

WRRTC SEPTEMBER 2018 MEETING MINUTES –APPROVED

**Wisconsin River Rail Transit Commission
Commission Meeting - Friday, September 7, 2018 at 10:00 am
Dane County Highway Garage, Madison, WI**

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

Crawford	Carl Orr	X	Jefferson	Mary Roberts	X
	Rocky Rocksvold, 2 nd Vice Chair	X		John Kannard	X
	Derek Flansburgh	X		Augie Tietz, 3 rd Vice Chair	X
	Tom Cornford, Alternate	X		Terry Thomas	Excused
Dane	Gene Gray, Treasurer	X	Rock	Wayne Gustina	X
	Jim Flemming	Absent		Alan Sweeney, Chair	X
	Chris James, 1 st Vice Secretary	X		Chuck Spencer	X
Grant	Gary Ranum	X	Sauk	Dave Riek, 2 nd Vice Treasurer	X
	Mike Lieurance	X		Marty Krueger	X
	Robert Scallon, 1 st Vice Chair	X		Tim McCumber, Alternate	X
	Harvey Kubly, 1 st Vice Treasurer	Excused		David Bretl	X
Green	Oscar Olson	X	Walworth	Richard Kuhnke, 2 nd Vice Secretary	X
	Paul Beach	Absent		Allan Polyock	Excused
	Charles Anderson, Secretary	X		Dick Mace	Excused
Iowa	Kate Reimann	X	Waukesha	Richard Morris	X
	Mark Storti	X		Karl Nilson, 3 rd Vice Treasurer	X

Commission met quorum.

Others present for all or some of the meeting:

<ul style="list-style-type: none"> • Matt Honer - WRRTC Administrator • Ken Lucht, Roger Schaalma – WSOR • Eileen Brownlee, Julia Potter - BoardmanClark 	<ul style="list-style-type: none"> • Kim Tollers, Rich Kedzior, Ed Singer, Teri Beckman, Lisa Stern - WisDOT • Alan Anderson, Pink Lady RTC • John Hostetler – Private Crossing Applicant • Susan Novak – Trotter and Associates.
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3. Action Item. **Certification of Meeting’s Public Notice – Noticed by Honer.**
 - Motion to approve meeting’s public notice – Gustina/Roberts. Passed Unanimously.
4. Action Item. **Approval of Amended Agenda – Prepared by Honer.**
 - Motion to approve the amended agenda – Kuhnke/Storti. Passed Unanimously.
5. Action Item. **Approval of draft August 2018 Meeting Minutes – Prepared by Honer.**
 - Motion to approve meeting minutes with minor edits – Spencer/Anderson. Passed Unanimously.
6. Updates. **Public Comment – Time for public comment may be limited by the Chair.**
Storti thanked Lucht for coming to Iowa County Public Works committee. Storti explained that Lucht’s attendance was instrumental in bringing the proposed county contribution to the county board.
7. Updates. **Announcements by Commissioners**

REPORTS & COMMISSION BUSINESS

8. **WRRTC Financial Report – Gene Gray – Treasurer, Jim Matzinger - Accountant.**
 - Treasurer’s Report and Payment of Bills

Sweeney asked that Treasurer’s report be provided when agendas go out. Gray reported that 148K under accounts receivable will be zeroed out eventually once funds are transferred. Gray reported that dollars will be transferred to the 2017 project fund. Gray reported on three bills.

- Motion to approve the Treasurer’s Report, income statement, and payment of bills – Nilson/Anderson. Passed Unanimously

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

Schaalma reported that brush was sprayed on 300 miles of the network, including the Prairie, Cottage Grove, and Fox Lake Subdivisions. Schaalma stated that the remaining mileage was sprayed last year and that track spraying is on a two-year cycle for the entire network. Schaalma reported that the rail detector is now on the Waukesha Subdivision, he expects a lot of defects to be repaired. With the flooding happening, he expects to shift it to the northern division, and come back to the southern division once the flooding repairs have been done. Schaalma reported on the Capital Improvement project on the Fox Lake Sub, that the continuous welded rail work is complete between Walworth and the State Line, crossings in Walworth and turnouts in Zenda are being done this week, and WSOR has started on the surfacing. Work on the Watertown Sub. is moving forward, WSOR has a contractor lined up to do 6 grade crossings between Watertown and Waterloo this fall and work on three bridges is ongoing. The contractor for the Wauzeka Bridge, Kraemer North America, is on hold due to the flooding, but overall, the project is going really well.

