

WISCONSIN RIVER RAIL TRANSIT COMMISSION

FULL COMMISSION MEETING - FRIDAY, OCTOBER 5, 2012 @ 10AM
 DANE COUNTY HWY GARAGE, 2302 FISH HATCHERY RD, MADISON, WI

1. 10:00 AM **Call to Order** – *Karl Nilson, Chair*
2. Roll Call. **Establishment of Quorum** – *Mary Penn*

Crawford	Tom Cornford, 3 rd Vice Chair (XCom)	x	Rock	Ben Coopman, Alternate	x
	Rocky Rocksford	x		Wayne Gustina	Excused
	Vacant			Alan Sweeney, 1 st Vice Chair (XCom)	x
Dane	Gene Gray, Treasurer (XCom)	x	Sauk	Terry Thomas	
	Jim Haefs-Fleming	Excused		Marty Krueger, Alternate	
	Chris James	x		Carol Held	
Grant	Ivan Farness		Walworth	John Miller	
	Vern Lewison			Dennis Polivka, Asst. Secretary (XCom)	x
	Robert Scallon, 2 nd Vice Chair (XCom)	x		Jerry Grant	
Iowa	Charles Anderson, Secretary (XCom)	x	Waukesha	Richard Kuhnke, 4 th Vice Chair (XCom)	
	William G Ladewig			Allan Polyock	
	Jack Demby			Karl Nilson, Chair (XCom)	x
				Richard Manke	
				Fritz Ruf	

Other present for all or some of the meeting:

<ul style="list-style-type: none"> • Mary Penn, WRRTC Administrator • Frank Huntington, Marty Morin, Greg Baer, Roger Larson WDOT • Forrest Van Schwartz, Consultant 	<ul style="list-style-type: none"> • Ken Lucht, WSOR • Eileen Brownlee, WRRTC Attorney • Jim Matzinger, WDOT • Suzanne Folberg, Crawford Co. Stewardship
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3. Action Item. **Certification of Meeting's Public Notice** – *Noticed by Penn,*
 - *Motion to Approve Public Notice, Cornford/Sweeney, Passed Unanimously*
4. Action Item. **Approval of Agenda** – *Prepared by Penn,*
 - *Motion to Approve Agenda, Polivka/Cornford, Passed Unanimously*
5. Action Item. **Approval of draft July Meeting Minutes** – *Prepared by Penn,*
 - *Motion to Approve August Meeting Minutes, Sweeney/Scallon, Passed Unanimously*

Frank Huntington noted there needed to be a correction on item 14, changing to NERPC to NCRPC on the 5th line of the item minutes.

6. Updates. **Public Comment** – *No public comments.*
7. Updates. **Correspondence & Communications** –

Mary Penn gave her communication updates. Specifically the receipt of a letter from McHenry County Conservation District regarding hunting to be permitted along several District sites near WRRTC property, the resolution of an issue with a Mr. Mark Goldworthy regarding damage done to his car when passing over WRRTC rail on ILSH 173 in early September, the receipt of a letter from Sec. Gottlieb acknowledging the budget support letter sent out in August, and the communication from Mr. Rob Redwillowitz (sp?) with whom Penn spoke regarding a guardrail/safety issue in Walworth County, adding that Mr. Marty Morin of WDOT had also been working on this last communication to resolve it. Forrest Van Schwartz updated the Commission on the Freight Rail Study between WRRTC and UW Madison. He reported that the survey has not yet been mailed due to a variety of reasons (although it was

due to be sent in June) but hopefully will be sent next week. He said the results would be valuable and of help during budgetary talks. He said an electronic copy of the survey will be sent to Mary Penn for her to distribute to the Commission.

Karl Nilson read the response letter from Sec. Gottlieb upon receipt of the budget support letter the Commission sent to both the Secretary and to respective representatives and county board representatives. Gene Gray asked Van Schwartz how much of the freight rail study has been completed of which half has been half. Gray asked what the timing of the study is in regard to the upcoming budget. Van Schwartz reiterated the survey would be going out hopefully this week and that it was vital that it be sent out by years end. Frank Huntington said that the Governor would be looking at the draft budget in November. Penn then passed out the rail grant award press release. Huntington noted that the announcement did not include all the awards yet.

