

**Minutes of the
East Wisconsin Counties Railroad Consortium
Meeting of March 24, 2010**

East Wisconsin Counties Railroad Consortium Meeting was called to order by Chairman Jerry Holub on March 24, 2010, at 10:00 a.m., at the Holiday Inn of Fond du Lac, 625 W. Rolling Meadows Drive, Fond du Lac, 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 Vern Gove, Columbia County; Edwin J. Qualmann, Dodge County; Joseph Koch and Robert Fox, Fond du Lac County; Eugene Henke and Alma Hedberg, Green Lake County; Rose Hass Leider, Ozaukee County; Jerald Holub and Duffy Reimer, Sheboygan County; Rick Gundrum, Washington County; and Stan Kline and Jef Hall, Winnebago County.

Excused: Russell Kottke, Dodge County, Robert Walerstein, Ozaukee County, and Daniel Goetz, Washington County.

Others Present: Allen Buechel, Fond du Lac County Executive; John Muentner, Karen Madigan, John Zorn and Tom Janke, Fond du Lac County; Jim Erdman, Watertown Chamber of Commerce; Mark Smith, Specialty Ingredients, LLC/Rail & Transload, Inc., Watertown, Wisconsin; Don Pohlman, Mayor for the City of Plymouth; Jerry Thompson, Railroad Services Coordinator for the City of Plymouth; Paul Lohmiller, Graef Engineers; Charles Beck, Citizen; Ken Lucht and Paul Swanson, WSOR; Frank Huntington, WisDOT Bureau of Railroads and Harbors; Dan Amato, Representative of Columbia County Economic Development; John F. Corey, Dodge County Corporation Counsel; and Kelly L. Lepple, Recording Secretary.

Welcome to Fond du Lac County: Joe Koch and Allen Buechel, Fond du Lac County Executive, welcomed everyone to Fond du Lac County.

Public Comment: Dan Amato reported that Fromm Pet Foods will locate in Columbus and will occupy the former FS feed mill. Dan Amato also reported that Didion Mills in Cambria received a grant from the Wisconsin Department of Commerce to extract oil from milled corn and that the extracted oil will be sold to manufacturers of biodiesel fuel.

Approval of Minutes of January 27, 2010: Motion by Kline/Hass Leider to approve the minutes of the January 27, 2010, meeting, as presented. Motion carried by unanimous vote.

Financial Report: Ed Qualmann reported the following: The balance in the checkbook as of December 31, 2009, was \$1,000.00. Deposits were \$154,690.00. There were no expenditures. Transfers to the AIM Investment Account from the EWCRC checking account were \$154,690.00. As of March 15, 2010, the balance in the checkbook was \$1,000.00. Total EWCRC Money on Deposit in the AIM Investment Account as of March 15, 2010, is \$455,776.79. Motion by Gove/Fox to approve the financial report. Motion carried by unanimous vote. Jef Hall inquired

whether or not the AIM Investment Account was a money market account and whether or not it is possible that the Consortium could lose money that it has deposited into that account. John Corey stated that he will ask the Dodge County Finance Director and the Dodge County Treasurer for a full description of the AIM Investment Account. Jef Hall requested that John Corey give a report regarding the AIM Investment Account at a future meeting. There was an inquiry regarding which member counties of the EWCRC have not paid their respective 2010 member county contribution. As of March 24, 2010, Washington County and Milwaukee County have not paid their respective 2010 member county contribution.

Consider, Discuss, and Approve the EWCRC Annual Audited Financial Report for 2009 by Johnson Block and Company, Inc.: There was consideration of and discussion about the annual audited financial report for 2009 prepared by Johnson Block and Company, Inc. John Corey reported that at the January 27, 2010, meeting of the Board of Directors of the EWCRC, the Board of Directors decided that each member of the Board of Directors would review the audited financial report, and if any member of the Board of Directors had questions or determined that it was necessary for Jim Block to make a presentation regarding the annual audited financial report for 2009, that the Board of Directors would authorize and direct Jim Block to do so, and the Board of Directors would pay to Johnson Block and Company, Inc., the \$300.00 presentation fee. Motion by Kline/Gundrum to approve the 2009 Financial Report as presented in written form. Motion carried by unanimous vote.

Consider, Discuss, Approve and Authorize Payment of Invoice of Johnson Block and Company, Inc., for Services Provided in Preparing the 2009 Audited Financial Report: There was consideration of and discussion about the invoice that was presented for payment from Johnson Block and Company, Inc., in the amount of \$1,800.00 for services provided in preparing the 2009 EWCRC audited financial report. Motion by Hall/Koch to approve payment of this invoice and to authorize and direct the Office of Dodge County Corporation Counsel to send payment to Johnson Block and Company, Inc., in the amount of \$1,800.00 for services provided in preparing the 2009 EWCRC audited financial report. Motion carried by unanimous vote.

Consider, Discuss, Approve and Authorize Payment of Invoice of Dodge County for Services Provided by the Dodge County Finance Department in 2009: There was consideration of and discussion about the statement for services that was presented for payment from Dodge County, in the amount of \$325.00, for services provided by the Dodge County Finance Director and staff, in recordkeeping, accounting assistance, and in preparing the EWCRC Annual Financial Report for 2009. Motion by Hutler/Hall to approve payment of this invoice and to authorize and direct the Office of Dodge County Corporation Counsel to send payment to Dodge County, in the amount of \$325.00 for services provided by the Dodge County Finance Director and staff, in recordkeeping, accounting assistance, and in preparing the EWCRC Annual Financial Report for 2009. Motion carried by unanimous vote.

