

**Minutes of the
East Wisconsin Counties Railroad Consortium
Meeting of November 9, 2016**

East Wisconsin Counties Railroad Consortium Meeting was called to order by Chairman Thomas Winker on November 9, 2016, at 10:00 a.m., at the Dodge County Administration Building, 127 E. Oak Street, Juneau, 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; Thomas E. Winker and Donald Dohrwardt, Ozaukee County; Richard Bemis and Jim Glavan, Sheboygan County; Dan Goetz and Jeff Schleif, Washington County; and Joel Rasmussen and Larry Smith, Winnebago County.

Excused: Rich Slate, Green Lake County; and Steve F. Taylor, Milwaukee County.

Others Present: Shelly Bernhagen, Badger Mining; Lisa Strahota, Badger Mining; Ken Lucht, WSOR; Rich Kedzior, WisDOT; John F. Corey, Dodge County Corporation Counsel; and, Kelly L. Lepple, Recording Secretary.

Public Comment: None.

Approval of Minutes of July 13, 2016: Motion by Bemis/Hutler to approve the minutes of the July 13, 2016 meeting, as presented. Motion carried by unanimous vote.

Financial Report: Russell Kottke reported the following: The balance in the checkbook as of June 30, 2016, was \$1,000. Deposits were \$122,902.42. Expenditures were \$112,859.41. Transfers were \$10,043.01. As of October 31, 2016, the balance in the checkbook was \$1,000. Total EWCRC money on deposit in the Local Government Investment Pool as of October 31, 2016, is \$492,364.57. Motion by Foley/Koch to approve the Financial Report. Motion carried by unanimous vote.

Consider, discuss, and take action on the level of funding by member counties for 2017 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 2017: There was consideration of and discussion about the level of funding by member counties for 2017 and authorization of and direction to John Corey to send invoices in the amount of \$25,000, in January, 2017, to each member county of the EWCRC for its member county contribution for 2017. Motion by Hutler/Dohrwardt to authorize and direct John Corey to send invoices in the amount of \$25,000, in January of 2017, to each member county of the EWCRC for its member county contribution for 2017. Motion carried by unanimous vote.

Consider and discuss an oral report by Chairman Thomas Winker and Vice Chairman Larry Smith about their attendance at the Wisconsin Railroad Association's 10th Annual Freight Rail Day: Tom Winker and Larry Smith stated that they were unable to attend the Wisconsin Railroad Association's 10th Annual Freight Rail Day that was held on Wednesday, October 19, 2016. Ken Lucht reported that the Wisconsin Railroad Association's 10th Annual Freight Rail Day was held at the Lambeau Field Legends Club Room, in Green Bay, Wisconsin. Ken Lucht further reported that Wisconsin Freight Rail Day offers freight rail industry stakeholders an opportunity to network with peers, learn about emerging issues and share industry developments.

Consider and discuss an oral report by Chairman Thomas Winker, Vice Chairman Larry Smith, and Ken Lucht about their attendance at the meeting of the Green Lake County Board of Supervisors on September 20, 2016: Thomas Winker reported that he and Ken Lucht attended the September 20, 2016 meeting of the Green Lake County Board of Supervisors. Ken Lucht reported that he gave a PowerPoint presentation to the Green Lake County Board of Supervisors regarding the EWCRC's activities and the businesses WSOR serves. Thomas Winker also spoke to the Green Lake County Board of Supervisors regarding the EWCRC and the services it offers.

Consider, discuss, and take action on Report of WisDOT, Bureau of Railroads and Harbors: Rich Kedzior made the following oral report: 1) On September 13, 2016, for fiscal year 2017, WisDOT awarded to WSOR a \$3.9 million Freight Railroad Preservation grant which is a Phase 1 continuous welded rail rehabilitation project on the Oshkosh Subdivision. The project scope is to install 7.5 miles of new 115-pound continuous welded rail from Brandon to Ripon, the reconstruction of 7 public at-grade crossings, and replace 13 turn-outs; 2) WisDOT continues to work with the City of Oshkosh to construct a new loading station in the City of Oshkosh with the help of a T grant. The primary user of this new loading station will be Oshkosh Corporation to transport military vehicle parts; and, 3) the 2016 WisDOT Annual Freight Railroad Conference will be held on Tuesday, November 15, 2016, at the Crowne Plaza Hotel, in Madison, Wisconsin.

Consider, discuss, and take action on WSOR's 2015 Capital Maintenance Plan presentation and WSOR's Capital Priorities presentation: Ken Lucht provided a handout to each of the members of the EWCRC which provided an overview of WSOR's 2015-2017 capital expenditures in the Northern Division. Ken Lucht summarized WSOR's 2015-2017 capital expenditures in the Northern Division, described the many rehabilitation projects that are included in WSOR's 2015-2017 capital expenditures, and stated the sources of funding for each project.