8. WRRTC Financial Report – Jim Matzinger, Dane County CPA / WRRTC Accountant

- Treasurer's Report for August and Payment of Bills

Jim Matzinger gave the treasurer's report, noting that no money has been paid out for 2012 projects yet this year.

- *Motion to Approve Treasurer's Report and Bills, Anderson-Gray, Passed Unanimously*

Ken Lucht asked for confirmation of WSOR's billing for 2012 projects, asking if the \$185,640.00 quoted was correct. Matzinger replied that \$112,000.00 had been collected from counties but that Crawford County's payment for past years had to be taken out to address years of non-payment.

9. Wisconsin & Southern Railroad's Report on Operations

Lucht updated the commission on WSOR's monthly maintenance saying they would be using a geometry car on the Cottage Grove line with other lines scheduled to be assessed for the shape and amount of rail gauge on the lines. He noted that this is the first year WSOR has ever done this and hoped to share the results with the Commission at next month's meeting. He also said that the Prairie line was getting a lot of tie replacements and tie replacement work should be done before heavy freezes. WSOR has completed some work on bridges as well as completion of work on the Milton line. Between Slinger and North Milwaukee, the line there should be completed very soon. WSOR has begun work between Janesville and Monroe, projects that include funding from PRTC. He added that these projects (crossings mainly) should be completed within the next few weeks. WSOR is currently looking for contractors for bridge work and have sent out requests for bids on a number of bridges. He noted that some bridges need reinforcement due to vertical cracks on their piers and because of this issue there are additional costs in the estimates and Lucht said WSOR is working with WDOT on getting that addressed. WSOR had also applied for various projects for state grants including welded rail and siding projects but they still need to get some information to WDOT. Lucht said that WSOR is keeping the purchase of the Reedsburg line on their radar.

Lucht said that grain shipment amounts have been lower than anticipated so WSOR has adjusted their budget to supplement the losses. Frac sand shipping is helping to pick up some of the slack particularly out of Prairie du Chien. Lucht said this was a very significant sale of sand as this was a totally new business for WSOR. Some slow orders that currently stand are slowing train operations so new business is very welcome. They are also moving military vehicles also in an attempt to supplement the loss of grain shipping.

Lucht thanked the Commission for their support in the budget letter that was sent out on their behalf last month. Nilson asked if WSOR owned the geometry car and if it did more than dimensional work. Greg Baer said the car is only looking at the rail gauge. Nilson asked if the car also looked at the rail profile; Baer said it was possible if that was also needed. Gene Gray asked if Ken had any updates from WATCO and Lucht updated the Commission on what WATCO has been doing for and with WSOR since WSOR's being acquired in January 2012. Lucht said that WATCO very much supports WSOR's relationships with the RTCs and the State. He noted that representatives of WATCO will be meeting with the Rock County Board in November. Dennis Polivka said that the Town Board Spring Grove had met the night before and that there were comments on the size of the trains going through the town and that all the town's crossings had been audited in Sept.

10. WRRTC Administrator's Report – Mary Penn, WRRTC Admin.

Penn reported that she had collected and forwarded data to Johnson Block for the audit, completed and mailed the Scot Forge crossing permit and utility permit and had completed a draft of the Scott Forge lease but since there was as yet no dollar amount for the lease, had not completed it to date. Penn also distributed a list of the prospective WRRTC meeting dates for 2013 in order to give the commissioners notice on next year's schedule. She added that she was planning on attending the annual 2012 WDOT Freight Railroad Conference in November. Huntington gave a quick update and reminder on the Conference, noting its attendees, history, and cost of attendance. Registration can be at the door or register before Oct. 24th.

11. WisDOT Report – Frank Huntington, WisDOT

Huntington spoke about the news release distributed earlier in the meeting and some of the specific projects that received funding. He said that one of the bridges funding to WSOR was for a Woodman bridge project that needs more work than originally estimated. He

told the Commission to feel free to ask him questions on these or any future grants/loans. Robert Scallon asked about the Woodman bridge project and its associated costs. Huntington reported that apparently there is a lot more work to be done on it. Nilson asked if this bridge had reinforced piers but it does not. There was conversation in general about the high cost of bridges and the need to address them.