Ranum asked Schaalma about the outages and damages. Schaalma stated that they will address all issues in the presentation. Schaalma stated that as of today, WSOR will be able to reach customers in Mazomanie, but it will take a little while longer to complete all repairs on the Prairie Sub. There is damage on the Reedsburg subdivision, but it is mostly high water, he expects water to be down by Monday and will return service next Wednesday. Storti asked about the consideration to replace the damaged rail with CWR, Schaalma responded that the Prairie Sub. is part of the long-term plan. Nilson asked Schaalma to clarify what is meant by a “Class 2” railroad. Schaalma reported that there are 6 FRA classes of track, 6 is typically highspeed passenger rail, 1 – 4 are typically freight. The speeds determine the class of track, Class 1 is 10 mph, Class 2 is 25 mph, Class 3 is 40 mph, and Class 4 is 60. In order to meet those classes, the quality of track needs to meet certain conditions (ties, surface, rail gauge, etc.). Schaalma reported that the majority of the WRRTC is Class 2, some is Class 3 (Madison Sub. and a lot of the Fox Lake Sub). The Prairie Sub. is mostly #85 – #90 rail that is over 100 years old and it is not advisable to go over 25 mph on it. Nilson asked about the classification of railroads, national railroads vs short-lines. Schaalma reported that national railroads are called Class 1, there are 7 of them in the country. Most short-lines are considered Class 3 railroads. Those classifications are determined by revenue. Orr asked when the material from the track upgrade on St. Feriole Island will be picked up. Schaalma stated that some repair materials will remain, but the other material will be picked up this year. Grey asked if there are repetitive washout areas. Schaalma reported that most of the washouts are new. Reimann asked if trains will go 40 mph through villages on the Prairie Sub. when CWR is installed. Schaalma stated that it is a possibility depending on the communities and safety considerations.

10. WisDOT Report – Rich Kedzior, Kim Tollers - WisDOT.

Tollers stated that an email went out announcing the 2018 WisDOT Freight Rail Conference with an agenda. Tollers reported that the survey on St. Feriole Island is ongoing, but complicated. Kim explained that St. Feriole Island, in Prairie du Chien, is the terminal point of the Prairie subdivision and is one of the oldest settlements in the Midwest, so the land ownership and title work is extremely complicated.

Nilson stated that the conference is definitely worthwhile. Tollers stated the \$40 fee can be paid at the door.

11. WRRTC Correspondence/Communications and Administrator’s Report – Honer, Admin.

Honer stated that he distributed the 2019 budget to the counties. He has not heard back from the counties regarding the 2019 budget.

Honer sent the Audit engagement letter to Johnson Block and has heard back from them. The Commission can expect the 2017 Audit to be presented at the November meeting.

Honer followed up with the homeowner who owns the land on Hatchery Road in Fox Lake, Illinois. Honer explained that the Commission would consider working with the Village on an agreement but that an agreement will not satisfy the title company. Honer told the landowner that they need to address this issue with the Village, who is responsible for their own ROW that is currently out of service.

Honer stated that work on track removal of the Great Sauk Trail in the former Badger Army Ammunition Plant is nearing completion. Scrap metal has been stockpiled and the county will receive salvage quotes on September 12th. Costs have far exceeded the prior year’s removal costs, likely due to the disposal of ties at the same time. Current expenses for this year’s removal project are \$311,270.07, last year’s expenses were \$223,537.51. Honer does not expect that the salvage of rail and other track material to offset the cost incurred to date.

Tollers asked if steel prices have gone up. Roger stated that WSOR locked in at \$280/ton which is better than the prior year.

12. Discussion of the impacts and response to flooding on the WRRTC network – Lucht, WSOR.

Lucht and Schaalma presented the impacts of flooding on the entire WSOR network, both the northern and southern divisions. There was a significant amount of damage on the Prairie Sub. between Arena and Middleton, mostly in western Dane county. Lucht reported that on August 20th and 21st there were 85 separate washouts, 6000 ft of track damage, 6 inches of standing water, and 26 miles were out of service on the Prairie Sub. due to heavy rains. On August 26th there was a heavy rain event that affected the northern division and on the 27th there was another heavy

rain event that affected the Reedsburg Sub. WisDOT will be funding 80% of eligible cost up to \$750K, Ken believes it will likely be a 50% grant when all work is completed. Sweeney asked if WRRTC has financial responsibility, Lucht responded that they have not identified any. Bretl asked if there is insurance for this. Lucht responded that WSOR's deductibles are very high and the claim would not be worthwhile.

Lucht stated that the public emergency declaration allowed WSOR to mobilize contractors quickly. James asked about the area north of Y on the Sauk Sub. Schaalma stated WSOR has not had a chance to make a site visit there yet. Schaalma reported that he expects to come in under budget, although when all is said and done they will be 1.1 – 1.5 million. Sweeney asked about what WSOR had to do to have their customers serviced by other railroad lines. Lucht stated that there is an interchange with BNSF, which is usually only Unit Trains. WSOR had to ask BNSF for them to allow detour Manifest traffic. Lucht stated that transloading is also an option for some customers.

Schaalma presented flooding on the Reedsburg Subdivision due to the Baraboo flooding. Schaalma reported on two washouts on the Reedsburg Sub. Roger stated that it has flooded once with a crest approximately of 27ft and will crest again today with a similar crest. Schaalma stated he believes that the subdivisions will be back in service by Wednesday.

Schaalma also reported on the flooding of the Madison subdivision. Additional damage was done on the Plymouth and Oshkosh, subdivisions of the northern division.

