

WRRTC APRIL 2021 MEETING MINUTES – APPROVED

**Wisconsin River Rail Transit Commission
Commission Meeting – Friday, April 9th, 2021 at 10:00 am
Meeting via Zoom**

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

Crawford	Carl Orr, <i>2nd Vice Chair</i>	X	Jefferson	Mary Roberts	X
	Derek Flansburgh	<i>Absent</i>		John Kannard	X
	Tom Cornford	X			
Dane	Kevin Potter	X	Rock	Russ Podzilni	X
	Jeff Huttenburg, <i>Treasurer</i>	X		Wayne Gustina	X
	Chris James, <i>1st Vice Secretary</i>	X		Alan Sweeney, <i>Chair</i>	X
Grant	Gary Ranum	X	Sauk	Brian Peper	X
	Mike Lieurance	<i>Excused</i>		Dave Riek, <i>2nd Vice Treasurer</i>	X
	Robert Scallon, <i>1st Vice Chair</i>	X		Marty Krueger	<i>Tardy</i>
				Tim McCumber, <i>Alternate</i>	<i>Tardy</i>
Green	Harvey Kubly, <i>1st Vice Treasurer</i>	<i>Absent</i>	Walworth	Al Stanek	<i>Excused</i>
	Oscar Olson	X		Richard Kuhnke, <i>2nd Vice Secretary</i>	<i>Absent</i>
	John Buol	<i>Excused</i>		Allan Polyock	X
Iowa	Charles Anderson, <i>Secretary</i>	X	Waukesha	Dick Mace	X
	Kate Reimann	X		Richard Morris	X
	Susan Storti	X		Karl Nilson, <i>3rd Vice Treasurer</i>	X

Commission met quorum.

Others present for all or some of the meeting:

<ul style="list-style-type: none"> • Troy Maggied – <i>WRRTC Administrator</i> (proxy) • Ken Lucht, Roger Schaalma – <i>WSOR</i> • Tim Becker – <i>City of Reedsburg</i> • Representative from Riffey Ag Service 	<ul style="list-style-type: none"> • Lisa Stern, Teri Beckman – <i>WisDOT</i> • Chris Meyer – <i>Sector 67</i> • Alan Anderson – <i>Pink Lady RTC</i> • Jason Culotta – <i>Midwest Food Products Association</i>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

3. Action Item. **Certification of Meeting’s Public Notice – Noticed by Honer.**
 - *Motion to approve meeting’s public notice – Cornford/Nilson. Passed Unanimously.*
4. Action Item. **Approval of Agenda – Prepared by Honer.**
Sweeney moved Item 13 after item 15.
 - *Motion to approve the amended agenda. Gustina/Storti. – Passed Unanimously.*
5. Action Item. **Approval of draft March 2021 Meeting Minutes – Prepared by Honer.**
 - *Motion to approve the draft March 2021 meeting minutes with minor clarifications. Mace/Nilson. Passed Unanimously.*
6. Updates. **Public Comment – Time for public comment may be limited by the Chair.**

Tim Becker, City of Reedsburg Administrator, relayed to the Commission the City’s support for items 12 and 13. This project supports freight rail and the City supports further freight rail development. It is an excellent project for light industry in the city and has existing customers. Rail use is a priority for the city, and the City asks the Commission to support these items.

Jason Culotta, from the Midwest Food Products Association spoke in favor of the project as well. Riffey, the business needing the transload facility is a member of his organization and has logistics, transportation, and farm operations. They are looking to take their long-haul truck business and move it to rail, and then have their truck drivers provide short-haul transport in and around Wisconsin. There are several carloads of service projected at this location. The proposed location makes sense as a good spot for this project.

Alan Anderson stated Pink Lady RTC is also in favor of the project.

7. Updates. **Announcements by Commissioners**
Storti noted the sesquicentennial for Avoca and Pulaski is postponed again, and extended her thanks to WSOR for the offer to have an engine on location during the event.

WRRTC APRIL 2021 MEETING MINUTES – APPROVED

Kevin Potter from Dane County was introduced as a new Commissioner. He's looking forward to working with everyone. John Buol is a new Commissioner from Green County, but was not present.

