was present. Chris Mayhew was also present.

## NEW BUSINESS:

Mr. Kilcoyne called the meeting to order and initiated a discussion of D&O insurance coverage for the Board. Jonathan Theders, the insurance broker for the Board, described the proposed renewal coverage which was recommended to be provided by Zurich Insurance. The policy provides \$1 million in coverage, which was described as sufficient for the Board's needs. Mr. Kilcoyne moved to authorize renewal of D&O insurance, which motion was seconded and approved unanimously.

Mr. Mayhew described his coffee book project concerning CSR and the historic research he has been conducting on the railroad. He conveyed an interest in access to any additional CSR records that might be pertinent to his research.

## EXECUTIVE SESSION

Mr. Mayhew departed as the Board prepared to enter executive session. Mr. Kilcoyne moved that the Board enter executive session for the purposes of discussing the potential sale of real estate. Mr. Riordan seconded. Mr. Garth took a roll call vote: Mr. Kilcoyne – aye; Mr. Riordan – aye; Mr. Sylvester – aye; Mr. Sutmoller – aye; Mr. McOwen – aye. Executive session entered at approximately 3:30 p.m. Executive session ended at approximately 4:30 p.m.

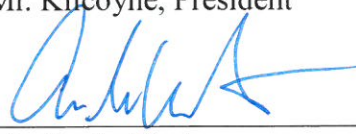
The Board agreed to schedule another special meeting for the purposes of discussing the potential sale of real estate on January 4, 2017. No further action taken.

ADJOURN

Mr. Riordan moved to adjourn, which motion was seconded by Mr. Sutmoller and unanimously approved.



Mr. Kilcoyne, President



Mr. Garth, Clerk