

**Minutes of the
East Wisconsin Counties Railroad Consortium
Meeting of November 11, 2015**

East Wisconsin Counties Railroad Consortium Meeting was called to order by Chairman Rick Gundrum on November 11, 2015, at 10:02 a.m., at the Fond du Lac County Fairgrounds, Expo Building, 601 Martin Avenue, Fond du Lac, Wisconsin.

Certification Of Public Notice: John F. Corey certified that the notice of this meeting complies with all applicable requirements of Wisconsin's open meetings law.

Roll call was taken.

Present: Kenneth Hutler and James E. Foley, Columbia County; Russell Kottke and Harold Johnson, Dodge County; Joseph Koch and Karen Madigan, Fond du Lac County; Vicki Bernhagen, Green Lake County; Thomas E. Winker, Ozaukee County; Richard Bemis and Mark Winkel, Sheboygan County; Rick Gundrum and Daniel Goetz, Washington County; and Joel Rasmussen, Winnebago County.

Excused: Rich Slate, Green Lake County; Steve F. Taylor and Khalif Rainey, Milwaukee County; Donald Dohrwardt, Ozaukee County; and Ron Hardy, Winnebago County.

Others Present: John Zorn, Fond du Lac County Board Supervisor; Dick Dieffenbach, Ozaukee County Board Supervisor; Ken Lucht, WSOR; Rich Kedzior, WisDOT; John F. Corey, Dodge County Corporation Counsel; and Kelly L. Lepple, Recording Secretary.

Public Comment: Fond du Lac County Board Supervisor John Zorn, welcomed everyone to Fond du Lac County.

Approval of Minutes of July 8, 2015: Motion by Bemis/Winker to approve the minutes of the July 8, 2015 meeting, as presented. Motion carried by unanimous vote.

Financial Report: Russell Kottke reported the following: The balance in the checkbook as of June 30, 2015, was \$1,000. Deposits were \$230,201.21. Expenditures were \$225,000.00. Transfers were \$5,201.21. As of October 30, 2015, the balance in the checkbook was \$1,000. Total EWCRC money on deposit in the Local Government Investment Pool as of October 31, 2015, is \$552,963.95. Motion by Foley/Rasmussen to approve the Financial Report. Motion carried by unanimous vote.

Consider, discuss, and take action on the level of funding by member counties for 2016 and authorize and direct John Corey to send invoices in the amount of \$25,000, to each member county of the EWCRC for its member county contribution for 2016: There was consideration of and discussion about the level of funding by member counties for 2016 and authorization of and direction to John Corey to send invoices in the amount of \$25,000, in January, 2016, to each member county of the EWCRC for its member county contribution for 2016. Motion by Winkel/Madigan to authorize and direct John Corey to send invoices in the amount of \$25,000, in January of 2016, to each member county of the EWCRC for its member county contribution for 2016. Motion carried by unanimous vote.

Consider, discuss, and take action regarding timing of payment to EWCRC of member county contributions. The EWCRC considered and discussed the timing of payment to the EWCRC of member county contributions. John Corey reported that Ozaukee County Board Supervisor Dick Dieffenbach inquired as to why there was a relatively large amount of money on deposit in the Local Government Investment Pool, and it appeared to him that the EWCRC does not have an urgent need presently for the \$25,000 member contributions, and perhaps, some counties may be interested in paying their respective member county contribution later in the year, rather than earlier in the year, to gain additional interest on its \$25,000 member county contribution. Dick Dieffenbach stated that after talking to John Corey, he now has a better understanding that funds have been encumbered and committed to various projects at various times, but there have been some delays on the part of WSOR in completing the projects or starting the projects on time, and that is why so many funds have accumulated for such a relatively long period of time, and WSOR has a receivable for that amount, but is not up to date with its billing. It was the consensus of the members of the EWCRC to not change its policy, and continue to authorize and direct the Dodge County Corporation Counsel Office to send out invoices in January every year.

