

WISCONSIN RIVER RAIL TRANSIT COMMISSION
 COMMISSION MEETING - FRIDAY, MAY 6TH, 2016 @ 10AM
 DANE COUNTY HWY GARAGE, 2302 FISH HATCHERY RD, MADISON, WI

1. 10: 02 AM **Call to Order** – Alan Sweeney, Chair
2. Roll Call. **Establishment of Quorum** – Mary Penn

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

Commission met quorum.

Others present for all or some of the meeting:

<ul style="list-style-type: none"> • Mary Penn, WRRTC Administrator • Ken Lucht, WSOR • Mirjam Melin, Rock Against the Rail • Ed Steiber, Frontier Communications 	<ul style="list-style-type: none"> • Kim Tollers, Rich Kedzior, WisDOT • Rep. Amy Loudenbeck • Danielle Zimmerman, Loudenbeck staffer
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Alan Sweeney asked for Chuck Spencer, new commissioner from Sauk County to introduce himself, saying they would go around the room for introductions. Gary Kutz, from Jefferson County introduced himself, then the rest of the Commissioner’s introduced themselves, identifying the districts of their respective counties or municipalities they represented. Wisconsin Department of Transportation (WisDOT) staff also introduced themselves and Ken Lucht of WSOR introduced.

3. Action Item. **Certification of Meeting’s Public Notice** – Noticed by Penn
 - Motion to approve posting of meeting – Thomas/Ladewig, Passed Unanimously
4. Action Item. **Approval of May Agenda** – Prepared by Penn
 - Motion to approve May amended agenda – Mace/Gray, Passed Unanimously

Penn told the Commission she had been contacted by Kyle Pattison who said that the City of Prairie du Chien would not be pursuing used rail as Mr. Pattison had spoken with Roger Schaalma of WSOR who said no rail would be available. Therefore, there was no need for agenda item 14.

5. Action Item. **WRRTC 2016 Election of Officers**
 - Motion to nominate Alan Sweeney WRRTC Chair – Nilson/Gustina; Motion to Close Nominations – Anderson/Scallon, Passed Unanimously
 - Motion to nominate Bob Scallon 1st Vice Chair – Anderson/Ranum; Motion to Close Nominations – Tietz/Ladewig, Passed Unanimously
 - Motion to nominate Tom Cornford 2nd Vice Chair – Rocksford/Scallon; Motion to Close Nominations – Mace/Gustina, Passed Unanimously
 - Marty Krueger asked if a motion was in order to nominate all who were officers as they currently are.
 - Motion to nominate all standing officers to retain their current offices – Krueger/Morris; Motion to Close Nominations – Ladewig/Tietz, Passed Unanimously

6. Action Item. **Approval of draft April 2016 Meeting Minutes– Prepared by Penn**
- *Motion to approve draft April 2016 meeting minutes with minor corrections – Mace/Anderson, Passed Unanimously*

7. Updates. **Public Comment – Time for public comment may be limited by the Chair**
 Representative Loudenbeck introduced herself, saying she represented eastern Rock and western Walworth counties in the State Legislature. She said she was here to “stay in the loop” on the Great Lakes Basin Transportation (GLBT) project. Danielle Zimmerman introduced herself as staffer for Loudenbeck. Mirjam Melin introduced herself, saying she was at the meeting with concerns on the GLBT and asked the Commission if they had taken a position on the project or if they had any response planned and if so, were those being forwarded to Surface Transportation Board (STB). Sweeney said at this time they had not.

Ed Steiber of Frontier Communications said he was at the meeting seeking a utility permit to move a fiber optic line near a bridge replacement project in Rock County. When the location of the bridge was verified, it was discovered that the bridge in question was under the purview of the Pecatonica Rail Transit Commission (PRTC). Ken Lucht advised Steiber to contact Mary Penn, the PRTC administrator for a utility permit. Kim Tollers asked if he had a Trans 29 permit. Steiber said to date he only had a railroad permit and a County permit. Sweeney said if there were permits needed from the PRTC, that meeting was May 20th.

8. Updates. **Announcements by Commissioners – No Discussion Permitted**
 Bob Scallon had two get-well cards for signature for Vern Lewison and Mike Luerance and passed them around the table for signatures.

