

WRRTC SEPTEMBER 2017 MEETING MINUTES – APPROVED

Wisconsin River Rail Transit Commission Commission Meeting - Friday, September 8th, 2017 @ 10am Dane County Hwy Garage, 2302 Fish Hatchery Rd, Madison, WI

1. 10:00 AM **Call to Order** – *Alan Sweeney, Chair*
2. Roll Call. **Establishment of Quorum** – *Matthew Honer*

Crawford	Tom Cornford, <i>2nd Vice Chair</i>	X	Rock	Terry Thomas	X
	Rocky Rocksford	X		Wayne Gustina	X
	Derek Flansburgh	Excused		Alan Sweeney, <i>Chair</i>	X
Dane	Gene Gray, <i>Treasurer</i>	X	Sauk	Marty Krueger, <i>Alternate</i>	X
	Jim Flemming	Absent		Chuck Spencer	X
	Chris James, <i>Vice Secretary</i>	X		Craig Braunschweig	Excused
Grant	Gary Ranum	X	Walworth	Dave Riek, <i>3rd Vice Treasurer</i>	X
	Mike Lieurance	X		Eric Nitschke	X
	Robert Scallon, <i>1st Vice Chair</i>	X		Richard Kuhnke, <i>2nd Vice Treasurer</i>	X
Iowa	Charles Anderson, <i>Secretary</i>	X	Waukesha	Allan Polyock	Excused
	William G Ladewig	X		Dick Mace	X
	Jack Demby	X		Richard Morris	X
Jefferson	Mary Roberts	X		Karl Nilson, <i>4th Vice Chair</i>	X
	Gary Kutz	X			
	Augie Tietz, <i>3rd Vice Chair</i>	Absent			

Commission met quorum.

Others present for all or some of the meeting:

<ul style="list-style-type: none"> • Matt Honer - WRRTC Administrator • Ken Lucht - WSOR • Jen Erickson – UW – Extension 	<ul style="list-style-type: none"> • Rich Kedzior, Kim Tollers, Teri Beckman - WisDOT • Eileen Brownlee, Julia Potter - Boardman Clark • Alan Anderson – Pink Lady RTC
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3. Action Item. **Certification of Meeting's Public Notice** – *Noticed by Honer,*
 - *Motion to approve meeting's public notice – Ladewig/Kuhnke. Passed Unanimously*
4. Action Item. **Approval of Agenda** – *Prepared by Honer*
 - *Motion to approve the agenda – Kuhnke/Cornford. Passed Unanimously*
5. Action Item. **Approval of draft August 2017 Meeting Minutes**– *Prepared by Honer*
 - *Motion to approve August 2017 meeting minutes with corrections, clarifications, and explanations - Mace/Ladewig. Passed Unanimously*
6. Updates. **Public Comment** – *Time for public comment may be limited by the Chair*
7. Updates. **Announcements by Commissioners** – *Sweeney*

REPORTS & COMMISSION BUSINESS

8. **WRRTC Financial Report** – *Gene Gray, Treasurer*

Gray reported on the issue of county payment timeline. He stated that county payments announcements are sent out in February and within 3- 4 weeks Jim Matzinger receives checks from the county. Gray reported that WRRTC received a check from WSOR in the amount of approximately \$19k. The Sauk Bridge Salvage account still has \$4500 in the account. The 2016 audit is beginning and is paying close attention to in the 2016 fiscal year is that payments correspond to the year. There were two bills for SWWRPC and Dane County Highway.

Ranum asked Gray why county payments are not reflected in the monthly treasurer's report. Gray stated that we will have to ask Jim.

Demby asked about the \$4500 being left in the Sauk Bridge and if the engineering report and buoys are paid for. Gray reported that to his knowledge those bills were paid and \$4500 remains in the account.

- *Motion to approve the balance sheet, treasurer report, and payment of bills – Thomas/Scallon. Passed Unanimously*

9. Wisconsin & Southern Railroad's Report on Operations – Ken Lucht, WSOR

Lucht updated the commission saying that traffic is usual, sand is coming back and grain is picking up. Lucht reported the west approach of the Spring Green Bridge is complete and now working on the east approach. Lucht stated the bridge work should be completed by the end of September, a contractor will then install rail in October. Lucht stated that by the end of October the bridge will meet Class 2 track standards of 286k lbs. at 25 mph. Lucht reported on the Prairie du Chien project, turnouts and rail are installed, one crossing has been completed, and the Blackhawk Avenue crossing will be completed in the next week. Lucht reported that the Watertown ties are installed and the Waukesha ties are half installed. Lucht reported that WSOR has been working with WRRTC and WisDOT on the Sauk Bridge Project Management agreement.