REPORTS & COMMISSION BUSINESS

8. WRRTC Financial Report – Huttenburg, Treasurer.

Huttenburg reported it has been an active month, with three bills to pay and one deduction for checks. The LGIP account received \$180,000 during March. The Commission repaid the funds loaned from the 2020 project. WRRTC took \$13k to cover administrative expenses and the remaining \$13,000 remains for 2021 projects. The remainder of \$95,000 is coming in from counties after March, at which time the 2021 project fund will reach budgeted amount. There are three checks for payment, including a final payment for Dane County Administrative services, WRRTC Administrative fees, and attorney fees.

- *Motion to approve the Treasurer's Report and payment of two bills. Anderson/Morris. Passed Unanimously.*

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

Lucht reported recent WSOR conversations with Union Pacific that will result in a conversation with the Commission and WisDOT. Ken will reach out to Matt, Alan, and Lisa to schedule a meeting to discuss this project. WSOR is working with a consultant to identify public crossing closures on the Prairie Subdivision prior to CWR installation. Voluntary closure program would work with local communities to close four or five crossings between Woodman and Avoca before continuing east. WATCO announced last week it has come to terms with Canadian National Railroad to acquire approximately 650 miles of line in the upper peninsula of Michigan and northern Wisconsin. They were among three to four other parties bidding on these lines. WATCO has petitioned the STB for authority to acquire the lines and hopes to have approval in the next 60 days. WATCO is currently meeting with customers and deploying capital to find equipment. They expect to need around 20 engines. There is no impact to the WSOR and WRRTC relationship or operations, but WSOR will inherit stub lines from this acquisition which will result in growth for WSOR. These lines in northern Wisconsin will come under the Fox Valley and Lake Superior Railroad, and the Michigan lines will come under Grand Elk Railroad, both WATCO properties. There is no RTC or other public governing mechanism planned at this time. The primary commodities shipped on these lines are wood, timber, paper, plastic, and some fertilizer.

Schaalma reported rail and tie plates are ordered for the final Waukesha CWR project, with delivery scheduled in June or July, installation in August, and ballast and surfacing in the fall. Reedsburg phase I tie work is out for bid, and includes installation of approximately 22,000 ties, with a bid opening scheduled on April 27. Phase II of the Merrimac project is nearly complete with physical construction. The Prairie Sub. bridge project which includes nine bridges is underway with the first one out for bid, the second to soon follow, and the balance to be bid later as one bid since they are being converted to box culverts. Track surfacing on bridge 226 on the Reedsburg Sub. will start next week. Ties for maintenance are ordered for the Madison and Milwaukee subdivisions and scheduled to be installed in June. The contractor mobilized to work on bridge 426 in Illinois last week and is expected to complete in two weeks. Grade crossing materials are ordered for this year's work, which will occur from May through October. WSOR crews are out doing construction, including surfacing and ballast work, installation of ties in the Janesville yard, and setting the schedule for annual weed spraying, geometry tests, and rail testing.

Sweeney asked about the property in Belden, IL. Lucht stated that there has been no changes with that property yet but WSOR is working to come to terms with the prospective owner.

10. WisDOT Report – Lisa Stern - WisDOT.

WisDOT made an offer to a new real estate specialist who will come on board before the May meeting. The new real estate specialist was formerly a statewide appraiser for DOT with over 25 years of experience. The Merrimac Phase 3 bridge pre-award authorization is wrapping up and just waiting on environmental work. Thanks to the Commission and WSOR for getting the Build grant submitted. DOT just received the Crawford to Wauzeka rail project agreement with WSOR, and will sign and return soon. Mace asked when WisDOT expects to hear back about the grant for the Janesville Bridge Project.

11. WRRTC Correspondence/Communications and Administrator's Report – Maggied, Admin (proxy for Honer).

Honer will contact Commissioners to discuss the possibility of a May in-person meeting. Maggied noted that Boardman and Clark's new newsletter has a great summary of the American Rescue Plan municipal funding, and he will distribute that to the WRRTC distribution list.

12. Discussion and Action on Offer to Use Agreement (OTUA) with Riffey Transloading on Reedsburg Subdivision. – Stern/Lucht

Stern, Lucht, and Culotta presented the business case for this OTUA. Riffey is looking to bring agricultural commodities largely used in animal feed, and also pet food, into Wisconsin that they usually bring in via truck. They would use this transload facility to transfer from freight rail to truck before shipping it across the state. The OTU presented today supports this project. WSOR fully supports the project since it brings business to the railroads and off the roads.