REPORTS & COMMISSION BUSINESS

9. **WRRTC Financial Report – Jim Matzinger, WRRTC Accountant**
- *Motion to approve the all checks except #1311 and revisit the action after gaining estimate on McHenry County taxes from Matzinger – Anderson/Gray, 18 ayes, 1 no (W. Ladewig), Motion passed*
 - *Motion approve Treasurer’s Report – Mace/Thomas, Passed Unanimously*

Jim Matzinger presented the Treasurer’s Report to the Commission, noting that all rail projects had been paid out and those accounts were now closed. He said other invoices that had just come in included the general liability insurance from Richgels-Schaefer, as well as the Lake County tax bill to pay that morning. In anticipation of the McHenry County taxes, which he expected to receive before the June meeting, he asked for a blank check to pay McHenry. He reminded the Commission that taxes were reimbursed by WSOR. Sweeney asked for the amount of the 1st installment for McHenry taxes from last year and asked Matzinger for an estimate on this year’s before approving a blank check. Matzinger then listed the checks that needed approval.

Jack Demby asked about the Spring Green Bridge in the Treasurer’s Report. Lucht said all bridge projects listed were on the Fox Lake Sub and had been completed. Karl Nilson reminded the Commission that those bridges belonged to the Commission outright. Gene Gray asked Lucht about the amount of mileage in McHenry County. Lucht said about 20 miles.

Matzinger went through the April balance sheet, including \$68,560 received from Crawford County as part of their paying down their contribution arrears.

Sweeney asked Matzinger if he still had his WRRTC finances presentation from last fall to give to the new members. Matzinger said he could have that by the next meeting.

Charles Anderson asked about \$63,000.00 remaining after today’s checks were approved or was that the where today’s checks would be paid out of. Matzinger clarified that the cash balance would drop to \$17,600.00 after those checks are written. Matzinger reminded the Commission that WSOR would be billed for the taxes, the money reimbursed. Anderson thanked Matzinger for coming to the meeting today on his summer hours.

10. **Discussion and Possible Action on 2017 WRRTC Budget – Jim Matzinger, WRRTC Accountant, Gene Gray, WRRTC Treasurer**
- *Motion to approve 2017 budget – Nilson/Gray, Passed Unanimously*
 - *Motion to approve maximum of \$2500.00 for first installment of McHenry County taxes - Gray/Ranum, Passed Unanimously*

Matzinger presented the draft 2017 budget to the Commission, giving them 5 years of actual, past budgets to give them context. He said the budget assumed all counties made their contribution (including the \$7,000.00 extra from Crawford) and that sign leases and WSOR lease amounts did not change radically. He said the permit revenue was an estimate and \$1800.00 was a total guess. Matzinger said interest was nominal which left them with \$309,000.00 for revenue which was all spent between capital projects and other items as listed. He added that no management contract amounts had changed, although legal expenses had changed somewhat and the amount was somewhat conservative. He said insurance costs had remained steady. As there was a \$1400.00 deficit, he had removed that amount from capital rail projects, leaving the WRRTC at a breakeven point.

Krueger commented he was a bit surprised that no one from Columbia County was at the meeting this morning, as the Columbia County Chair had approached him about the potential for the Merrimac Bridge issue being explored at a WRRTC meeting, and the possibility of the solution being Columbia joining the WRRTC. Sweeney said he did not think Krueger would have brought the point up unless it were a definite possibility. Dick Mace asked if the Commission needed to reach out to the Columbia Chair. Krueger said he believed the County’s interest was piqued by the viability of the line and the Merrimac Bridge issue. He suggested the Chair be invited to speak to the issue at a future meeting. Lucht pointed out Columbia County was a member of the East Wisconsin Counties Railroad Consortium (EWCRC) due to service to Cambria. He said their contribution to that

Commission was about the same, adding that he EWCRC was nine counties and made up WSOR's entire northern district. At this point, Matzinger returned with the estimate on the first installment cost of McHenry County taxes (\$2232.00).

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

Ken Lucht updated the Commission on projects to date saying that on capital projects there were 30,000 ties going in on the Prairie sub as well as bridge work. This work went from Madison to Sun Prairie. Outside the Commission's area Lucht said there was a continuous welded rail project (CWR) on the Markesan sub from Fairwater to Markesan with about 7 miles of rail to install. Lucht also said the bridge at Woodman had had some emergency repairs by their bridge contractor on one of its piers to fill in a 35' erosion hole. He said WSOR was progressing with some new projects for 2017, including the Phase 2 Prairie sub tie project, followed by a Phase 1 CWR from Prairie to Wauzeka. He said CWR goes to where there was the most traffic: this project would be about 2½ miles and they were only waiting for grant agreements. Lucht also said there was another CWR project in Waukesha, WSOR was also waiting for the grant agreement. He said WSOR hoped that project would begin in the fall but it was more likely to be in the spring.