Kuhnke asked about the Highway 50 crossing in Delavan and the installation of overhead lights. He wanted to know if the lights were a new requirement. Lucht stated that it must have been an order to update in this way and that the Elkhorn subdivision has a lot of business. Gray asked the amount of sand being moved. Lucht reported that a lot of sand is being moved east bound from western Wisconsin into Chicago versus the past few years sand was moving north on BNSF toward the Dakotas. Lucht reported that WSOR has a new sand customer on the Green Lake Subdivision, sand will be moving to Pennsylvania and Texas. Scallon asked about the discovery of competing sand in Texas and about the Great Lakes Basin RR (GLBRR). Lucht stated that WSOR expected that the GLBRR application would be denied. Sweeney stated that the STB turned down the application based on monetary issues.

Ranum asked about the Spring Green Bridge and the reuse or replacement of the superstructure. Lucht stated the focus of the project is on the deck of the bridge. Kedzior stated his understanding was the superstructure was not going to be replaced, and due to that the bridge will stay at 10 mph. Ranum asked about the project coming in under budget and if the spans would have put it over. Kedzior stated that Dave Berman with WisDOT would have run the analysis, Lucht stated he would follow up.

10. WisDOT Report – Rich Kedzior WisDOT

Kedzior reported that Rails and Harbors recommended approval of a FRPP grant application to replace Bridge B-316, the grant is currently in the Governor's office. Kedzior stated that the state does not have an approved budget yet. The joint finance committee did not suggested any changes to the FRPP program. WisDOT anticipates the budget will be signed by the end of September or early October. Kedzior reported that the STB rejected the GLBRR due to manner in which they framed their financials. The decision by STB halts the environmental process. Kedzior stated that because GLBRR has already invested a large amount of money into the project process, WisDOT expects that GLBRR will re-apply. The STB will want to see the investor portfolio to prove GLBRR has the financial ability to build the railroad. Kedzior reported that WisDOT had a phone call with the owner of the GLBRR regarding the ownership of the Waukesha – Milton line. Nilson asked if GLBRR is a stand-alone LLC. Kedzior believes they are an S Corp. Ladewig asked about the status of the FastTrack grant application. Kedzior reported that it was rejected but it did go to the secretary. WisDOT was advised that it needed a bigger political push.

11. WRRTC Correspondence/Communications and Administrator's Report – Honer, Admin.

Honer reported that he received annual lease payments for Lamer Advertising and Natural Gas Pipelines and forwarded them to Matzinger. Honer reported that he received notices of liability insurance certifications from WSOR and Taranaki Redi-Mix. Honer received an approved utility permit from WisDOT.

Honer reported that rail removal in Sauk County is nearly completed. All rail and OTM has been removed and salvaged with the exception of two road crossings, one near the Sauk City RR Bridge and the other on Highway 78 north of Prairie du Sac, and track near United Coop north of Prairie du Sac. At this date, total expenses are \$216,676.23. Outstanding expenses are the removal of the two road crossings, the removal of track at United Coop, and the disposal of RR Ties that were not able to be salvaged. Total revenues

to date are \$181,656.30. This includes all rail and other track materials from our main salvage contractors, Diehl Neumeier and Manathy Salvage. Revenue is still expected from Circus World Museum for a small amount of materials reserved for them. At this point WRRTC has not realized any net revenue from the salvage of WRRTC property and it is not expected that the salvage revenue will exceed expenses once the project is completed.

Mace asked if Prairie Sand and Gravel's project will come back to the commission. Honer stated that Prairie Sand and Gravel was advised by the commission to receive project approval from the City of Prairie du Chien, WSOR, and WisDOT prior to bringing it back to the commission. Lucht reported that WSOR has laid out a plan for Prairie Sand and Gravel to address public safety concerns. Lucht stated that the turnouts and switches need to be up to today's standards and reusing turnouts is not acceptable. Lucht reported that he spoke with Blair Dillman, the owner, the day earlier and stated that he needs to get WSOR and WisDOT in the same room to lay out an action plan. The rail removed on the island was not acceptable to reuse, but the rail that will be removed in Sauk Co would work for his needs.

