

Wisconsin River Rail Transit Commission

Full Commission Mtg – Friday, 6 Feb 2009 @ 10am • Dane Co. Hwy, 2302 Fish Hatchery Rd, Madison, WI

1. Karl Nilson, Chair, called the meeting to order at 10:00 a.m.

2. Commissioners present for all or part of the meeting:

Crawford	Tom	Cornford	X	Rock	Ben	Coopman (alternate)	
	Kersten	Rocksvold	X		Katie	Kuznacic	X
	Vacant				Alan	Sweeney	X
			Terry		Thomas	X	
Dane	Gene	Gray	X	Sauk	Joel	Gaalswijk	X
	Jim	Haefs-Flemming	X		Rob	Sinklair (alternate)	
	Forrest	Van Schwartz	X		Halsey	Sprecher	X
Grant	DuWayne	Carlin	X	Larry	Volz	X	
	Margaret	Ruf	X	Walworth	Jerry	Grant	X
	Robert	Scallon			Richard	Kuhnke	
Iowa	Charles	Anderson			Allan	Polyock	X
	Gerald	Dorscheid	X	Waukesha	Karl	Nilson	X
	Joe	Thomas			Richard	Manke	X
			Fritz		Ruf	X	

Others present for all or part of the meeting:

Joni Graves (SWWRPC / WRRTC Administrator); Frank Huntington and Roger Larson (WisDOT); Ken Lucht (WSOR); and Jim Matzinger (Dane County Hwy CPA / WRRTC Accountant).

- 3. Motion accepting Graves' certification of Public Notice / F.Ruf / Cornford / passed unanimously.**
- 4. Action approving the Agenda, prepared by Graves, was by consensus.**
- 5. Motion approving the draft Oct. and Nov. Minutes** (the Commission did not meet in Dec. or Jan.), **prepared by Graves, with the correction that M.Ruf was at the Oct. meeting / Van Schwartz / Gray / passed unanimously.**
- 6. Public Comment – NA**
- 7. Correspondence & Communications** – Graves distributed a card from Mrs. Martin, widow of Commissioner "Doc" Martin (Grant County); a recent article forwarded by webmaster Pat Weeden; WisDOT's Freight Preservation Program update; and said she had been at a recent meeting of the Highway 60 Scenic Byway group where the WRRTC had been identified as a stakeholder and would likely be added to their mailing list, noting that there was no anticipated impact on the corridor related to their pending Wisconsin Scenic Byway designation.

REPORTS & COMMISSION BUSINESS

- 8. Wisconsin & Southern Railroad's Report on Operations** – Ken Lucht, WSOR, provided a report on maintenance activities; capital projects that are underway; their 2009 Capital expenditure plan; and general operations. WSOR has purchased a "sky trimmer" that runs along the rails and can reach 75' for brush cutting, which means they don't have to get permission to go on private property to cut long limbs overhanging the corridor. With the completion of the continuous welded rail (CWR) there is about 40 miles of CWR on the Northern Division. They have installed about 32,000 ties on the Southern Division and plan to install CWR at key locations. He provided an update on the status of the State Budget process and projects on the state's publicly-owned railroad infrastructure for which WSOR has requested funding in the 2009-2011 Biennial Budget. As WSOR had explained in a recent letter, *"This critical funding will allow the State of Wisconsin, 17 Southern Wisconsin Counties & the Wisconsin & Southern Railroad Co. to conduct critical capital upgrades to publicly-owned infrastructure to meet today and tomorrow's rail industry standards. This funding will also allow for the acquisition and upgrade of existing railroad corridors that would otherwise be abandoned. Communities, private industry, shippers/ receivers & economic interests from all over the state depend upon a viable and efficient rail system to transport their products to market. Rail transportation saves*

Wisconsin businesses valuable dollars that can be redirected into our local economies. Moreover, railroads are a direct economic driver enhancing job creation/retention all over our state.”

A summary of WSOR’s requested projects, not including the proposed WisDOT purchase of Janesville trackage from WSOR, follows:

	STATE	WSOR	TOTAL
Waukesha realignment	\$ 2,114,311.00	\$ 528,577.00	\$ 2,642,888.00
Madison to Milton Rail	\$ 15,266,849.00	\$ 3,816,712.00	\$ 19,083,561.00
Monroe ties	\$ 3,814,119.00	\$ 953,529.00	\$ 4,767,648.00
Milwaukee to Slinger crossings and switches	\$ 2,648,015.00	\$ 662,003.00	\$ 3,310,018.00
Janesville Purchase			\$ -
Rebuild 3 bridges	\$ 2,500,000.00	\$ 500,000.00	\$ 3,000,000.00
TOTALS	\$ 26,343,294.00	\$ 6,460,821.00	\$ 32,804,115.00

Lucht distributed WSOR’s new summary entitled “Wisconsin Public Railroad System Attracts New Industries” and dated 1-29-09. In discussion, Commissioners asked about Lycon (Fitchburg) and Orchid International (Monroe). He said WSOR is working on a promotional video to provide information about the publicly-owned rail infrastructure, which will be available on DVD in the next couple of months. In conclusion, he asked that if Commissioners hear concerns from constituents or county elected officials, they relay them to him or Ben Meighan at WSOR.