On positive train control (PTC), Lucht reported that WSOR had some deadlines in the next 3-4 years to meet federal statutes. Lucht gave background on the technology and its purpose. He said PTC would affect about a dozen WSOR engines, noting that usually trains that hauled hazardous materials and passenger trains were most affected and that PTC was now a requirement for all railroads in the country. The technology, installed by WSOR, could be read by Class 1 rail trains. As an additional requirement, PCT required new software, all of which was costing about \$16 – 18 billion across the nation and unfunded by the government. He said mostly the private freight railroads were paying for this. He said WSOR had a roster of their engines, with about a 25% rollout installation for 2017 and the following 75% for the remainder of 2018. They were working under a strict deadline.

Nilson commented that putting a brakeman back on trains would have saved money rather than such a huge outlay as required by PTC. Jack Demby asked again about the Spring Green Bridge and whether work begun. Lucht referred to WisDOT and whether they had a grant agreement. Rich Kedzior said the grant agreement had been sent to Watco and WisDOT was waiting for signature. Once signed, WisDOT would sign. Lucht said preliminary agreements have been signed and WSOR was hoping mobilization would begin this fall.

Charles Anderson asked about traffic near Wauzeka on the Prairie sub. Lucht said it was mostly unit trains from Dane County to Prairie, with grain going west to the river port and sand trains going east from Prairie du Chien, making this sub their most trafficked sub. He said traffic had grown dramatically in the past 10 years with the heaviest traffic between Wauzeka and Prairie du Chien. Lucht said a lot of the destination traffic was in that area. Wisconsin and Southern had a good, stable business in Muscoda, Mazomanie, and Spring Green along this sub, with the core closer to Prairie du Chien. Anderson asked if speeds would increase with the new ties. Lucht clarified where the new ties were going, saying that some slow orders would be lifted once new ties were installed.

Bill Lade wig asked if he were correct that frack sand shipping was down. Lucht said the sand market was depressed but there was a pocket in North Dakota, resulting in a 110 car unit train being loaded in Prairie every 3 days. He said WSOR estimated that sand shipments would drop after about 60-90 days, though grain was moving well.

Dick Mace asked about the grant agreements and whether the Commission had heard if the grant agreement for Waukesha was still delayed. Sweeney said WisDOT would address that in their report.

Gary Ranum asked what areas would have increased speeds on the Prairie sub. Lucht said west of Spring Green and would accommodate 286,000 lbs. Bob Scallon asked about where the used ties went. Lucht said occasionally they had shipped old ties to the Cassville power plant but with that facility closing, now they were stored in the Madison Yard and a contractor came and chipped them.

For the benefit of the meeting's guests and new members, Nilson said that a load being pulled was a "consist" and explained what a unit train was.

Lucht then spoke about WSOR's growing concern about crossings. He said the Office of Commissioner of Railroads (OCR) oversaw safety at crossings and had a good process to address safety issues relating to them. With growth, WSOR needed to preserve capacity. He added that railway corridors were about 100' wide for the most part, and obviously it was very difficult today to get new property for railroads and therefore they tried to preserve the right of way (ROW). He said there had been a flurry of at-grade crossings petitions coming to the OCR which had the potential to affect efficiency, safety and reliable customer service. In the last few years, WSOR had had a number of new at-grade crossings on various subs. When there were new crossings on mainlines, that may prevent the building of sidings. Lucht said WSOR did not promote building sidings in urban settings. Therefore, they tried to preserve corridors in sub-urban areas. He gave an example in Dane County where there had been a 5500' stretch of track free of at-grade crossings that had been lost about 8 years ago with the installation of a crossing. He gave another location in Madison with an at-grade crossing which had not affected a reduction of capacity but had created a big safety issue. Right now there was another situation with a crossing near an events business that encompassed the single most dangerous area on the system, with pedestrians numbering in the thousands crossing the line. He said this was a huge concern for WSOR. Lucht said years ago a crossing had been ordered on Crescent Street in Mazomanie in an area where trains were staged and due to this crossing, they could not stage there now, with about 11,000' of railroad infrastructure lost to capacity. He added there are some pending crossings that were quite overwhelming in their potential impact to the rail infrastructure, including new crossings on the Madison/Cottage Grove sub in ears where there was about 6600' available for staging if needed. He said WisDOT and the City of Madison gave a petition to cross at this area. Lucht said if this was ordered, WSOR would lose their last urban capacity for customers in the Dane County urban area. In addition, there was the City View Subdivision on the Watertown sub with a proposed crossing. The City was promoting a development and if the crossing went in, there would be a loss of 7300' of capacity. He said if all present petitions were approved, WSOR would lose 18,000' of capacity. Lucht said the Federal Rail Administration (FRA) was urging states to reduce the number of crossings in the interests of

safety. He then clarified that the petitions he had mentioned were in the WRRTC area, not the whole WSOR system. He said WSOR had petitioned for 2 closures in 2003, revised in 2009 and had received an order to close but the City had objected so now the issue was on hold. Lucht pointed out Arena closed two crossings in the Village by their own effort via the OCR process.

