

**Minutes of the
East Wisconsin Counties Railroad Consortium
Meeting of November 14, 2012**

East Wisconsin Counties Railroad Consortium Meeting was called to order by Chairman Rick Gundrum on November 14, 2012, at 10:00 a.m., at the Columbia County Law Enforcement Building, 711 E. Cook Street, Lower Level, Portage, 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; Joseph Koch and Karen Madigan, Fond du Lac County; Eugene Henke and Donald L. Peters, Green Lake County; Donald Dohrwardt, Ozaukee County; Richard Bemis and Mark Winkel, Sheboygan County; Rick Gundrum and Dan Goetz, Washington County; and Stan Kline and Joel Rasmussen, Winnebago County.

Excused: Russell Kottke and Harold J. Johnson, Dodge County; Steve F. Taylor, Milwaukee County; and Thomas E. Winker, Ozaukee County.

Others Present: Jerry Holub, Sheboygan County; Alan Jentz, Dodge County; Bill Gardner, Washington County; Tom Lorfeld, Columbia County; Ken Lucht, WSOR; Andy Ross, Columbia County; Charles Beck, Milwaukee County; Rose Leider, Ozaukee County; John F. Corey, Dodge County Corporation Counsel; and Kelly L. Lepple, Recording Secretary.

Ken Hutler welcomed everyone to Columbia County.

Public Comment: None.

Approval of Minutes of September 12, 2012: Motion by Koch/Goetz to approve the minutes of the September 12, 2012 meeting, as presented. Motion carried by unanimous vote.

Financial Report: Kelly Lepple reported the following: The balance in the checkbook as of August 31, 2012 was \$1,000.00. There were no deposits. There were no expenditures. There were no transfers. As of October 31, 2012 the balance in the checkbook was \$1,000.00. Total EWCRC money on deposit in the Investment Account as of October 31, 2012 is \$687,319.40. Motion by Bemis/Foley to approve the Financial Report. Motion carried by unanimous vote.

Consider, discuss, and take action on a letter dated October 4, 2012, from James Block of Johnson Block & Company, Inc., addressed to John Corey, regarding Proposal to Conduct Annual Audit of Financial Statements for Fiscal Year 2012: There was consideration of and discussion about a letter dated October 4, 2012, from James Block of Johnson Block & Company, Inc., addressed to John Corey, regarding a Proposal to Conduct Annual Audit of Financial Statements for Fiscal Year 2012. John Corey reported that he received a letter, dated October 4, 2012, from James Block of Johnson Block & Company, Inc., regarding a proposal to conduct an annual audit of financial statements for fiscal year 2012. Johnson Block & Company, Inc., will charge the EWCRC \$1,800 to conduct the

annual audit of financial statements for fiscal year 2012, and \$300 for Jim Block to personally present the annual audit of financial statements for fiscal year 2012 to the EWCRC, for a total amount of \$2,100. John Corey further reported that the presentation fee of \$300 will be eliminated if the members of the Board of Directors of the EWCRC will elect not to request Mr. Block to personally present the annual audit of financial statements for fiscal year 2012. Motion by Klein/Winkel to contract with Johnson Block & Company, Inc., at a rate of \$1,800, to conduct an annual audit of financial statements for fiscal year 2012, but to reserve the right to request Mr. Block to personally present the annual audit, if requested by the EWCRC after review by the EWCRC of the annual audit, and to pay the \$300 presentation fee to Johnson Block and Company, Inc., in the event that Mr. Block will personally present the annual audit to the EWCRC. Motion carried by unanimous vote.

Consider, discuss, and take action on the level of funding by member counties for 2013:

Chairman Gundrum asked that each member county of the EWCRC report its level of funding for 2012. Each member county of the EWCRC reported as follows: Columbia County – \$25,000; Dodge County – \$25,000; Fond du Lac County – \$25,000; Green Lake County – \$25,000; Ozaukee County – \$25,000; Sheboygan County – \$25,000; Washington County – \$25,000; and Winnebago County – \$25,000. No representative from Milwaukee County was present to report its level of funding for 2013. Motion by Kline/Dohwardt to authorize and direct John Corey to send invoices in the amount of \$25,000, in January, 2013, to each member county of the EWCRC for its member county contribution for 2013. Motion carried by unanimous vote.

