



# Columbiana County Port Authority

1250 St. George Street, East Liverpool, Ohio 43920  
(330) 386-9051 • FAX (330) 386-1122

December 5, 2008

Ohio Department of Development  
Logistics and Distribution Stimulus Program  
Attn: Nyla Potter, Program Coordinator  
77 S. High St, 28<sup>th</sup> Floor  
Columbus OH 43215  
[ldsp@development.ohio.gov](mailto:ldsp@development.ohio.gov)

Dear Ms. Potter:

This Letter of Intent is submitted in request for a Six Million Dollar (\$6,000,000) loan under the Logistics and Distribution Stimulus Program. The use of the loan will be to acquire 524.661 acres of land adjacent to the Columbiana County Port Authority's newly constructed Wellsville Intermodal Facility located at Mile Post 49.5 of the Ohio River (property description attached). Acquisition of this property will facilitate the Port Authority's port improvement master plan by expanding connectivity to the Intermodal Facility and in particular will help secure the site for the \$6 Billion Beard Energy, Ohio River Clean Fuels Coal to Liquid Fuel plant. This project recently secured the final OEPA permit(s) to allow site preparation/construction to start in 2009.

The Wellsville Intermodal Facility was built on an environmentally remediated former industrial site (OEPA VAP Program). Approximately \$20 Million has been spent on its construction to date. Included in the Facility's construction were: 1) a new interchange on SR7; 2) internal access roads, water and sewer; 3) rail spur construction; 4) warehouse acquisition; and, 5) construction of intermodal cargo handling crane system. Beard Energy has spent approximately \$6.5 Million in permitting and engineering for the Coal to Liquid Fuel project. The Beard project will generate approximately 4,000 building trade construction jobs during the five-year construction cycle and approximately 450 full time employees.

The Port Authority anticipates 9 million tons of Ohio coal and biomass moving through the Intermodal Facility per year to facilitate the Beard project. For comparison purposes, Ohio's total coal production last year was approximately 21 million tons. Other products that will flow by river, rail and truck into the Intermodal Facility will be cement, stone, steel and project cargo. Beard's production of 53,000 barrels per day of finished product after the plant is operational will flow outbound to new markets.

December 5, 2008

Page 2.

The Port Authority is in discussions with Baard to guarantee the loan and to enter into a lease agreement for the property that will substantially parallel the loan amortization schedule. Because much of the property to be acquired is subject to options which expire at the end of 2008, time is of the essence for this loan request.

Yours truly,

Tracy V. Drake  
Chief Executive Officer

TVD/gss

attachment (1)

cc: Board of Directors  
Atty. Brookes  
John Baardson  
Dave Distefano  
Steve Dopuch  
Atty. Petricoff  
Steve Schoney  
Congressman Wilson  
Senator Wilson  
Representative Bolon  
Commissioner Traina  
Jennifer Lynch  
(letter only)