He repeated that crossings impacted capacity and safety across the system, saying that since railroads were built for long term, any decision made today had long lasting impacts. With all the petitions, 6 miles of capacity could be lost. He said he wanted the Commission to make sure they knew about this and proposed updating the Commission on them every other month or so.

Mace asked if the OCR issued the order for closing or opening a crossing. Lucht said it depended on the nature of the petition. He explained the process and Mace then asked if the WRRTC could get involved in the petition process. Lucht explained how to get notice of petitions via the OCR.

Anderson asked about the recreational crossings and if overhead or underground crossings could be done. Lucht said in some cases there were alternatives to an at-grade crossing but they required adequate space and engineering. Overpasses were also possible but every crossing was a case-by-case basis. He said communities could also utilize existing public crossings, adding that there was a cost issue based on land and money and at-grade crossings were the last alternatives as WSOR saw it.

Gene Gray asked if WSOR had explored opening old track. Lucht said they had and there were many areas on the Reedsburg sub where there were places of double track. There was another area near Middleton, another in Darien with an old siding that had been rehabbed easily because the land and the grade already existed.

Lade wig asked if there was any national answer to this issue. Lucht said the FRA issued statements, encouraging states to improve safety but the FRA was not involved in local projects. Lade wig said this must be a big issue on the east coast. Lucht said it all depended on the area. In urban areas there had been a lot of efforts to separate grade crossings.

Kim Tollers said the State administered federal funds to address safety issues and crossing closures was part of that. She said WisDOT had a program that allowed communities to apply for money to address crossing closures. She said WSOR as a smaller railroad perhaps did not have a specific crossing closure office but communities could be incentivized to close crossings. It needed to be coordinated as there was no WisDOT person to coordinate the work: it was up to the community. Nilson asked if a new OCR commissioner got inundated with petitions. Tollers said the OCR had to have a public hearing, and a petition decision could be appealed. Sweeney said it might be a good idea to have a representative of the OCR come to a meeting.

12. WisDOT Report – Rich Kedzior, WisDOT

Rich Kedzior said that WisDOT had lifted the hold on the Waukesha grant agreement, although they were still waiting for other reviews, saying the hold had been put in place to review the project in light of the proposed Great Lakes Basin Transportation (GLBT) project.

Kedzior said that he had been on the Watertown sub to see work, also stopping in Marshall and Deansville to check crossings. He said he hoped a lot of work would be done at that sub.

In regard to the GLBT, he said the Surface Transportation Board (STB) had received a proposal from GLBT to build a 278 mile railroad track originating in northwest Indiana, south of Chicago, to Wisconsin, connecting to the Waukesha sub. He said the STB was currently in its scoping phase of their Environmental Impact Statement process and was accepting comments until June 15th. Kedzior encouraged any potentially affected community to direct comments to the STB, saying the STB website would accept comments.

He said he had attended a public involvement meeting about the GLBT proposal in Janesville as an observer. He said WisDOT had a process to internally gather issues and information to submit to the STB. Kedzior said the WisDOT was mulling over alternative routes for the STB to consider and that they were working on their comments until mid-June when they would submit them. He said additional comments on this issue could be addressed in item 16. Demby asked if WisDOT would be taking a position. Kedzior said that was up to Secretary of Transportation Gottlieb and the Governor.

13. WRRTC Correspondence/Communications and Administrator's Report – Mary Penn, WRRTC Admin.

Mary Penn listed the correspondence she had dealt with since the last meeting, including Eileen Brownlee's Assessment Sharing Agreement and the intention for having an action item for it at the June meeting. Ladewig asked if Green County was going to join the WRRTC. Penn explained how the sharing agreement came out in the first place, from the Pecatonica Rail Transit Commission's discussions on the subject over the past few years.