9. **Request for support for WSOR’s capital projects in the Governor’s proposed stimulus funding priorities** – Lucht referenced projects in WSOR’s Capital Plan, which would have a total cost of \$200M and a staged timeframe for 2009-2012, and said they want to ensure that Governor Doyle is aware that WSOR has shovel-ready projects and would appreciate it if the WRRTC would send a letter of support to the Governor’s Office.
- **Motion supporting stimulus funding for WSOR’s shovel-ready projects and authorizing WRRTC staff to send a support letter to the Governor on the Commission’s behalf / Sweeney / FVS / passed unanimously.**

FOLLOW-UP: WRRTC staff will collaborate with Lucht on wording of a letter from the WRRTC to Gov. Doyle conveying the Commission’s support for use of stimulus funding for WSOR’s shovel-ready projects.

10. **WRRTC Financial Report** – Jim Matzinger, Dane County CPA / WRRTC Accountant, distributed the draft 2007 Audit by Johnson Block and said it is late, for which he apologized. In reviewing the Treasurer’s Report, he said Commissioners may be shocked to see that its assets are \$30M, but that is because new accounting rules require it to put a value on the rail. Following questions, Huntington clarified that the Rail Transit Commissions own the improvements, although the rail corridors are under shared ownership with WisDOT. Matzinger said the new requirement is intended to make government accounting more like business accounting in order to make it easier to evaluate business operations. He summarized that it was a clean audit, with no discrepancies. Van Schwartz referred to the figure of approximately \$70,000 for government contributions (Page 3) and asked why it wasn’t the amount contributed by the eight WRRTC counties; after some discussion Matzinger said he would look into it. Van Schwartz also had questions regarding revenue (Page 5) and Matzinger said it is tracked as deferred revenue until it is spent on a project. Several other questions were raised and Matzinger said he would prepare a spreadsheet for the next meeting to better explain some of the audit accounting.
- **Motion accepting the draft 2007 Audit and requesting that Commissioners review it, share it with their County, and forward comments to Matzinger prior to the March meeting when he will address questions; the draft, with any revisions, will be on the next Agenda for possible approval / Sweeney / Gray / passed unanimously.**

FOLLOW-UP: Commissioners will forward comments or questions re the draft 2007 Audit to Matzinger, prior to the March meeting, so they can be addressed prior to approval of the document.

Matzinger distributed copies of the Treasurer’s Report and provided an overview.

- **Motion approving Treasurer’s Report as presented / F.Ruf / Cornford / passed unanimously.**

FOLLOW-UP: The following Agenda items were forwarded to the March meeting:

- a) Action authorizing Audit of the Commission’s 2008 financials;
 - b) Review of Commission’s 2009 Budget
 - c) Dane County’s proposal for 2009 Staff Services for Accounting;
 - d) Preliminary funding recommendation for WRRTC’s member-county contributions for the 2009 rehab project(s).
- Notes re these approvals** – in discussion, Commissioner Grant pointed out that the next Full Commission meeting is in May, when action is taken approving Motions adopted by the Executive Committee; it was clarified that information related to these items would be provided to all Commissioners prior to the May meeting where the Full Commission would be taking final action.

11. WRRTC Administrator’s Report – Joni Graves, SWWRPC Trans. Planner / WRRTC Administrator, presented a draft agreement for SWWRPC’s continued Staff Services and asked the Commission to recommend the dollar amount.

- **Motion approving continuation of staff services with SWWRPC for 2009, not to exceed \$22,550.00 plus expenses / Polyock / Manke / passed unanimously.**

Graves said she had recently received a request from a former rail rehab employee, going back to when the WRRTC oversaw projects. Huntington had reminded her that employment records may be at the Dane County Highway Garage and she had referred the caller to Matzinger. In response to her question, WRRTC’s attorney Eileen Brownlee had emailed: “Ordinarily, a municipal body would keep employment records for seven years after completion of a project or termination of someone’s employment. However, no records can be disposed of unless and until the State Historical Society has been notified of the proposed destruction.” Graves reminded the Commission that the bulk of its records are archived at Brownlee’s office and said she planned to deliver some additional files for storage there.

FOLLOW-UP: Per WRRTC’s attorney Eileen Brownlee, none of the WRRTC’s records can be disposed of unless and until the State Historical Society has been notified of the proposed destruction. (12 January 2009)

In conclusion, Graves circulated copies of the January usage report for the Commission’s website www.wrrtc.org.

The Commission took a break at 11:00 a.m. and returned at 11:15 a.m.