Consider, discuss, and take action regarding preparation of an EWCRC Financial Statement for calendar year 2014 and for calendar year 2015: There was consideration of and discussion about preparation of an EWCRC Financial Statement for calendar year 2014 and for calendar year 2015. John Corey reported that no financial statement or audit was performed for calendar year 2014, and suggested that the EWCRC should have a financial statement prepared and inquired whether or not the EWCRC has a preference about the entity which will prepare the financial statements for calendar year 2014 and for calendar year 2015. A motion was made by Winker/Winkel to authorize and direct the Dodge County Finance Department to prepare and submit to the EWCRC, an EWCRC Financial Statement for calendar year 2014 and an EWCRC Financial Statement for calendar year 2015. Motion carried by unanimous vote.

Consider, discuss, and take action on Report of WisDOT, Bureau of Railroads and Harbors: Rich Kedzior introduced himself to the EWCRC. Mr. Kedzior is the new Railroad Programs Specialist at WisDOT. Mr. Kedzior reported that because he is fairly new to his job, he is currently in the process of learning about all of the different rehabilitation projects that WisDOT funds through the Freight Rail Preservation Program. Mr. Kedzior reported that a lot of activity occurs on the Reedsburg to Madison rail line. Mr. Kedzior further reported that WisDOT completed the acquisition of that rail line from Union Pacific within the last year.

Consider, discuss, and take action on WSOR 2015 Capital Rehabilitation Plan: Ken Lucht provided a handout to each of the members of the EWCRC which provided an overview of WSOR's 2014 Capital Rehabilitation Plan and WSOR's 2015 Capital Rehabilitation Plan on the Northern Division. Ken Lucht summarized WSOR's 2014 Capital Rehabilitation Plan, described the many rehabilitation projects that are included in WSOR's 2014 Capital Rehabilitation Plan, and stated the sources of funding for each project.

Ken Lucht further reported about WSOR's 2015 Capital Rehabilitation Plan, as follows: WSOR will focus on rehabilitating its bridges and crossings. WSOR is currently working on a tie replacement project between Brandon and Horicon. WSOR is funding this rehabilitation project entirely with its own funds, in the amount of approximately \$2.1 million, to replace approximately 17,000 ties. There is no state grant or consortium match for this rehabilitation project. WSOR will not finish this tie replacement rehabilitation project until sometime in 2016.

WSOR received state funding for rehabilitation of 8 bridges on the Oshkosh Subdivision. The Oshkosh Subdivision runs from Horicon to Oshkosh. A state grant agreement for this funding has been fully executed, the state grant amount is approximately \$1.7 million, and WSOR's match amount is approximately \$259,000. WSOR also received a state grant for the reconstruction of an at-grade crossing located on Jay Road in Ozaukee County, a state grant for the reconstruction of an at-grade crossing located on Sunset Bay Drive in Dodge County, and a state grant for the reconstruction of an at-grade crossing located on Highway V in Dodge County, all of which state grants will require a match from WSOR and from the EWCRC. The cost of WSOR's Capital Rehabilitation Plan for 2015 for bridges, ties, and crossings in the Northern Division is slightly under \$4.6 million. The total cost of WSOR's 2015 Capital Rehabilitation Plan in the Northern Division, which will consist of rehabilitation of 8 bridges and an at-grade crossing at Jay Road, and an at-grade crossing at Sunset Bay Drive, is slightly more than \$2.2 million, of which \$1.7 million will be funded by the State, and slightly less than \$500,000 will be funded by local match amounts. WSOR is requesting that the EWCRC fund, in part, WSOR's 2015 Capital Rehabilitation Plan in the Northern Division. Motion by Winkel/Goetz to contribute all of the EWCRC's 2015 member county contributions in a total amount not to exceed \$225,000, to WSOR's 2015 Capital Rehabilitation Plan in the Northern Division, and to authorize and direct the Office of Dodge County Corporation Counsel to pay invoices that will arise from the execution of the projects as they are submitted to the Office of Corporation Counsel. Motion carried by unanimous vote.

Consider, discuss, and take action on report of WSOR: Ken Lucht provided a handout to each of the members of the EWCRC which provided an update of the Fairwater to Markesan continuous welded rail rehabilitation project. The handout included a brief description of the project and progress photos. The Markesan Subdivision rehabilitation project was briefly described, as follows: remove 7 miles of 75 pound jointed rail and replace it with 7 miles of 115 pound continuous welded rail, replace 3,800 ties and surface the entire Subdivision by dumping 200 tons of ballast per mile, upgrade 6 switches to 115 pound continuous welded rail, and renew 4 at-grade road crossings.

