

**Minutes of the
East Wisconsin Counties Railroad Consortium
Meeting of September 14, 2011**

East Wisconsin Counties Railroad Consortium Meeting was called to order by Chairman Jerry Holub on September 14, 2011, at 10:00 a.m., at the Winnebago County Courthouse, Room 60, 415 Jackson Street, Oshkosh, Wisconsin.

Welcome to Winnebago County: Stan Kline welcomed everyone to Winnebago County.

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 Vern Gove, Columbia County; Russell Kottke and Edwin J. Qualmann, Dodge County; Joseph Koch and Robert Fox, Fond du Lac County; Eugene Henke, Green Lake County; Jerald Holub and Richard Bemis, Sheboygan County; Rick Gundrum, Washington County; and Stan Kline and Jef Hall, Winnebago County.

Excused: Alma Hedberg, Green Lake County; Mark Borkowski and Theodore Lipscomb, Milwaukee County; Rose Hass Leider and Robert Walerstein, Ozaukee County; and Daniel Goetz, Washington County.

Others Present: Don Pohlman, Mayor for the City of Plymouth; Jerry Thompson, Railroad Services Coordinator for the City of Plymouth; Charles Beck, Citizen; Bill Gardner and Ken Lucht, WSOR; Frank Huntington and Roger Larson, WisDOT Bureau of Railroads and Harbors; Dan Amato, Citizen; John F. Corey, Dodge County Corporation Counsel; and Kelly L. Lepple, Recording Secretary.

Public Comment: Dan Amato commented that he was troubled and concerned about unsolicited, business-related comments made to Bill Gardner by a public official representing the EWCRC at the July 13, 2011 EWCRC meeting and called for this individual's apology at this meeting.

Approval of Minutes of July 13, 2011: Motion by Hutler/Kline to approve the minutes of the July 13, 2011 meeting, as presented. Motion carried by unanimous vote.

Financial Report: Ed Qualmann reported the following: The balance in the checkbook as of June 30, 2011 was \$1,000.00. Deposits were \$5,929.20. Expenditures were \$5,929.20. There were no transfers. As of August 31, 2011 the balance in the checkbook was \$1,000.00. Total EWCRC Money on Deposit in the Investment Account as of August 31, 2011 is \$697,170.13. Motion by Kline/Koch to approve the financial report. Motion carried by unanimous vote.

Consider, Discuss and Take Action to request WSOR to submit Financial Information to the EWCRC, pursuant to Article 10.0 – Reports and Accounts of Operating Agreement for Rail Service Continuation By and Between EWCRC and WSOR, Agreement No. 0490-40-50(F-1), dated March 28, 2008. There was consideration of and discussion about requesting WSOR to

submit financial information to the EWCRC pursuant to Article 10.0 – Reports and Accounts of Operating Agreement for Rail Service continuation By and Between EWCRC and WSOR, Agreement No. 0490-40-50(F-1), dated March 28, 2008. At the July 13, 2011 meeting, by consensus of the Board of Directors of the EWCRC, the Board of Directors of the EWCRC directed John Corey to research the following two issues and to report the results of his research at the next meeting of the EWCRC scheduled for September 14, 2011: (1) Whether or not the members of the Board of Directors of the EWCRC are lawfully authorized to review and discuss WSOR's financial information in closed session at a meeting of the EWCRC; and, (2) Whether or not the members of the Board of Directors of the EWCRC are lawfully authorized to review and discuss WSOR's financial information at the same time and place that WisDOT will review WSOR's financial information. John Corey reported, with respect to the first issue, that it is his opinion that the members of the Board of Directors are not lawfully authorized to convene into closed session at a meeting of the EWCRC, to review and discuss WSOR's financial information. John Corey reported, with respect to the second issue, that it is his opinion that, assuming that WisDOT will allow members of the Board of Directors of the EWCRC to attend and participate in the meeting between WisDOT and WSOR at which meeting WisDOT will review WSOR's financial information, members of the Board of Directors of the EWCRC are lawfully authorized to review and discuss WSOR's financial information at that same meeting. John Corey further reported that it may be possible that attendance at that meeting by members of the Board of Directors of the EWCRC will constitute a meeting of the Board of Directors of the EWCRC which will require public access to that meeting and will require that prior notice of that meeting be given to the public.