Huntington said that annual WDOT meeting with WSOR was upcoming and asked if a representative from the Commission wanted to attend that meeting, they were welcome to do so but he cautioned them that this would be a private, not open, public meeting. This meeting is to discuss financial issues between WSOR and WDOT and is scheduled for Oct. 22 from 2 – 4 PM at the DOT building (Hill Farms Building on Sheybogan Ave.).

On the Reedsburg line issue, Huntington reported that WDOT has received an appraisal and has been told to investigate the titles of the pertinent parcels along the line. WDOT may go ahead with its own appraisal, as Huntington reported that he had received verbal confirmation to do so.

Penn distributed a handout in regard to the Eagle Property issue. The property concerns a police department in the Village of Eagle which wants an expansion of their facility next to the line. However, WSOR does not want to give up the space requested as they need it for maintenance work and storage space. Huntington explained the situation with help from a distributed air photo, saying that WDOT would be willing to sell about 200 square feet which would allow the department to expand but not affect the space needs of WSOR's. Huntington noted that WRRTC does not have a say in the sale but that he wanted them to be aware of it. Lucht told the Commission that WSOR supports WDOT's sale.

- **Motion to support the WDOT's sale of the Eagle Property to the Village of Eagle - Anderson/Polivka, Passed Unanimously**

Break was called at 10:56 AM to reconvene in 10 minutes. Meeting reconvened at 11:05 AM

12. Discussion and possible action on disposition of Creek Road Bridge, Town of Bradford, Rock County, WI –

Ben Coopman, Rock County; Ken Lucht, WSOR

Penn distributed a handout (a State/Municipal Agreement, SMA) on the issue. Ben Coopman, speaking for Rock County, rather than as a Commissioner, updated the Commission on the bridge, saying it has been at issue since the 1990's, specifically the ownership of it. It is a large wooden bridge, built for car traffic running above the rail line and is badly askew. The SMA document distributed to the Commission is necessary for the County to be a financial partner. The bridge is rated at 14 (out of 100) for structural health but in 2010 Coopman began to get money for the local match to build a new bridge. In February 2011 the railroad raised the concern as to the bridge's ownership. WRRTC legal counsel recommended the creation of Bill of Sale to sell the bridge to the Town of Bradford. The Town wanted the new bridge but did not want the old bridge as the liability was too onerous. Rock County said the same and thus the question of what would happen to the old bridge while making the new bridge remained. Rock County's position now is that the County can sponsor the bridge and ownership will remain where it is. If this happens, a whole host of parties would be involved including WRRTC, WSOR, the County, the Town and WDOT. Coopman said that during demolition /construction the contractor undertakes the liability. Once the bridge is complete, the Town of Bradford is willing to take the bridge over. In this scenario, the Bill of Sale would no longer be valid or necessary. Huntington said that WDOT does not have a problem with this solution, adding there was no record in WDOT files that the State ever owned it. The railroad owned it. Huntington said that this resolution would help the County with a high priority issue and relieve WDOT of a low priority issue. Baer clarified that a "stipulation" document would assign maintenance of the new bridge, until it is completed. He said that once this bridge is completed, ownership of the bridge will "disappear" (due to a 1969 State Supreme Court decision) and only the document assigning maintenance would exist. He said the "stipulation" document talks about the contractor working on the site, (and asks the railroad for cost sharing) but does not address ownership at all. All the old bridge will be is "refuse" (not owned) and the new bridge will be a concrete bridge, not wood. It will be a two lane bridge. Baer said the final bridge will be relatively flat and the embankments will be 2x higher than they are today so the bridge will be 25-30' in the air.

Lucht said WSOR is agreeable to the concept but that he needed the SMA to pass it to their legal staff and to see what the railroad would be asked for by the County. Eileen Brownlee concurred saying the "devil is in the details", adding that the construction contract is something that she will want to see. Alan Sweeney asked if she wanted the documents in front of her before the Commission acted and she said definitely. Baer clarified that the stipulation was only created after 60% of the process had passed. Nilson asked Baer what the next step for the Commission was. Brownlee said the "bridge specs" would need to be seen by her and the Commission. Baer said that the bridge would be a DOT project and thus meet their specs. He said the special provisions/stipulations would not be relevant until the 60% bar had been met.