Ken Lucht provided an update on the Sheboygan Falls rail line, as follows: The Sheboygan Falls rail line is almost complete. The contract deadline for the contractor to complete construction is December 4, 2015. WSOR has received final inspection reports and has given final approval to the contractor for the section of the rail line from Plymouth to Bemis Industries in Sheboygan Falls. The part of the rail line from Bemis Industries, to the end of the rail line, near Kohler, which is approximately 3 or 4 miles in length, is still in the construction phase. WSOR experienced an approximate six-week delay because of some engineering challenges that arose while WSOR was reconstructing the rail line in downtown Sheboygan Falls. The rail line corridor in downtown Sheboygan Falls is 20 feet in width. WSOR was asked to fit a 5-foot ADA-compliant sidewalk, a rail line corridor, including provisions for drainage on both sides of the rail line corridor, and curb and gutter on Highway PP, in an area that is only 20 feet wide. There is a building on Broadway Street, one of the corners of which is 2.5 feet away from the nearest rail. WSOR worked with the City of Sheboygan Falls, WisDOT, and Sheboygan County, and developed a suitable design that will not interrupt the integrity of County Highway PP. WSOR reasonably anticipates that this entire project will be completed in early December of 2015. WSOR is currently planning a ribbon cutting ceremony. After WSOR has established the date of the ribbon cutting ceremony, Ken Lucht will mail an invitation to attend the ribbon cutting ceremony to all members of the EWCRC.

Ken Lucht reported about the 30th Street Industrial Corridor in Milwaukee, Wisconsin, as follows: About two or three years ago, the City of Milwaukee contacted WSOR and inquired about initiating discussions with WSOR and Canadian Pacific, to cooperate in redeveloping what the City of Milwaukee calls the 30th Street Industrial Corridor. The rail line known as the Glendale rail line begins at Capitol Drive on the north side of Milwaukee and ends at State Street, which is near Miller Brewing Company. The Glendale rail line is about five miles long and includes a major rail yard known as the Glendale Yard. The 30th Street Industrial Corridor encompasses an 880-acre area within the City of Milwaukee. This is a very underdeveloped area. Individuals and companies have disinvested in this area because it is unsafe. The City of Milwaukee wants to redevelop the 30th Street Industrial Corridor. The City wants to redevelop part of it into industrial uses. The City wants to partner with WSOR to redevelop this area for industrial uses and the City has experienced some challenges partnering with Canadian Pacific. WSOR leases the use of the rail line from Canadian Pacific. The lease is very unfavorable for long-term rail service. The lease includes a provision for a 30-day termination of the lease, and vacation of the property, upon 30 day advance written notification by the landlord. WSOR cannot sell its railroad services in this area, or enter into any kind of long-term contract, because the landlord has lawful authority to require WSOR to terminate the lease and vacate the property upon 30 days advance written notice. For the last couple of years, WSOR has considered various opportunities to bring the public/private partnership between the State of Wisconsin and WSOR to this redevelopment area. Rail property owned by the State of Wisconsin and the EWCRC are located adjacent to the Glendale rail yard, so the Glendale rail line is a logical extension for the state-owned rail system. WSOR is currently discussing with the State of Wisconsin and the Canadian Pacific about WSOR and/or the State of Wisconsin acquiring the Glendale rail line from the Canadian Pacific. In the last year, WSOR has been in discussions with Canadian Pacific to sell the Glendale rail line to WSOR, no agreement has been reached, but these discussions continue. WSOR remains committed to the City of Milwaukee. WSOR wants to see more industrial type uses located in the 30th Street Industrial Corridor.

Date, time, and place of next meeting (January 13, 2016): The next regular EWCRC meeting will be held on January 13, 2016, at 10:00 a.m. Ozaukee County will host the meeting.

Motion by Bemis/Foley to adjourn. Motion carried by unanimous vote.

Meeting adjourned at 10:54 a.m.

Respectfully submitted,

Joseph W. Koch, Secretary

Disclaimer: These are draft minutes. These draft minutes may be approved, amended, or corrected at the next meeting of the East Wisconsin Counties Railroad Consortium.