

**Minutes of the
East Wisconsin Counties Railroad Consortium
Meeting of July 14, 2010**

East Wisconsin Counties Railroad Consortium Meeting was called to order by Chairman Jerry Holub on July 14, 2010, at 10:00 a.m., at Bublitz's Family Restaurant, 580 East Avenue, Lomira, 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; Russell Kottke and Edwin J. Qualmann, Dodge County; Joseph Koch, Fond du Lac County; Eugene Henke, Green Lake County; Theodore Lipscomb, Milwaukee County; Robert Walerstein and Rose Hass Leider, Ozaukee County; Jerald Holub and Dick Bemis, Sheboygan County; Dan Goetz and Rick Gundrum, Washington County; and Stan Kline, Winnebago County.

Excused: Robert Fox, Fond du Lac County; Alma Hedberg, Green Lake County; Mark Borkowski, Milwaukee County; and Jef Hall, Winnebago County.

Others Present: Don Pohlman, Mayor for the City of Plymouth; Joe Klein, Ozaukee County; Ken Hypki, Ozaukee County; Charles Beck, Citizen; Paul Lohmiller, Graef Engineers; Dan Amato, Representative of Columbia County Economic Development; Bill Gardner and Ken Lucht, WSOR; Frank Huntington, WisDOT Bureau of Railroads and Harbors; John F. Corey, Dodge County Corporation Counsel; and Kelly L. Lepple, Recording Secretary.

Public Comment: None.

Approval of Minutes of March 24, 2010: Motion by Kline/Koch to approve the minutes of the March 24, 2010, meeting, as presented. Motion carried by unanimous vote.

Financial Report: Ed Qualmann reported the following: The balance in the checkbook as of March 15, 2010, was \$1,000.00. Deposits were \$33,461.35. Expenditures were \$8,461.35. Transfers to Investment Account from the EWCRC checking account were \$25,000.00. As of June 30, 2010 the balance in the checkbook was \$1,000.00. Total EWCRC Money on Deposit in the Investment Account as of June 30, 2010 is \$472,342.86. Motion by Kline/Hutler to approve the financial report. Motion carried by unanimous vote.

Consider, Discuss, and Take Action Regarding Future Revision of 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 amending the EWCRC Bylaws to allow only one member of the Board of Directors from each member county to service as an officer. Motion by Leider/Walerstein to amend the EWCRC Bylaws to allow only one member of the Board of Directors from each member county to service as an officer. Motion carried by unanimous vote.

Election of Officers:

Chairman: Robert Walerstein nominated Jerald Holub for chairman and Rose Hass Leider seconded the nomination. There were no other nominations. Motion by Hutler/Gove to close nominations. Motion carried by unanimous vote. Motion by Koch/Goetz to cast a unanimous ballot for Jerald Holub as chairman. Motion carried by unanimous vote. Jerald Holub was elected chairman of the EWCRC.

Vice Chairman: Robert Walerstein nominated Stan Kline for vice chairman. Ken Hutler nominated Vern Gove for vice chairman. There were no other nominations. Motion by Holub/Gundrum to close nominations. Motion carried by unanimous vote. A secret ballot vote was taken. The results were Stan Kline 7 votes and Vern Gove 7 votes. Pursuant to Section 2 of the Bylaws of the EWCRC, the winner was determined by the toss of a coin. Vern Gove was elected vice chairman of the EWCRC.

Secretary: Stan Kline nominated Jef Hall for secretary. Jerald Holub nominated Rick Gundrum for secretary. There were no other nominations. Motion by Koch/Bemis to close nominations. Motion carried by unanimous vote. A secret ballot vote was taken. The results were Jef Hall 7 votes and Rick Gundrum 7 votes. Pursuant to Section 2 of the Bylaws of the EWCRC, the winner was determined by the toss of a coin. Jef Hall was elected secretary of the EWCRC.

Treasurer: Joe Koch nominated Ed Qualmann for treasurer and Dick Bemis seconded the nomination. There were no other nominations. Motion by Holub/Koch to close nominations. Motion carried by unanimous vote. Motion by Holub/Hass Leider to cast a unanimous ballot for Ed Qualmann as treasurer. Motion carried by unanimous vote. Ed Qualmann was elected treasurer of the EWCRC.

Consider, Discuss and Take Action on the Level of Funding by Member Counties for 2011:

There was consideration of and discussion about the level of funding for member counties for 2011. Motion by Hass Leider/Gundrum that Board of Directors of the EWCRC recommend to each member county that each member county budget \$25,000 for its 2011 member county contribution to the EWCRC. Motion carried by unanimous vote.

Report on AIM Investment Account: John Corey reported to the Board of Directors of the EWCRC on the AIM Investment Account. John Corey reported that: The AIM Investment Account is now known as the Invesco Investment Account. The Board of Directors of the EWCRC is authorized by Section 66.0603(1m)(a)(5), of the Wisconsin Statutes, to invest in this account any of its funds not immediately needed. This account is an investment trust, it does not charge a sales load, and it is registered as an investment trust under the investment company act of 1940, 15 USC 80a-1 to 80a-64.