Coopman said the Commission would not have any approval or need information after this point, saying this project would be one between the County, WDOT and WSOR. There was additional discussion about the bridge removal costs and the need (or requirement) for the Commission to be involved. It was reiterated again that WRRTC would not have authority to grant approval. However, Nilson noted the Commission would want to continue to be updated on the project. Brownlee said that because the WRRTC line is under the bridge, she wanted to make sure that whoever is doing the work would have sufficient liability and Baer assured her that this would be the case. Baer added whoever the contractor is they will have to work hard to meet the state specifications to be able to initiate work.

13. Discussion and possible action on setting dollar amount of Scot Forge lease – Mary Penn, Admin.

Penn distributed copies of the draft lease, explaining the history of the issue, adding that it was the first lease she had done and therefore did not have a dollar amount to assign to the document. Huntington commented that is the size of the parcel was fairly large, then the lease amount would be usually be 10% of the parcel size. Penn did not have a schematic of the site. After some discussion on how to assess the lease site's size and the difficulty in determining parcels in Illinois, Nilson asked that Penn and Brownlee work together on discovering the size of the lease parcel and determining an appropriate amount to ask as a lease, adding that he would like the lease amount as an action item on the November agenda as Scot Forge has been patient and worked well with the Commission and Nilson did not want to cause more delays for the business.

14. Discussion and possible action on Riverdale Ag Use Permit Revision – Kim Tollers, WisDOT

Huntington distributed a handout, saying Riverdale Ag in Muscoda needed a revision to their use permit for their crossing. He said they wanted an additional grain bin and a tower. Huntington said he understood that WSOR had no objection. Nilson asked what was wanted from the Commission and Huntington said concurrence with the revision. Polivka asked if WDOT was agreeable to this request and Huntington said they were.

- **Motion to approve the revision to the Riverdale Ag Temporary Authorization Permit. Gray – Scallon, Passed Unanimously**

Nilson then reminded the Commission that next month there would be an agenda action item passing a resolution to honor Bill Gardner. No one to date had yet received actual confirmation that Gardner would attend; however, Nilson said he believed he would, based on a personal conversation with him.

15. Action Item. Adjournment

- **Motion to adjourn at 11:36 AM. Rocksford- Cornford, Passed Unanimously**

WISCONSIN RIVER RAIL TRANSIT COMMISSION

FULL COMMISSION MEETING - FRIDAY, AUGUST 10, 2012 @ 10AM
 DANE COUNTY HWY GARAGE, 2302 FISH HATCHERY RD, MADISON, WI

1. 10:05 AM **Call to Order** – *Karl Nilson, Chair*
2. Roll Call. **Establishment of Quorum** – *Mary Penn*

Crawford	Tom Cornford, 3 rd Vice Chair (XCom)	x	Rock	Ben Coopman, Alternate	
	Rocky Rocksford	x		Wayne Gustina	x
	Vacant			Alan Sweeney, 1 st Vice Chair (XCom)	x
				Terry Thomas	x
Dane	Gene Gray, Treasurer (XCom)	x	Sauk	Marty Krueger, Alternate	
	Jim Haefs-Fleming	x (left 11:17)		Carol Held	x
	Chris James	x		John Miller	x
				Dennis Polivka, Asst. Secretary (XCom)	x
Grant	Ivan Farness		Walworth	Jerry Grant	x
	Vern Lewison	x		Richard Kuhnke, 4 th Vice Chair (XCom)	x
	Robert Scallon, 2 nd Vice Chair (XCom)	x		Allan Polyock	
Iowa	Charles Anderson, Secretary (XCom)	x	Waukesha	Karl Nilson, Chair (XCom)	x
	William G Ladewig	x		Richard Manke	x
	Jack Demby	x		Fritz Ruf	x

Other present for all or some of the meeting:

<ul style="list-style-type: none"> • Mary Penn, WRRTC Administrator • Ken Lucht, Bill Gardner, WSOR • Frank Huntington & Roger Larson, WDOT • Jimmiy C. Landru Jr, Northwoods RTC • Shirley Grant 	<ul style="list-style-type: none"> • Forrest Van Schwartz • Scott LaRose, Scot Forge • Alan Anderson, Pink Lady RTC (10:13) • Harvey Kubly (10:18)
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3. Action Item. **Certification of Meeting's Public Notice** – *Noticed by Penn,*
 - *Motion to Approve Public Notice, Thomas/Gustina, Passed Unanimously*
4. Action Item. **Approval of Agenda** – *Prepared by Penn,*
 - *Motion to Approve Agenda, Ruf/Cornford, Passed Unanimously*
5. Action Item. **Approval of draft July Meeting Minutes** – *Prepared by Penn,*

On items 12 and 15 of the July minutes, Chair Karl Nilson said that during discussion on those items, it should be noted that Bill Wenzel contributed to the conversation as a citizen of Sauk County, not as a representative of the County.

- *Motion to Approve May Meeting Minutes with correction, Kuhnke/Gray, Passed Unanimously*

6. Updates. **Public Comment** – No Public Comment

Nilson told the Commission that Forrest had not been reappointed to the Commission and asked Van Schwartz say a few words to the Commission. Van Schwartz thanked the Commission for its welcoming environment. He had been "privileged and pleased" by being allowed to serve on the Commission. He said he would remain available for questions and help in the future.

7. Updates. **Correspondence & Communications** – No Report

8. WRRTC Financial Report – Jim Matzinger, Dane County CPA / WRRTC Accountant

- Treasurer’s Report for July and Payment of Bills

Gene Gray distributed the treasurer’s report, reminding the Commission that Jim will be back at meetings as usual at the September meeting

- **Motion to approve Treasurers Report and bills – Manke/Ruf, Passed Unanimously**

9. Wisconsin & Southern Railroad’s Report on Operations – Ken Lucht, Bill Gardner

- Monthly Maintenance Update – Ken Lucht said he had hoped to have results of rail detection tests but the presenter of that info was not available. He said results will be released to the Commissioners by September adding that there are many miles of jointed rail showing defects which highlights the need for welded rail. Heat has continued to be a challenge, triggering restrictions on operations. Lucht said there have been numerous times in the past few months where operations have completely stopped, adding that due to sun kink, there was even a derailment on 7/4/12. Heat monitoring on the rail continues. He said that all the businesses affected by the delays and stoppages have worked with WSOR to continue shipping.
- Madison to Milton is almost complete. Some bridges remain to be completed by a sub-contractor and should be complete in the next couple months.
- 14 public crossings between Janesville and Monroe have had work begun on them this month.
- WSOR has submitted a number of applications to WDOT for the 2012/2013 the state grant funding cycle but no word yet on if they’ll be funded including welded rail in Rock County (which is part of fox lake subdivision). Other projects submitted include the building of a siding outside of Milton. The siding is in a rural area and there is enough clear track (no crossings) so is a good opportunity. For building capacity, WSOR has made a joint application for the Madison /Reedsburg and Madison/Cottage Grove acquisition.
- Bill Gardner said there is an application in Walworth County to address 100 lb rail nea STH 14 towards Janesville that is so depleted, trains can only travel at 10mph. This would “take care of the whole end down there.”

Gardner said that WSOR had done the appraisal on the Reedsburg line and asked Frank Huntington why WDOT was doing another appraisal. Huntington said that this was due to the legal advice of their (WDOT) attorney. Gardner expressed frustration that WSOR had invested time and money in a project that was now being done all over again. Huntington said that in matters of acquisition, WDOT often required that both buyer and seller get appraisals, adding that WDOT may use the WSOR appraisal for a comparison. Terry Thomas asked how long it would take to put the siding in if approved. Gardner said a year; Gene Gray asked if there was cost available on the Woodman bridge. Lucht said he’d get that amount to him.

10. WRRTC Administrator’s Report – Mary Penn, WRRTC Admin.

Penn reported she had sent Commissioner Ivan Farness a get-well card from the Commission, sent out county contribution letters to the Commissioners, filled out the Sauk County budget request form, noting that Commissioner Dennis Polivka had offered to represent the WRRTC at the presentation to the Sauk County economic oversight committee, adding that Ken Lucht had also offered to support Polivka in his presentation. She told the Commission she had begun the creation of a data set of parcel numbers of WRRTC property in IL in the hopes that someday the parcels could be mapped and that she had received the 2013 General Liability Insurance policy from the Richgels-Shaefer Agency which is effect from 7/10/12 to 7/10/13. Lastly, she updated the Commission on the status of the various permits approved for Scot Forge, telling them that Scott LaRose of Scot Forge was at the meeting and could answer any questions they might have.