A Motion was made by Bemis/Hutler to have three officers of the EWCRC attend the WisDOT staff meeting when WisDOT will review WSOR's financial information and then report back to the EWCRC.

A Motion was made by Gundrum/Kline to amend the original motion to read "Have three officers of the EWCRC and the Corporation Counsel attend the WisDOT staff meeting when WisDOT will review WSOR's financial information and then report back to the EWCRC." There was consideration of and discussion about when the meeting between WisDOT and WSOR will take place. Chairman Holub suggested that the meeting be held in December of 2011 to review WSOR's 2010 audited report that will have been submitted to WisDOT by the auditors. A vote was taken by a roll call. 11 ayes and 0 noes. Motion carried by unanimous vote.

Consider, Discuss and Take Action on the Level of Funding by Member Counties for 2012:

There was consideration of and discussion about the level of funding by member counties for 2012. Motion by Kline/Bemis to recommend to member counties that each member county fund at the \$25,000 level for 2012. A motion was made at the July 13, 2011 meeting to recommend to member counties that each member county fund at the \$25,000 level for 2012. Stan Kline and Dick Bemis withdrew their motion.

Consider, Discuss and Take Action on Rehabilitation Projects for 2011 to be funded in Part by the EWCRC: There was consideration of and discussion about rehabilitation projects for 2011 to be funded in part by the EWCRC. Bill Gardner reported the following: WSOR is doing a rehabilitation project in 2011 to remove jointed rail and install welded rail on the Milwaukee Subdivision, from Slinger, Wisconsin, through Ackerville, Wisconsin, to or near Rugby Junction. It is WSOR's plan to order welded rail and place approximately 5 miles of welded rail along the right-of-way from Slinger,

Wisconsin, to Hillside Road or Fond du Lac Avenue in Washington County. WSOR plans to install this approximately 5 miles of track in 2011. WSOR may also order additional welded rail in 2011 and place it along the right-of-way from approximately Fond du Lac Avenue to Milwaukee, so the welded rail will be there and ready for installation in Spring of 2012. These are WSOR's projects in the EWCRC area for 2011 and 2012. It is WSOR's request that the member county contributions that were received in 2011 be used to fund in part the rehabilitation project from North Slinger Road south towards Milwaukee. Motion by Koch/Gundrum to expend all of EWCRC's member county contributions that were received in 2011 in the amount of \$225,000 for the North Milwaukee to Slinger Phase II Rail Replacement rehabilitation project and to authorize and direct the Office of Dodge County Corporation Counsel to pay invoices to WSOR for this project in a total amount not to exceed \$225,000. Motion carried by unanimous vote.

Update on the Plymouth to Sheboygan Falls Rail Line Rebuild Project: Chairman Holub reported that the stakeholders recently signed a commitment to help fund the local match of \$3 million. Bill Gardner reported that WSOR recently signed a contract with an engineering firm to do the engineering work that is required by the T-Grant application and that after the engineering firm has completed the engineering work required by the T-Grant application, the engineering firm will submit it to WisDOT, and WisDOT will determine whether or not to award the \$1 million T-Grant.