Update on the Plymouth to Sheboygan Falls Rail Line Rebuild Project: Mayor Don Pohlman reported that Sheboygan County will apply for TIGER II funding in the amount of \$15 million to be used to fund the rebuilding of the recently-acquired State of Wisconsin railroad right-of-way from Plymouth, Wisconsin, to Sheboygan Falls, Wisconsin. Mayor Pohlman further reported that Sheboygan County has requested that the Board of Directors of the EWCRC adopt a Resolution in support of the application of Sheboygan County for TIGER II funding.

Consider, discuss, and take action regarding a Resolution of support for the application of Sheboygan County for TIGER II funding to be used to fund the rebuilding of the Plymouth to Sheboygan Falls rail line: There was consideration of and discussion about the adoption of a resolution of support for the application of Sheboygan County for TIGER II funding to be used to fund the rebuilding of the Plymouth to Sheboygan Falls rail line. Motion by Kottke/Walterstein to adopt a Resolution of support for the application of Sheboygan County for TIGER II funding to be used to fund the rebuilding of the Plymouth to Sheboygan Falls rail line and to send the original Resolution to the Sheboygan County Economic Development Corporation. Motion carried by unanimous vote.

Consider, discuss, and take action to amend the Operating Agreement Between EWCRC and WSOR to include the Gibson Line as part of trackage or improved property: There was consideration of and discussion about amending Operating Agreement No. 0490-40-50(F-1) by and between the EWCRC and WSOR to include the Gibson Line as part of trackage or improved property. Errors were discovered in the proposed Amendment One document. After the errors have been corrected, the Dodge County Corporation Counsel Office will send the Amendment One document to the Chairman and Secretary of the EWCRC for each of their signatures. Motion by Kline/Hass Leider to approve Amendment One to Operating Agreement No. 0490-40-50(F-1) to include the Gibson Line as part of trackage or improved property. Motion carried by unanimous vote.

Consider, discuss, and take action to amend the Grant Agreement by and Between EWCRC and WisDOT to include the Gibson Line as part of trackage or improved property: There was consideration of and discussion about amending Grant Agreement No. 0490-40-50(B-1) by and between the EWCRC and WisDOT to include the Gibson Line as part of trackage or improved property. Errors were found in the proposed Amendment One document. After the errors have been corrected the Dodge County Corporation Counsel Office will send the Amendment One document to the Chairman and Secretary of the EWCRC for each of their signatures. Motion by Kottke/Gove to approve Amendment One to Grant Agreement No. 0490-40-50(B-1) to include the Gibson Line as part of trackage or improved property. 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, the removal of jointed rail, and its replacement with continuous welded rail. WSOR is in the process of 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 applied for funding for a Phase I tie replacement project between Saukville and Plymouth. WSOR will further report to the EWCRC regarding these projects at the September 8, 2010 meeting of the EWCRC.

Consider, Discuss, and Take Action on Report of WSOR: Ken Lucht reported that WSOR is working with Rock County and Dane County to complete an application for TIGER II funds for capital rail improvements. Bill Gardner reported that: Menards has started construction of a new facility adjacent to CTH S near its intersection with CTH 67 in Dodge County and that in 2011 WSOR will install rail and a switch to service that new facility. WSOR has a new customer in Sheboygan County, near Elkhart Lake. The customer quarries large blocks of stone for Michels Materials. The large blocks of stone are loaded onto railcars and transported to Galveston, Texas.

WSOR has been very busy at its Milwaukee yard. WSOR has eight new customers that utilize the transload facility in WSOR's Milwaukee yard. A new customer in Ripon is building a printing plant in the Ripon Industrial Park. This new customer has requested WSOR to install rail to service its new facility. Badger Mining will soon undertake a major track expansion in connection with the expansion of its facilities for mining sand. Recently, representatives of WSOR met with another customer which acquired 20 acres of land adjacent to CTH S in Green Lake County. This new customer has requested that WSOR install a track to service its facility. WSOR is celebrating its 30 year anniversary. Bill Gardner encouraged everyone to view the WSOR website. WSOR will soon start installation of public at-grade crossings on the Slinger to Milwaukee rail line. There is currently pending in the Wisconsin Legislature, a bill entitled 45G Tax Credit Bill, which will give WSOR a \$3,500 tax credit per mile of track, and WSOR will use the tax credits to rebuild its rail infrastructure. Ken Lucht reported that: WSOR has completed four major crossing rebuilds that are not part of WSOR's capital improvement plan. Brush cutting and weed control applications for 2010 have been completed in the Northern Division. WSOR has been awarded approximately \$5 million to install approximately 7-8 miles of continuous welded rail between Milton and Edgerton. WSOR will start laying the new continuous welded rail there on or about August 2, 2010. WSOR is also working on its Janesville to Monroe Subdivision. A number of new customers in Green County and western Rock County have asked WSOR to provide freight rail service. The rail infrastructure in Green County and western Rock County has substantially deteriorated over the past few years. WSOR will present its proposed 2010 rehabilitation projects at the September 8, 2010 meeting of the EWCRC and will then ask for member county contributions. WSOR is planning a rail inspection tour sometime in September or October of 2010, to inspect the rail line between Oshkosh and Slinger.

Time, date, and place of next meeting (September 8, 2010): The next regular EWCRC meeting will be held on Wednesday, September 8, 2010, at 10:00 o'clock a.m. Columbia County will host the meeting.

Motion by Bemis/Hass Leider to adjourn. Motion carried by unanimous vote.

Meeting adjourned at 11:46 a.m.

Respectfully submitted,

Jef Hall, Secretary

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