11. WisDOT Report– Frank Huntington, WisDOT

Huntington said that a number of funding applications had been submitted though some still need some questions answered. Hopefully all will be reviewed within the next couple of months. He said that bridge projects are a very big part of the work between WSOR and WDOT. He mentioned the Woodman bridge as an example of a project coming in at a higher cost than originally estimated, adding that there is a lot of bridge work as so many need work. He said funding announcements will be made within the next few weeks. The FRPP loan projects will also be announced in the next few weeks. On the UP line, WDOT is doing a title search and possibly an appraisal; there are no funds currently available to do it so it has to be funded by bonding, if approved, which is slow in coming but he hoped to have the Reedsburg line issue settled in terms of the budget by the end of the year. The Cottage Grove line is also part of this issue. Nilson asked if WSOR leases the Cottage Grove line which was affirmed. Huntington said that UP wants to sell the entire line as a package so that is how the State is approaching it. Due to the size of the acquisition, he estimated the price will be \$40-\$50M.

Although outside WRRTC area, he reported that total reconstruction work on lines near Kohler have just begin. Also, in the northern part of the state, WDOT will not be pursuing the purchase of any lines from CN or UP. They have changed their plans for selling and

he said this is a period of rejuvenation for private lines in the State. Chris James asked Lucht how many trains are going through the Cottage Grove line at this time. Lucht said there are 3/week with no plans to increase that.

12. Update on amendments to WRRTC-WSOR-WisDOT contracts in regard to insurance and reporting. Changes possible in all three agreements: WisDOT-WRRTC Land Use Agreement, WisDOT-WRRTC Grant Agreement, and WRRTC-WSOR Operating Agreement – Frank Huntington, WisDOT

Huntington said there is no additional information from WATCO/WSOR on this issue. He said things are fine because they have a special rider so the State is satisfied with coverage for now.

13. Consideration and possible action on WSOR's Proposed Capital Plan and Budgetary Request for 2013/2015 State Biennial Budget – Ken Lucht, WSOR