Ken Lucht provided a handout to each of the members of the EWCRC which provided an overview of WSOR's 2016 and 2017 Capital Program. Ken Lucht summarized some of the past FRPP Preservation Project, dating all the way back to 1998. Ken Lucht reported that on September 13, 2016, WisDOT distributed \$29.6 million in grants through the Freight Railroad Preservation Program (FRPP). WSOR received four project awards which include 1) the Reedsburg and Prairie Subdivision bridge replacement and rehabilitation project, in the amount of \$1.9 million; 2) the Fox Lake Subdivision phase 2 continuous welded rail replacement rehabilitation project, in the amount of \$7.5 million; 3) the Oshkosh Subdivision phase 1 continuous welded rail replacement rehabilitation project, in the amount of \$3.9 million; and, 4) the Merrimac bridge rehabilitation project, in the

amount of \$14.4 million.

Ken Lucht further reported on WSOR's 2016 and 2017 rehabilitation project which is a Phase 1 continuous welded rail rehabilitation project on the Oshkosh Subdivision, in the Northern Division. The project scope is to install 7.5 miles of new 115-pound continuous welded rail from Brandon to Ripon, reconstruct 7 public at-grade crossings, and replace 13 turn-outs. The cost of this phase 1 continuous welded rail rehabilitation project on the Oshkosh Subdivision is \$4.9 million, of which \$3.9 million will be funded by the State, and slightly less than \$1 million will be funded by local match amounts. WSOR is requesting that the EWCRC fund, in part, WSOR's 2016 and 2017 rehabilitation project which is a phase 1 continuous welded rail rehabilitation project on the Oshkosh Subdivision, located in the Northern Division. Motion by Smith/Madigan to contribute all of the EWCRC's 2016 member county contributions and all of the EWCRC's 2017 member county contributions, in a total amount not to exceed \$450,000, to WSOR's 2016 and 2017 rehabilitation project which is a phase 1 continuous welded rail rehabilitation project on the Oshkosh Subdivision, located 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 reported the following:

The Markesan rehabilitation project is not entirely completed. \$75,000 of the rehabilitation project will continue into 2017, which consists of the installation of approximately 3,000 ties and surfacing the railroad track.

Ken Lucht distributed a handout which detailed WSOR/WATCO Business Development for the years 2014-2016. Ken Lucht gave a brief oral report about the contents of the handout. Ken Lucht reported that in the past few years, WSOR has searched for new business opportunities and has developed new business opportunities; The handout lists all of the businesses that have either built new facilities on the WSOR rail line or have expanded their existing facilities on the WSOR rail line; and, these businesses have created approximately 700 new jobs and it is anticipated that another approximately 300 new jobs will be created in the near-term or medium-term future.

The Governor is considering the recommendation to cut Freight Rail Preservation Program (FRPP) funding by two-thirds, from \$35 million to only \$12 million. The legislature is considering raising fees and assessing different taxes to infuse more revenue sources into the transportation budget. The Governor is against all new fees and taxes. With over 91 railroad bridges at Priority 2 or 3 status and 250 miles of track that need capital upgrades to modern railway engineering standards, the recommended cut to FRPP funding will have an adverse effect on safety, economic development and job growth within WSOR's member counties and throughout the State. WSOR has approximately \$60 million in FRPP applications that are awaiting funding. WSOR has been working with all of the rail transit commissions to encourage the Governor to put \$20 million into the Freight Rail Preservation Program (FRPP) in this next budget. WSOR asks for support from the EWCRC in writing a letter to the Governor and to all members of the Wisconsin Legislature whose constituents reside in the EWCRC region, and to the Joint Committee on Finance, requesting that the Governor allocate \$20 million to the FRPP over the next two year budget. Motion by Goetz/Smith to direct WSOR to work with the Office of Dodge County Corporation Counsel to draft a letter for the

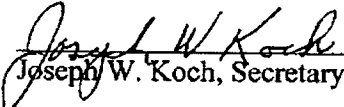
approval and signature of Chairman Winker, and to send to Governor Scott Walker, all members of the Wisconsin Legislature whose constituents reside in the EWCRC region, and to the Joint Committee on Finance, requesting that the Governor allocate \$20 million to the FRPP, and to authorize and direct the Office of Dodge County Corporation Counsel to send the letter immediately after it has been approved and signed by Chairman Winker. Motion carried by unanimous vote.

Date, time, and place of next meeting (January 11, 2017): The next regular EWCRC meeting will be held on January 11, 2017, at 10:00 a.m. Columbia County will host the meeting.

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

Meeting adjourned at 11:09 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.