Grey asked if Schaalma expects flooding to last awhile. Schaalma stated that is the case on some subdivisions but expects others to drain quickly. Sweeney asked Lucht to explain the WisDOT agreement for emergency funding. Lucht stated that over a few days. Lucht explained that WisDOT funding is dependent on meeting return to service deadlines. WSOR needed to return service to Middleton by September 1st, Mazomanie by September 8th, and service returned on the entire Prairie Sub. by September 28th. Lucht stated that it is an aggressive timeframe, but the emergency declaration helped. Lucht stated that the timeframe to meet the Mazomanie deadline was especially aggressive and may have not be able to be done if not for the creativity of building a temporary road. Sweeney commended WSOR for their work. Ranum asked for a copy of the presentation. Sweeney stated he will provide a copy to Matt, who will attempt to place it on the website.

13. Discussion and Action on the Belden Siding Agreement – Eileen Brownlee, Ken Lucht.

Brownlee stated that she prepared the Belden Siding agreement document and WSOR looked over and provided comments. She stated a removal clause was included in the agreement. Nilson asked about the ownership of the material. Brownlee stated that WSOR owns it and the Commission can request it be removed if an operating agreement were not in place.

- *Motion to approve the agreement as presented with WSOR for the construction, maintenance, and ownership of the Belden Siding on the Fox Lake Subdivision – Nilson/Bretl. Passed Unanimously*

14. Discussion and Action on Lamar Billboard Lease – Honer, Admin.

Honer stated that he has not been able to locate a lease agreement with Lamar for a billboard of the Fox Lake Subdivision. Both Lamar and Eileen Brownlee were not able to locate a current lease agreement. The last time the agreement with Lamar came up for discussion was in February of 2013. At that meeting, a motion was made and passed unanimously to refuse the renewal of the lease. Although this was the motion that was made, Lamar has continued to send checks and the Commission has continued to deposit those checks. The checks have been decreasing in amount. Additionally, a motion was made at the November 2016 meeting to not allow billboards on the right of way.

Honer stated that he has received a check from Lamar for their annual lease for 2018 but has asked Jim Matzinger to hold the check. Honer stated that because the Commission has continued to deposit check they have been acting as though a lease agreement is in place. Brownlee advised that another motion be made to refuse a lease agreement with Lamar and ask them to remove their structure from the right-of-way.

- Motion to continue to cash the checks. Nilson/. Motion fails for lack of a second.

Sweeney asked how long of a notice the Commission is required to give to Lamar. She stated she is not sure but the proposed lease continuation in 2013 was for five years and would have ended August 2018. If that is the case we could give them 60 days' notice to remove their billboard.

- Amend the motion to return the check and inform the Lessee to vacate the premises within 60 days. Nilson/Bretl. Passed Unanimously.

Kannard asked if there was an issue with the billboard. Sweeney stated that there have been problems in the past that have caused the Commission to not allow billboards on the right-of-way. Tietz asked where the right of way is. Honer verified that the smaller billboards in the picture are outside of the railroad right-of-way. Riemann asked what the issues are with signs in the right-of-way, Sweeney responded that absentee payments and safety are concerns.

15. Discussion and Action on Hostetler Private Crossing on Prairie Subdivision – Honer, Admin.

Honer stated that John Hostetler contacted him approximately a month ago to discuss a private crossing agreement. Honer handed out a copy of the application that Mr. Hostetler submitted and offered the floor to Mr. Hostetler to explain the purpose for the private crossing. Honer also asked Ken Lucht to provide further input into WSOR's conditions on the crossing.

WSOR's conditions on the crossing are that the applicant pays for construction of a new private crossing in accordance with WSOR's Standard Crossing Plan, the applicant is in charge of maintaining the private crossing, users of the crossing are restricted to John Hostetler and/or truck drivers affiliated with John Hostetler, no public use is allowed, the use of the crossing is strictly for the proposed business, the crossing would be gated with a lock, and the applicant enter into a private crossing agreement with WRRTC. Lucht stated that they are ok with the private crossing agreement.

Ranum asked if there is enough room between the track and the road for the truck to stop. Hostetler stated that there is. Tollers asked about a driveway permit. Honer clarified that WisDOT will not issues a driveway permit with an agreement for the applicant to cross the railroad property.

- Motion to approve the Hostetler private crossing application – Nilson/Scallon. Passed Unanimously.

16. Discussion and Action on Village of Fox Lake Utility Permit – Honer, Admin.

Honer stated that he received a utility permit application from the engineering firm associated with the utility crossing on behalf of the Village of Fox Lake. Honer, and Brent Marsh from WSOR, reviewed the application and it appears to follow the Transportation 29 standard for Railroad Utility Crossings.

- Motion to approve the Village of Fox Lake's Utility Permit application – Storti/Tietz. Passed Unanimously.

17. Adjournment

- *Motion to Adjourn at 11:35 am – Gustina/Spencer.. Passed Unanimously.*