Lucht distributed a packet of information, and said that WSOR is preparing itself for the new State budget cycle. They expect the next 2 year budget to be signed by July of 2013. He said there are about 285 miles of publicly owned trackage in WRRTC's jurisdiction alone so the Commission has a stake in this issue. He asked the Commissioners to advise their chairs and staff to write a letter of support for this plan/budget request. He then gave a general history on the relationship of private/public freight rail service, highlighting the public/private partnership between the state and private interests in order to preserve localized freight rail service. He said WSOR maintains all rail they lease and improves the line as they need them. He next showed a map showing the WSOR active area, including WI and IL trackage. Nilson noted for the benefit of new Commissioners that the line (land, infrastructure, etc.) in IL is owned solely by the WRRTC, not the State. Lucht highlighted the need for rail freight services in the State, noting savings for businesses giving examples of direct transportation cost savings to local economies adding that rail also saves on highway maintenance. In addition, 24,000 people have freight rail service related jobs in the 20-county area WSOR serves. He said in the last 5 years, forty new businesses have been added and a dozen more are planning to be built to access rail service, highlighting United Ethanol, Leeco Steel, and Mor Agra Grain as examples. Fritz Ruf asked what percent of WSOR is ethanol related. Gardner said less than 10% is related to ethanol business. Lucht gave trending information out to 2016 on the number of car loads which showed upward trends as the economy improves. By 2016 WSOR should be at an historic level of shipping. James asked Lucht if there was an update on a business in Mazomanie and Lucht said it is going thru the permitting process. The challenge to WSOR's plan is to get support from the state, the counties, and the RTCs for basic infrastructure needs (ties, structures, etc.) which is challenging with increased tonnages. He pointed out that continued installation of welded rail needs to be done to reflect the needs of increased tonnages, adding that 75% of the rail system is in jointed rail which is not sufficient or safe for operation. He showed diagrams of degraded rails (welded vs jointed) on the Prairie du Chien line, comparing current line to new line, where they found that the 85lb rail is now only 74.5lb rail due to rail degradation. Nilson reminded new members that rail poundage is based on a 3' section of rail. Lucht showed an example of broken rail found by an inspector (on 90lb) rail which was a total break. The proposed budget asks for funding for the Prairie du Chien subdivision (partly because of increased grain shipping due to new grain elevators along that track including Boscobel). Next, he described how the Waukesha to Milton line needs work as the rail only allows for 10 mph movement and the intent is to improve it so trains can travel at 25mph). This contributes gross inefficiencies in terms of economics. Ruf asked for tie and rail costs. Huntington said that it costs \$650,000/mile of track, \$1M per mile for all costs. As a point of justification for rail endurance, Lucht said a properly maintained tie will last 30 years so there is a cost savings for rail vs roads. He said WSOR wants to update the Prairie section because of the harbor in Prairie du Chien and future shipping options. WSOR wants to acquire new corridors but also maintain the trackage it currently leases. Gardner explained WSOR's reasoning in asking for \$90M in their budget; WSOR needs at least \$60M for additional funding to be used to buy the Reedsburg line. By getting more funding, WSOR can react quickly to buy more trackage. Alan Sweeney asked if the \$60-\$90M was for projects statewide and Gardner confirmed that. Bill Ladewig asked if what the costs were for upgrading. Gardner quoted Huntington's \$650,000/mile figure. Lucht then showed some before-and-after track photos to illustrate the imperative for infrastructure improvements. He also showed photos of typical bridges on the Monroe subdivision which all showed decay and are in critical condition in terms of freight rail. He explained the FRPP program, noting that the bulk of any local match would be met by the operator with much lesser amounts being asked of the RTCs. He explained the Ad Valorem tax which is made on all of WSOR's trains, and goes directly into the State general transportation fund, saying that this would be a fully funded program and not acquired via a public tax. He highlighted the economic benefits from WSOR such as jobs, property taxes, and their associated streams of revenue. He concluded that there are 600 miles of WSOR railroad in Wisconsin and he said that WATCO/WSOR is committed to staying, maintaining, and expanding rail in the State through the public/private partnership. He asked again for a letter of support from the WRRTC to go Transportation Sec. Gottlieb to support this budget request. He also encouraged the support letter be copied to the Governor. There were some questions regarding the content of the support letter and what it should say; Nilson assured the Commission that the language of the letter would be made available to the Commissioners and they could use it as a model in drafting support letters for their respective counties.

- **Motion to draft a support letter for WSOR. Ruf – Sweeney, Passed Unanimously**

Chair Nilson called a break at 11:23 AM. Commission reconvened at 11:31 AM.

After reconvening, the Commission returned to Item 9 upon Gardner's request, whereupon he talked about WSOR's workforce and that some of their newly hired staff were young and didn't have a good work ethic. He said they've reported that the work was too hard and they often would not come back to work after a few days on the job. Nilson said if anyone knew folks who were looking for work to contact Ken Lucht because WSOR is understaffed in certain aspects. Gardner said people could apply online or call (414-438-8820 x to Human Resources). The website has all the application materials (www.wsorrailroad.com).

At this point, Nilson introduced Chris James, newly appointed Commissioner from Dane County to the whole Commission.

14. Presentation on the Northwood's Rail Transit Commission's current and on-going efforts to preserve freight rail service in Northern Wisconsin – Jimmy Landru, Jr, NRTC Vice Chair