Consider, discuss, and take action on rehabilitation projects for 2012 to be funded in part by the EWCRC: There was consideration of and discussion about the rehabilitation project for 2012 to be funded in part by the EWCRC. Ken Lucht gave an oral presentation on WSOR's 2012 Capital Project Planning. Ken Lucht provided to members of the Board of Directors of the EWCRC a 2012 Capital Project Planning handout containing WSOR's 2012 Capital Rehabilitation Project. Ken Lucht reported that WSOR's 2012 Capital Rehabilitation Project is a Phase I tie replacement project from Saukville to Plymouth, WSOR will install approximately 41,000 new ties, and WSOR is requesting the EWCRC to fund in part this Phase I tie replacement project using its 2012 member county contributions, not to exceed \$225,000. Motion by Bemis/Henke to contribute all of the EWCRC's 2012 member county contributions in the amount of \$225,000, to the 2012 Phase I Saukville to Plymouth tie replacement rehabilitation project, and to authorize the Office of Dodge County Corporation Counsel to pay invoices that will arise from the execution of the project as they are submitted to the Office of Corporation Counsel. Motion carried by unanimous vote.

Consider, discuss, and take action to arrange a meeting with Milwaukee County to discuss Milwaukee County's 2010 and 2012 member county contributions: John Corey stated that he has been in contact with various staff members of the Office of the Milwaukee County Executive, but he has been unable to schedule a meeting with the Milwaukee County Executive. Mr. Corey further reported that on or about November 12, 2012, an individual from the Economic Development department of Milwaukee County requested Mr. Corey to send him an invoice for \$25,000 for the 2012 contribution, and told Mr. Corey that upon receipt of the invoice, he will send a check to Mr. Corey in the amount of \$25,000, but that he has not yet received the check.

Consider and discuss a Resolution in support of increased funding for the Freight Railroad

Preservation Program: John Corey reported that the Dodge County Executive Committee sponsored a Resolution in Support of Increased Funding for the Freight Rail Preservation Program to \$90 million in the Wisconsin State Budget for the 2013-2015 biennium, that the Dodge County Board of Supervisors adopted the Resolution at its October 23, 2012 meeting, which authorized and directed the Dodge County Clerk to send a copy of the Resolution to the Governor of the State of Wisconsin, the Secretary of the Wisconsin Department of Transportation, and all Wisconsin State Legislators with a constituency within Dodge County. John Corey stated that each member county of the EWCRC is welcome to use the Resolution and he will send it electronically, in Word format, to each member county, immediately upon request.

Consider, discuss, and take action on report of WSOR: Ken Lucht reported the following:

WSOR has concentrated on completion of its capital project between Milwaukee and Slinger, a surfacing crew is working near Germantown and is on its way to Milwaukee, and after the surfacing crew has completed its work, WSOR will increase the track speed between Milwaukee and Slinger to 40 MPH, a tie replacement crew is now working in North Milwaukee, WSOR has used a geometry car to check the tracks on the entire WSOR system, the geometry car travels on the rails and detects elevation discrepancies and gauge discrepancies in the rail, and is used by WSOR to determine whether or not the rail meets the applicable standards set forth in the various FRA classes, the geometry car has been very helpful, it has not detected any wide gauge discrepancies in the EWCRC area, but has detected some wide gauge discrepancies in other areas, the geometry car traveled over welded rail and did not detect any major elevation discrepancies or gauge discrepancies in the welded rail, 2012 is the first year in which WSOR has used the geometry car, and it is likely that WSOR will use the geometry car every year from now on, WSOR has nearly completed its continuous welded rail project between Madison and Milton, in Rock and Dane Counties, the last phase of that project is to rebuild 10 publicly-owned railroad bridges, WSOR solicited and received competitive bids for the bridge work, and awarded construction contracts to construction companies to do the bridge work, the bridge work will be completed in the next two or three months, WSOR is rebuilding 12 new at-grade crossings between Janesville and Monroe on the Monroe Subdivision, that project is funded in part by the State of Wisconsin and in part by WSOR, and in part by the Pecatonica Rail Transit Commission, WSOR has applied for grant funds for rehabilitation projects in the Southern Division for 2013, WSOR has applied for grant funds in the amount of \$13 million for installation of approximately 12 miles of continuous welded rail on the Fox Lake Subdivision, south of Janesville, in Rock and Walworth Counties, funds that have been applied for have not yet been awarded, WSOR is concerned about bridges, system wide, but more so on the Southern Division than on the Northern Division, WSOR has applied for \$5 million to rebuild various bridges, system wide, WSOR has also applied for funds in the amount of \$2 million for capacity expansion in Rock County between Milton and Janesville, to be used to construct a new passing track that will be approximately 8,000 feet long and will be built on land owned by the State of Wisconsin, WSOR considers the area in Rock County between Milton and Janesville to be a bottleneck, WSOR operates trains that travel from Janesville into the Northern Division and also operates trains that travel from Dane County into Janesville, and is required to schedule those trains so that they do not meet, because when they meet, they cannot get around each other, WSOR has banked about 20,000 feet of sidings that were taken out of service over the past 15 years or so, and will use 8,000 feet of those banked sidings to construct the new passing track in Rock County between Milton and Janesville, those grant funds in the amount of \$2 million have not yet been awarded, WSOR has shipped less grain recently because of drought conditions which are more serious in the Southern Division than in the Northern Division, WSOR is making up for those fewer shipments of grain by shipping other commodities, such as frack sand, frack sand

shipments originate at 3 sites on the WSOR system, one in Prairie du Chien, in Crawford County, one in Sauk County, and one in Green Lake County, in the Northern Division shipments of military vehicles from Oshkosh Truck have greatly increased, WSOR is switching railcars two times each day at Oshkosh Truck in order to transport outbound military vehicles that had been manufactured there.

There was discussion about whether or not WSOR intends to close its offices in Milwaukee. Ken Lucht reported that WSOR has no intention of closing its offices in Milwaukee, but WSOR is considering moving its offices in Milwaukee to a different location in Milwaukee.

Farewell Statement from Bill Gardner: Bill Gardner stated that he has worked in the railroad industry for 24 years and, that, unfortunately, he is no longer associated with WSOR, thanked everyone with whom he has worked, for a great ride, that as a result of the knowledge of the railroad industry he has acquired during his 24 years of work experience in the railroad industry, he is qualified to consult for the EWCRC on railroad matters, is willing to do so, and will do so upon request of the EWCRC.

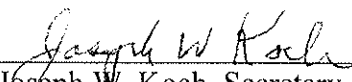
John Corey reported that he received a letter, dated October 11, 2012, addressed to Rick Gundrum, Chairman, East Wisconsin Railroad Consortium, from Mark Gottlieb, Secretary of WisDOT, in response to the letter that the EWCRC sent to Mark Gottlieb on September 27, 2012, regarding EWCRC's support of increased funding for the Freight Rail Preservation Program to \$90 million in the Wisconsin State Budget for the 2013-2015 biennium.

Date, time, and place of next meeting (January 9, 2013): The next regular EWCRC meeting will be held on January 9, 2013, at 10:00 a.m. Washington County will host the meeting.

Motion by Winkel/Klein to adjourn. Motion carried by unanimous vote.

Meeting adjourned at 10:45 a.m.

Respectfully submitted,


Joseph W. Koch, Secretary

Disclaimer: The above minutes may be approved, amended or corrected at the next committee meeting.