- *Motion to approve the OTU Agreement as presented. Nilson/Podzilni. Discussion Below:*

Kreuger agreed with Lucht that this sort of project is why the WRRTC exists, which is to promote and grow freight rail. As a WRRTC Commissioner, he supports this type of project, but as a Reedsburg resident and neighboring property owner he could get only sketchy details before this meeting such as those presented today. The project will be one block from his house. He often has deer in his backyard due to the proximity of the Baraboo River and there are also kids next door. If there is an estimated 500 car loads per year, this would result in approximately 2,000 semi-trucks on Railroad Street each year, which is not designed for this load. Kreuger stated the president of the Reedsburg City Council knows nothing about this project, and it has not been on the agendas for the Plan Commission or City Council. Kreuger stated the project should be in the industrial park.

WRRTC APRIL 2021 MEETING MINUTES – APPROVED

Anderson asked if there is an alternative location. McCumber stated this could go in one of the two industrial parks. WSOR looked at other industrial parks, such as the one on Enterprise drive, and found only several very narrow lots. The applicant has reached out to existing businesses along the rail line, but they have contracts in place that would prohibit this development. The old Lakeside building could be an excellent site if Highway 33 rail crossing was rehabbed and there was a bridge, however that would cost over \$1 million and is not cost effective for only one business. This analysis brought the development location back to the proposed site. WSOR stated this site has been a transload site for decades, including for a lumber company with several hundreds of cars already loading here. WSOR could look at ideas for mitigating impacts, such as tree barriers and truck routes to steer trucks away from residential neighborhoods. Becker stated the mayor is informed of this project, but it is too preliminary to present to the Plan Commission and City Council. After this approval, the plan could be forwarded to those bodies for approval. Mace asked why the proposal did not go before the City Council and Plan Commission, Stern stated that it is typical to get landowner approval before going for city approval, and so this is a standard process. Huttenburg stated he believes the process is moving in the correct order, with WisDOT providing initial approval prior to municipal approval. Peper believes there needs to be some clarification to the land available in the Industrial Parks. Mace asked about the expediency to approve this. Jason Culotta stated there are issues of improved track space and the lease agreement being two years.

- o *Motion to postpone this meeting until the June 4th WRRTC meeting. Krueger/Peper. Motion failed on a roll-call vote due to a tie, 11 in favor, 11 opposed. Discussion returned to the original motion.*

Crawford	Carl Orr, <i>2nd Vice Chair</i>	N	Jefferson	Mary Roberts	N
	Derek Flansburgh	-		John Kannard	N
	Tom Cornford	Y			
Dane	Kevin Potter	Y	Rock	Russ Podzilni	Y
	Jeff Huttenburg, <i>Treasurer</i>	N		Wayne Gustina	Y
	Chris James, <i>1st Vice Secretary</i>	Y		Alan Sweeney, <i>Chair</i>	Y
Grant	Gary Ranum	N	Sauk	Brian Peper	Y
	Mike Lieurance	-		Dave Riek, <i>2nd Vice Treasurer</i>	Y
	Robert Scallon, <i>1st Vice Chair</i>	Y		Marty Krueger	Y
		Tim McCumber, <i>Alternate</i>			
Green	Harvey Kubly, <i>1st Vice Treasurer</i>	-	Walworth	Al Stanek	-
	Oscar Olson	Y		Richard Kuhnke, <i>2nd Vice Secretary</i>	-
	John Buol	-		Allan Polyock	-
Iowa	Charles Anderson, <i>Secretary</i>	N	Waukesha	Dick Mace	N
	Kate Reimann	N		Richard Morris	N
	Susan Storti	N		Karl Nilson, <i>3rd Vice Treasurer</i>	N

Further information was provided about the project, including discussion of City approval needed for access drives. Nilson stated the amount of truck traffic is approximately five trucks a day. Administrator Becker stated that procedurally, any vote by the WRRTC is by fact contingent upon City approval since no projects moves ahead without this action. Lucht stated he is concerned with the motion being contingent on local approval not being in agreement with the Operating Agreement between WSOR and WRRTC.