Jimmy Landru, Jr, Supervisor for Forest County, introduced himself to the Commission as Vice-Chair for the Northwoods RTC and discussed the reasons and motivations behind the founding of the Northwood's Rail Transit Commission which currently includes 9 counties with the potential for another Wisconsin to join (Ashland) and the possibility that some Upper MI counties would also join if interstate issues could be resolved. He said Wendy Gelof from Florence County is the Chair and that the respective NRTC counties will contribute \$500/per year, adding that the North Central Regional Planning Commission will be staffing the Commission for the first year. His intention in attending the WRRTC was to see how the WRRTC runs. The NRTC meets at the Oneida County Airport as it seems to be the most central to their location. Timber is the driving need for freight rail service and since loggers are only cutting at 40% of quota, there is a serious strain on the local economy. He said cutting has been reduced because of problems and lack of rail shipping option as 2/3 of northern WI railroads are out of service. He said WDOT has begun to do an economic analysis on the line to see the impacts of freight rail and to hopefully show a need for an active freight railroad. He thinks that if everything come together, the NRTC will help the northern state economy as well as open more hunting/gathering land for native American nations in the upper part of the state. Gardner said that it is very important for all the separate RTCs to work together, listing the number that currently exist and the counties that belong to them. Landru said that the NRTC supports the WSOR's \$90M Statewide request, saying that we should be working together to benefit both north and south state RTCs.

15. Discussion of current WI rail commissions' functions and relationships with each other – Karl Nilson, WRRTC Chair

Harvey Kubly, chair of PRTC and SCWRRTC presented to the Commission on the issue of relations between the PRTC and the WRRTC, noting that the PRTC is an odd ball commission because one of its counties does not have active rail but trail. The Tri-County Trail Commission corridor is owned by the PRTC, not the WDOT. He said that Green County is the only member of the commission that has rail that doesn't belong to the WRRTC and for "a long time" Green County has always forwarded its county contribution to the WRRTC. However, there has been much discussion on the PRTC on the lack of a formal agreement on the funding situation between the RTCs. Therefore, he reported that in January the PRTC made a motion to address this issue as it is a long overdue issue with an outcome that, at the very least, would result in a memo of understanding (MOU) between the RTCs. Nilson said that the argument to having a little bit of railroad in a county grants access to the whole freight rail system and that the rail operator decides on what part of the track to work on, rather than the RTCs deciding. Kubly noted another PRTC issue is that Lafayette County is not contributing a county contribution but the main thing is that everyone should know what the situation is and where taxpayer money is going and that something a little more formal should be written. Sweeney said that the issue is that although the railroad (WSOR) decides where work is done, in the past there had been an attempt to create a system or an understanding on the disbursement of funds which is long outstanding and that it made sense to make at least have an MOU. He added that if there is a chance to come to some sort of formal agreement, the RTCs should take it. Nilson then asked if Sweeney would be chair of a committee to address the issue and Sweeney said that he would do so. Lucht said that the reason why the PRTC had been contributing to WRRTC for so long was because there had been no capital projects in the PRTC area. In the past few years there have been capital projects in the PRTC area and in those years, the Green County contribution has gone to those projects. Gray said that WSOR knows where the funds need to be dedicated. Lucht said that when WSOR is doing projects, they bring those to the Commissions for their input. Huntington gave a short history on past attempts to create such a document or agreement in the past.

- **Motion to request WRRTC chair establish a committee to work with PRTC on a formal funding agreement.**
Manke – Sweeney, Passed Unanimously

WRRTC MINUTES - ADOPTED

16. Discussion and possible action on recruitment and appointment of WRRTC Commission member as liaison between WRRTC and UW-Extension Freight Rail Study – Karl Nilson, WRRTC Chair

Nilson asked for a volunteer to replace Van Schwartz as the liaison to the Freight Rail Study. Gray volunteered to be that liaison. Jerry Grant suggested that since Van Schwartz had so much experience he could act as a consultant on this project.

- **Motion to retain Forrest Van Schwartz as advisor on the UW-Extension Freight Rail Study.** *Grant – Gustina, Passed Unanimously*

17. Discussion on WRRTC voting protocol – Karl Nilson, WRRTC Chair

Nilson reiterated voting protocols to the Commission, explaining what the procedures are, both on Full meetings and X-Comm meetings. He noted that any commissioner who comes to an Executive Commission meeting can speak but only one per county can vote.

18. Consideration and Approval of 2013 WRRTC Budget

Penn explained that in working with Jim Matzinger in doing the Sauk County budget request form, it seemed a good idea to do the budget in August rather than in January since that is when counties do their budgeting process and Matzinger already had the draft budget prepared.

- **Motion to accept 2013 draft budget as presented.** *Grant – Gray, Passed Unanimously*

19. Action Item. Adjournment

- **Motion to adjourn made at 12:19.** *Manke – Cornford, Passed Unanimously*