Penn then listed the administrative tasks since the last meeting. She asked Sweeney and Anderson to sign one utility permit and two private at-grade crossing licenses approved last month and then distributed the information packet to all the Commissioners, asking them to give her any corrections or ideas for new information for it. She also asked for all new commissioners to get their contact information to her.

~~**14. Discussion and Possible Action on Purchase Request of discarded rail to City of Prairie du Chien from Prairie du Chien sub rehabilitation work – Kyle Pattison, Pattison Sand**~~

15. Discussion and Possible Action on 2017 Staff Services Agreement with SWWRPC – Mary Penn, WRRRTC Admin.

- *Motion to approve 2017 Staff Services Agreement with SWWRPC – Ladewig/Mace, Passed Unanimously*

Penn gave the 2017 Staff Services Agreement to Sweeney saying that the contract amount had not changed since last year and the reason for its approval so early in the year was to accommodate the Southwestern Regional Planning Commission's own budget process. Sweeney thanked Penn for her going "above and beyond" for the Commission.

16. Discussion regarding Great Lakes Basin Railroad Project

Sweeney began by saying at the next Thursday Rock County Board meeting, the Board would be passing a resolution opposing the GLBT project to submit to the STB, a resolution that came out of committee the previous Wednesday unopposed. He said he had had some communication with Boone County, IL and was participating with them in the discussion of alternative routes. He said Boone was requesting the new rail terminate at Mile 187 and submitting that request to the STB.

Nilson said he thought the GLBT project was a solution in search of a problem that did not exist. Sweeney said part of the alternative proposed was an analysis to determine the use of the existing ROW. Nilson suggested the Commission do a resolution to that end and Sweeney said he agreed and wanted it on the agenda for June.

Scallon said they needed more information. Sweeney said it was a Class 5 rail terminating at a Class 1 rail. Ranum said before making judgement on this, they had to see projections and the impact on the connecting lines and what the economic impact might be. Sweeney asked for Lucht for his opinion.

Lucht showed the WSOR railroad map as it currently exists to the Commission and showed the location of the proposed new Class 5 line and its route into Wisconsin: it would enter the WRRTC system on the Waukesha sub east of Milton. He explained where trackage rights would have to be gotten.

Lucht said this proposal would have adverse impacts on WSOR, saying there were daily trains moving north to south with customers between Milton and Waukesha that would be impacted and noted the proposed train numbers were 25 – 35 daily. He said a lot the commodities intended to bypass Chicago would be unit trains of fuels and ethanol. He said WSOR had not looked at the financial impact.

Nilson clarified that GLBT was not a railroad. Kedzior said GLBT had proposed shortline and terminal service, as well as a load up facility in Mantino. Nilson said this was not a grab from the Class 1 railroads going through Rochelle and reminded the Commission that Class 5 trains moved at 75 mph. He said a lot of traffic would move west on class 1 rail in Rochelle. Mace said they showed on the map where there were junctions for Class 1 railroads. Based on that map, there were a lot trains that would not go into Wisconsin. The only one he could see going to Milton would be CN and Canada Pacific (CP).

Anderson asked Sweeney about the use of existing rail. Sweeney said Boone County had suggested as an analysis of alternative routes. Boone County was suggesting the north/south traffic could use existing rail and the GLBT could go west. Anderson said in earlier information, the GLBT was anticipating a wider ROW. Sweeney said the proposal was one rail going north into Wisconsin. Boone County was proposing GLBT use an alternative route since a new single track as proposed would cost \$1 billion. Nilson said the new corridor ROW was 200'.

Ladewig asked who had authority and whether the State had a say, asking if the STB could condemn the land and take it. Tollers said it had been that way since the 19th century.

Loudenbeck said she had read that one of the benefits of the GLBT was enhanced connectivity to the port of Milwaukee: she said she was not seeing that outcome. Lucht said the thing was that CP and CN controlled access to the Port of Milwaukee and GLBT would have to buy out CP and CN rather than buy new ROW although he was not aware of any efforts to allow that sort of access. Loudonbeck said one of the things she had been hearing was that would enhance connectivity. She wanted to know what were the benefits of that and thought that some of them had not been explained. She supported the Port of Milwaukee and she did not think this project would benefit it.

Demby said that he had read this project would remove three days of shipping by avoiding Chicago. He said part of this project was to eliminate hazardous materials from going through the city and that there were some benefits. Danielle Zimmerman believed it was currently 30 hours to move through Chicago. Sweeney said again that this would be on the agenda as a resolution action for June.

17. Action Item. Adjournment

- *Motion to adjourn at 12:04 PM – Gustina/Anderson, Passed Unanimously*