Consider, Discuss, Approve and Authorize Payment of Invoice of Dodge County for Services Provided by the Corporation Counsel Office in 2009: There was consideration of and discussion about the statement for services that was presented for payment from Dodge County, in the amount of \$6,336.35, for services provided by the Dodge County Corporation Counsel and staff in 2009. John Corey reviewed and explained the invoice. Motion by Hall/Gove to approve payment of this invoice and to authorize and direct the Office of Dodge County Corporation Counsel to send payment to Dodge County, in the amount of \$6,336.35, for services provided by the Dodge County

Corporation Counsel and staff in 2009. Motion carried by unanimous vote.

Consider, Discuss, and Take Action to Revise EWCRC Bylaws to Allow Only One Member of the Board of Directors from each Member County to Serve as an Officer: There was consideration of and discussion about the proposed amendment to the bylaws to allow only one member of the Board of Directors from each member county to serve as an officer that was prepared by John Corey. It was the consensus of the Board of Directors of the EWCRC that at the annual meeting of the EWCRC to be held on July 14, 2010, it will consider and take action on the proposed amendment to the bylaws, immediately before the election of officers.

Consider, Discuss, and Take Action on Report of WSOR: Ken Lucht introduced Paul Swanson who is a member of the WSOR Transportation Department. Paul Swanson is currently working on a special anniversary book for the WSOR. WSOR is celebrating a 30-year anniversary in 2010. Ken Lucht also reported the following: WSOR has done some brush cutting on the Northern Division and on the Southern Division. WSOR has replaced broken rails on the Northern Division and on the Southern Division. WSOR is also performing maintenance work on equipment. WSOR is preparing for the construction season. Ken Lucht distributed to members of the Board of Directors of the EWCRC a handout describing some of WSOR's new customers and where they are located, and the products they transport by rail.

Consider and Discuss Economic Stimulus Plan for Shovel Ready Projects by WSOR: There was consideration of and discussion about the "shovel ready projects" that WSOR has submitted for federal economic stimulus funding. Ken Lucht thanked the EWCRC for sending to Governor James Doyle and the Wisconsin Congressional Delegation, a letter in support of the economic stimulus plan for shovel ready projects proposed by WSOR. Ken Lucht distributed to members of the Board of Directors of the EWCRC a booklet entitled *Shovel Ready Projects & Recently Emerged Critical Structure Condition Analysis* which provided detailed information on the shovel ready projects.

Consider, Discuss and Take Action on Construction of the Plymouth to Sheboygan Falls Rail Line: There was consideration of and discussion about the construction of the Plymouth to Sheboygan Falls Rail Line. Mayor Don Pohlman reported that the City of Plymouth is in the process of finalizing its agreement with WSOR for the local match amount and hopes to start its bonding process in the month of April of 2010, and to receive in the middle of June of 2010, funds from the sale of those bonds. It is anticipated that that the project will start either this Spring or this Summer. The first project activity will be brush cutting of the corridor.

Consider, Discuss, and Take Action on 2009 Capital Project Funding Strategy: Ken Lucht gave a presentation on WSOR's capital upgrade projects and a presentation on the condition of WSOR's bridges. Ken reported the following: There are approximately 6 or 7 bridge structures on rail lines in Wisconsin that are very close to being removed from service because of their condition. There are also 5 bridge structures on the rail line in Illinois between the Wisconsin state line and Fox Lake, Illinois, that are also very close to being removed from service because of their condition. The bridge structures located in Illinois are not eligible for county dollars or State of Wisconsin grant funding. WSOR has no program to fund the repairs of the bridge structures in Illinois. However, the Illinois Department of Transportation has a loan program for repair of the bridge structures and WSOR is currently investigating the loan program. WSOR did not receive grant funds from WisDOT for its 2009 Phase I Rehabilitation Project between North Milwaukee and Slinger, until October of 2009. Consequently, WSOR was unable to do any work in this area in

2009. This project will consist of reconstruction of public at-grade railroad crossings and the installation of numerous switches. WSOR requests that the EWCRC use all of its 2009 member county contributions in the amount of \$225,000.00, for the Phase I North Milwaukee to Slinger rehabilitation project, and WSOR will contribute the remaining \$45,000 and will reconstruct at WSOR's sole expense two additional public at-grade crossings. Motion by Hall/Gundrum to use all of EWCRC's 2009 member county contributions in the amount of \$225,000.00 for the North Milwaukee to Slinger rehabilitation project. Motion carried by unanimous vote.

Consider, Discuss, and Take Action on Rehabilitation Projects for 2010 to be Funded in Part by EWCRC: WSOR will apply for funding for a Phase 3 rehabilitation project from North Milwaukee to Slinger which will include the reconstruction of several more public at-grade crossings and switches and then will begin to lay continuous welded rail on this segment. WSOR is applying for funding for a continuous welded rail project on its Southern Division, between Madison and Milton. WSOR has applied for funding to repair three bridge structures on the Northern Division and Southern Division. WSOR has also applied for funding for a Phase I tie replacement project between Saukville and Plymouth. WSOR will report to the Consortium on these projects at the July 14, 2010 meeting of the EWCRC.

Time, date, and place of next meeting (May 12, 2010): The next regular EWCRC meeting will be held on Wednesday, May 12, 2010, at 10:00 o'clock a.m. Dodge County will host the meeting.

Motion by Kline/Reimer to adjourn. Motion carried by unanimous vote.

Meeting adjourned at 11:48 a.m.

Respectfully submitted,

Jef Hall, Secretary

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