12. WisDOT Update – Frank Huntington provided an update on the **Badger Army Ammunition Plant (BAAP) easement** and said WisDOT will need some documents signed in the future; the agreement will go through a federal congressional committee, and WisDOT hopes that the acquisition will be fully approved and they will have ownership of the corridor through Badger by late summer. He said when it is acquired, they will want the improvements to be owned in agreement with a rail transit commission and, although the Pink Lady (PLRTC) has been more active on this issue, it does not own any property. He said there have been discussions about having the ownership through the WRRTC and both Commissions have Sauk County membership. He said he wanted to raise the issue now, so the WRRTC would have time to decide what it wants to do. It would be a permanent easement for access (instead of WisDOT owning it), but the Commission would have ownership of the improvements so it would be necessary to amend the contracts with WisDOT, WSOR, and the WRRTC. In discussion, some questions were raised re acquiring the Merrimac Bridge, and Huntington said that was a different issue for a different time.

He said the **Janesville property acquisition** is the same type of issue – WSOR currently owns the track, which it purchased when it came on the market, and it has long been discussed that the state would eventually acquire it. The total length is about 5-7 miles. He said this wouldn’t happen until after July 1st, or when the state budget may be approved authorizing funds. He did not have final costs, but expects to have that information for the next meeting, and he said there would be a 20% local match requirement. He said this was discussed with the PRTC at its last meeting and Commissioners had expressed interest in ownership up to the junction, with the rest under the WRRTC. In response to questions, he said having agreements with both RTCs would not be a problem.

FOLLOW-UP: Huntington asked that the pending BAAP and Janesville acquisitions be on the Agenda for the May 2009 meeting of the Full Commission.

Trek crossing easement (Madison to Watertown line) – Huntington said this had come up during the Commission’s “winter break” and had required action. It is on the Watertown Line, which WisDOT now owns (with a Contract Agreement Amendment with the WRRTC). He distributed air photos and said that TREK is buying several hundred acres to create a mountain bike park. There was an existing farm crossing and they wanted a crossing open to the

public. There would be a lot of public user activity to site and the proposed rail crossing would be on a high-speed rail line. It was determined that the site had an existing cattle underpass, which is quite large and would accommodate most vehicles. WSOR was actively involved in the negotiations and the parties had agreed that the existing at-grade crossing would be gated with limited access. There was some discussion about the facility and it was clarified that WisDOT and WSOR entered into the agreement for a private, not public, crossing.

Update on the Land Use Agreement between the WisDOT and WRRTC including adding some line segments – Huntington said the Operating Agreement had been updated a few years ago, but they had not updated the Land Use Agreement, which will have to be done for the Watertown Line and each of the properties referenced above.

FOLLOW-UP: the three-party Land Use Agreement with WisDOT, WSOR, and the WRRTC will have to be updated to reflect the Watertown change and the pending BAAP and Janesville acquisitions.

Huntington provided an update on the state's biennial budget process and said WisDOT's budget had recommended increasing the funding for publicly-owned rail infrastructure to \$60M for the biennium.

13. Update on removal or demolition of structures on Commission property in Arena, WI – Dorscheid said he had approached a local contractor in Arena about demolishing the buildings (not reclaiming the lumber) and burying the concrete. The contractor had provided a bid of \$3,500 and Graves noted that it was about half of the proposal forwarded by the Village from a contractor with whom they were working.

- **Motion accepting the bid, not to exceed \$3,500, to demolish structures on Commission property in Arena, WI, and bury the concrete; and asking Dorscheid to get written verification from Steve Foye, Jr., that all of his property had been removed / Van Schwartz / Gray /** in discussion, Graves read the Commission's earlier Motion "to (a) ask WSOR to remove their material within six months, (b) explore options for recycling building materials, with the Iowa County members Anderson and Dorscheid overseeing this within a six-month timeframe, which was acceptable to WSOR, (c) and if the Amish are interested in the materials, Pustina, Dorscheid, Anderson, a WSOR representative, and Van Schwartz expressed interest in working with them / Gray / Passed Unanimously." (August 2008) / Lucht confirmed that WSOR had removed its property from the site / asked about working with the Amish on reclamation, Dorscheid said the contractor had not wanted to take that on as part of his bid / Manke asked about insurance and **it was agreed that permit approvals will be coordinated through the WRRTC's attorney Eileen Brownlee / after further discussion, the Motion passed unanimously.**

FOLLOW-UP: The bid for \$3,500 will be forwarded to WRRTC's attorney Eileen Brownlee, who is authorized to coordinate permit approvals for demolition of structures on Commission property in Arena, WI; Dorscheid will get written verification from Steve Foye, Jr., that all of his property has been removed from the buildings.

14. Consideration of private crossing permit in Blue River Crossing – Emails prior to the meeting indicated that WisDOT and WSOR staff were in support of the request. Lucht had made copies of a packet provided by Vicki Schaefer (WisDOT), which were distributed, but said he could not speak to the request, which had been reviewed by Ben Meighan (WSOR). After some discussion, it was recommended that the interested parties come to the next Commission meeting to provide more information.

FOLLOW-UP: Forward consideration of private crossing permit in Blue River Crossing to the March Agenda and invite interested parties come to the meeting to provide more information.

15. Motion adjourning the meeting at 11:52 a.m. / Cornford / Rocksvold / passed unanimously.