12. Discussion of the stabilization of Bridge B-428B – Sweeney, Chair.

Sweeney reported that staff has been working hard on a couple of agreements including the project management and financial commitment between WSOR and WRRTC, and the agreement between WRRTC and WisDOT. Sweeney stated that the agreements are ready for his signature. Lucht stated that the project management, oversight, and financial contribution agreement between WSOR and WRRTC allows WSOR to serve as project manager and confirms the financial contribution of WSOR. The only thing that needs to be done by WSOR before final execution is review by WSOR's executive team, which should only take a few days. Lucht reported that the agreement allows WSOR to work with the project engineer and design team to develop a project scope. Lucht reported that discussions have begun with WIDNR regarding their preferences for demolition of the piers. Lucht reported that WSOR is advocating for tipping the piers into the water or blowing up the piers and allowing the concrete rubble to remain in the water. Any wood within the piers would be removed from the river by the contractor. Lucht stated that WIDNR is open to the concept. Lucht reported that once agreement with WIDNR is reached, they will solicit bids. Lucht reported that it will be an open bidding process with prevailing wage requirements. Lucht expects a half dozen bids and believes the timing is good to receive a good bid. Once bids are received, WSOR will share them with the Commission and WisDOT and the decision will be made cooperatively. Lucht stated the hope is to have the bridge gone by the end of the year. Sweeney stated he would like to get the RFP on the October agenda.

Demby stated that he has been in contact with the Lower Wisconsin Riverway Board (LWSRB) who has gone on record opposing the use of explosive if possible. Demby stated that the use of explosives twenty years ago resulted in a lot of debris, some of which is still in the river near Arena. Lucht responded that the engineers will work with WIDNR and LWSRB to determine the appropriate course of action, with public safety as the number one priority. Ladewig asked if the contract was developed in a way that it could be used again as a template. Brownlee stated that is not likely the case unless the commission plans to have demolition projects in the future; the agreements started as preexisting templates and due to the demolition, versus normal construction, aspect of this project the agreements have changed considerably.

Sweeney presented the next agreement between the WRRTC and WisDOT. Brownlee stated that the agreement had been worked on for a month and is now in a final stage. Sweeney stated that the final agreement will be sent out to the commissioners via email.

13. Presentation on the Economic Benefits of the Sauk County section of the Reedsburg Subdivision – Jennifer Erickson, Sauk County UW- Extension

Jennifer Erickson from UW- Extension presented an economic analysis of the Sauk County line from Merrimac to Reedsburg.

Ladewig asked about the potential for rail dependent business in Sauk Co. Erickson stated that she did not review that. Alan Anderson stated that many of the existing businesses are expanding. Krueger stated the city of Reedsburg has been able to attract new businesses thanks to having rail service and that Rail service is instrumental within the Sauk Co. economy. Mace asked what the Seneca operations is, Krueger stated that the operation rolls steel for canning operations. Anderson stated that an important printing industry in Baraboo is included within the numbers presented and that it has now expanded. Gray asked if Sauk County is a growing county. Erickson responded that Sauk County has a population that is growing. Ladewig asked if there are any public trans-load facilities on WRRTC lines that assist non-contracted companies to utilize rail service. Lucht stated that WSOR has an agreement with the City of Oshkosh regarding a trans-load facility that is being developed. That facility will be open to the public in the manner that Ladewig described. Ladewig asked Lucht to keep the commission advised on that project. Mace asked about the number of employees from Seneca foods, Erickson stated that she told the companies she would not share specific numbers. Mace asked if the Seneca operations in Cambria was affected. Lucht stated that service was affected, but it is now restored. Nilson stated that REX (Rail Express Agency)

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used to be available to allow the public to utilize rail shipping. Nilson stated that Greyhound not offers this service. Nilson asked Erickson if she looked into amount saved in highway construction due to diverting trucks off the roads.

14. Adjournment

Motion to Adjourn at 11:01 am– Spencer/Gustina. Passed Unanimously.