- o *Motion to amend the original motion to approve, contingent upon approval by the City of Reedsburg Plan Commission and City Council. Krueger/Mace. 13 in favor, 9 opposed. Motion Passes.*

Crawford	Carl Orr, <i>2nd Vice Chair</i>	N	Jefferson	Mary Roberts	Y
	Derek Flansburgh	-		John Kannard	N
	Tom Cornford	Y			
Dane	Kevin Potter	N	Rock	Russ Podzilni	N
	Jeff Huttenburg, <i>Treasurer</i>	N		Wayne Gustina	Y
	Chris James, <i>1st Vice Secretary</i>	Y		Alan Sweeney, <i>Chair</i>	Y
Grant	Gary Ranum	N	Sauk	Brian Peper	Y
	Mike Lieurance	-		Dave Riek, <i>2nd Vice Treasurer</i>	Y
	Robert Scallon, <i>1st Vice Chair</i>	Y		Marty Krueger	Y
		Tim McCumber, <i>Alternate</i>			
Green	Harvey Kubly, <i>1st Vice Treasurer</i>	-	Walworth	Al Stanek	-
	Oscar Olson	Y		Richard Kuhnke, <i>2nd Vice Secretary</i>	-
	John Buol	-		Allan Polyock	-
Iowa	Charles Anderson, <i>Secretary</i>	Y	Waukesha	Dick Mace	Y
	Kate Reimann	Y		Richard Morris	N
	Susan Storti	N		Karl Nilson, <i>3rd Vice Treasurer</i>	N

Culotta provided additional information regarding the issues associated with the availability of other sites in the existing industrial parks. Culotta stated that many other sites were reviewed and no other site was available. Roberts asked if the site is at the end of the line. Stern walked the Commission through the project in detail.

WRRTC APRIL 2021 MEETING MINUTES – APPROVED

- *Motion to approve OTUA with Riffey Transloading in Reedsburg, contingent on approval from the City of Reedsburg Plan Commission and City Council. – Nilson/Podzilni. Approved. Storti Opposed. as amended to be approved passed with one opposed.*

13. Discussion and Action on Proposed Track Redesign in Reedsburg, WI. – Lucht, WSOR.

Lucht reviewed the project, highlighting the Commission's approval authority per Section 8.3 of the Operating Agreement which requires approval for removal or extension of track, but not rehabilitation of existing track. The current design is inefficient and this proposal result in a better utilization of space and capacity, and increase safety along the line. The project combines rehabilitation and new track construction, with some track removal. A summary of changes includes:

- Track 1: Existing track needs rehabilitation to handle more cars. The track would also be extended. There are currently customers on this track.
- Track 2: A new track extended to Park Street. Portions on the map in blue would be removed since it creates unsafe conditions. These changes will result in better service to Track 1.
- Mainline Track: Nothing is proposed here except removing some turnouts for reuse on track 3.
- Track 3: Inactive for years, but WSOR would like to rehabilitate this at some future time
- Pine Street crossing remains the same with no work outside the ROW.

Lucht stated that this work will likely move head even if the City of Reedsburg does not approve the project discussed in agenda Item 12.

- *Motion to approve the proposed track redesign as presented – Kannard/Mace. Passed Unanimously.*

14. Discussion and Action on Offer to Use Agreement (OTUA) with Sector67 in Madison, WI. – Stern, WisDOT.

Sector 67 (a private business) is looking to build a steel deck on the back of their building, with parking below. The plans presented reflects the necessary clearance between the building and rail line. They may install concrete parking barriers.

- *Motion to approve as presented – Morris/Podzilni. Passed unanimously.*

WSOR said this is a non-railroad use, and the typical process is to send a notice of encroachment for past issues. Stern confirmed there is no construction in the right of way. WSOR opposes this project. It is on a curved track that has not be rehabbed. WSOR believes there is sufficient parking on side streets and setbacks permit outdoor seating on other sides of the building. The potential for additional traffic could cause impairments to vision for the railroad.

- *Motion to reconsider the motion – Nilson. Failed due to lack of a second.*

15. Discussion and Action to Acknowledge 2020 Draft Audit. – Huttenburg, Treasurer.

No deficiencies found by Honer or Huttenburg. Huttenburg asked for verbal confirmation that there were no conflicts of interest, and none were present.

- *Motion to Acknowledge the Draft 2020 Audit Report as presented – Storti/Nilson. Passed Unanimously.*

16. Adjournment.

- *Motion to Adjourn at 12:10 pm – Cornford/Gustina. Passed Unanimously.*