Update and Possible Action Regarding Acquisition of the Gibson Line: There was consideration of and discussion about approving the Operating Agreement For Rail Service Continuation By and Between East Wisconsin Counties Railroad Consortium and Wisconsin & Southern Railroad Co., Agreement No. 0490-40-51 (F-1), the Grant Agreement For Rail Service Continuation By and Between East Wisconsin Counties Railroad Consortium and Wisconsin Department of Transportation, Agreement No. 0490-40-51 (B-1), and Land Use Agreement By and Between East Wisconsin Counties Railroad Consortium and Wisconsin Department of Transportation, Agreement No. 0490-40-51 (A-1), to include the Gibson Line as part of trackage or improved property. Frank Huntington stated that WisDOT is still waiting for the Surface Transportation Board to take action on similar pending agreements that WisDOT has submitted for approval. After the Surface Transportation Board has taken action on WisDOT's similar pending agreements, then WisDOT and the EWCRC will make changes, if any, that will be required, to the Operating Agreement For Rail Service Continuation By and Between East Wisconsin Counties Railroad Consortium and Wisconsin & Southern Railroad Co., Agreement No. 0490-40-51 (F-1), the Grant Agreement For Rail Service Continuation By and Between East Wisconsin Counties Railroad Consortium and Wisconsin Department of Transportation, Agreement No. 0490-40-51 (B-1), and Land Use Agreement By and Between East Wisconsin Counties Railroad Consortium and Wisconsin Department of Transportation, Agreement No. 0490-40-51 (A-1), to include the Gibson Line as part of trackage or improved property in order to gain Surface Transportation Board approval.

Save the Date – Wisconsin Freight Rail Day 2011, Scheduled for Thursday, October 20, 2011: Freight Rail Day 2011 will be held on October 20, 2011, at the Madison Club, in Madison, Wisconsin. The purpose of Freight Rail Day is to educate the public and local officials about railroads and the economy. All members of the Board of Directors of the EWCRC are invited to attend Freight Rail Day 2011 on Thursday, October 20, 2011.

Jerry Holub reported that Jeff Plale has been appointed as Wisconsin's new Railroad Commissioner. Jeff Plale is a former state senator from South Milwaukee and will replace Roger Breske.

Consider, Discuss and Take Action on Report of WSOR: Bill Gardner reported the following: WSOR installed welded rail from Horicon to Slinger about 4 years ago. This segment of rail line is beginning to show wear. WSOR will place ballast on this entire rail line segment. WSOR has ordered a third unit train of continuous welded rail. WSOR plans to install this continuous welded rail in 2011 from Slinger, Wisconsin, to Ackerville, Wisconsin. WSOR is currently removing and replacing ties from Ackerville to Hillside Road, in preparation for installation of the continuous welded rail. WSOR has been performing normal maintenance of its entire rail system. United Cooperative is expanding in Ripon, Wisconsin, by building new grain storage bins. United Cooperative is expanding in Horicon, Wisconsin, by building a new grain storage bin. Didion expanded its ethanol plant in Cambria, Wisconsin, and the expanded facilities will be operational by October 1, 2011. Ken Lucht reported the following: In 2011 WSOR sprayed for weeds on rail corridors in the EWCRC area and other areas. WSOR intends to cut brush in the Northern Division this winter. WSOR will also cut brush on the Plymouth to Kohler line. Ken Lucht thanked Green Lake County for inviting him to its August County Board meeting during which the County Board discussed the 2012 County Budget and Ken Lucht answered questions of County Board members. Ken Lucht learned about the Green Lake County Board and the Green Lake County Board learned about WSOR's activities in Green Lake County. Three active rail users attended the County Board meeting at WSOR's request. The three rail users spoke to the County Board about the benefits of County investment in the rail infrastructure. WSOR will mail its quarterly newsletter in the next 3 to 4 weeks. WSOR has reopened its paint shop in Horicon, Wisconsin, and has hired 6 or 7 individuals to work there, who have been busy. WSOR has painted some rolling stock which it owns. WSOR is offering painting and related services on a contract basis to railroad companies across the entire U.S.A. WSOR is currently in the process of filling some engineer and conductor positions. WSOR has hired people for its train crews due to the pickup in demand for freight rail services.

Date, time, and place of next meeting (November 9, 2011): The next regular EWCRC meeting will be held on November 9, 2011, at 10:00 a.m. Dodge County will host the meeting.

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

Meeting adjourned at 11:41 a.m.

Respectfully submitted,



Jeff Hall, Secretary

Disclaimer: The above minutes may be approved, amended or corrected at the next committee meeting.