

**Minutes of the
East Wisconsin Counties Railroad Consortium
Meeting of December 12, 2007**

East Wisconsin Counties Railroad Consortium Meeting was called to order by Chairman Dan Goetz on December 12, 2007, at 10:00 a.m., in the Tower Meeting Room of the Ridge Motor Inn, 2900 New Pinery Road, 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 meeting law.

Roll call was taken.

Present: Donald DeYoung, Columbia County; Russell Kottke and Edwin J. Qualmann, Dodge County; Joseph Koch, Fond du Lac County; Robert Walerstein, Ozaukee County; Jerald Holub and Duffy Reimer, Sheboygan County; Lawrence Hoffman and Daniel Goetz, Washington County; and Stan Kline and Jef Hall, Winnebago County.

Excused: Kenneth Hutler, Columbia County, Dick Flood, Fond du Lac County; Rose Hass Leider, Ozaukee County; Carol Myers and Dennis Galatowitsch, Green Lake County.

Others Present: Nancy R. Elsing, Executive Director, Columbia County Economic Development Corporation; Ken Jahn, Mayor for the City of Portage; Shelly Bernhagen, Badger Mining Company; Bill Gardner, Ken Lucht, and Tim Karp, WSOR; Dan Amato, City of Columbus Representative/Columbia County Economic Development Corporation; Roger Larson, WisDOT District Railroad Coordinator; Frank Huntington, WisDOT Bureau of Rails and Harbors; John F. Corey, Dodge County Corporation Counsel; and Kelly L. Lepple, Recording Secretary.

Public Comment: Dan Amato spoke to the Consortium about Didion Milling. Mr. Amato reported that the State of Wisconsin awarded Didion Milling a grant in the amount of approximately \$2 million to construct facilities to switch railcars in Cambria, Wisconsin from the west side of State Road 146 to the east side of State Road 146. Mr. Amato also stated that within the next month or two, Didion Milling will start construction of a new ethanol plant in Cambria, Wisconsin. Mr. Amato further stated that Wisconsin is getting national attention regarding the production of corn.

Welcome to Columbia County: Don DeYoung and Ken Jahn, Mayor of Portage, Wisconsin, welcomed everyone to Columbia County. Nancy R. Elsing, Executive Director of the Columbia County Economic Development Corporation presented information about Columbia County.

Approval Of September 12, 2007: Motion by Kline/Holub to approve the minutes of the September 12, 2007, meeting as presented. Motion carried by unanimous vote.

Approval Of Minutes Of September 26, 2007: Motion by Kline/DeYoung to approve the minutes of the September 26, 2007, meeting as presented. Motion carried by unanimous vote.

Financial Report: Ed Qualmann: The balance in the checkbook on September 12, 2007, was \$1,000.00. There were no deposits. There were no expenditures. There were no transfers to or from the AIM investment account. As of December 12, 2007, the balance in the checkbook was \$1,000.00. Total EWCRC Money on Deposit in the AIM investment account as of October 31, 2007, is \$204,908.38. Motion by Holub/Kline to approve the financial report as presented. Motion carried by unanimous vote.

Level of Funding by Counties for 2008: John Corey asked that each member county of the EWCRC report its level of funding for 2008. The reported levels of funding for 2008 are as follows: Columbia - \$15,000; Dodge - \$25,000; Fond du Lac - \$25,000; Ozaukee - \$25,000; Sheboygan - \$25,000; Washington - \$25,000; and, Winnebago - \$25,000. John Corey stated that he would call Green Lake County regarding its level of funding and report back to the EWCRC at the January 9, 2008, meeting.

Application for Eligibility to Receive Federal Surplus Property: John Corey reported that after an application was sent in for renewal of eligibility for the Federal Surplus Property Program, he received a post card on November 16, 2007, that the EWCRC is eligible to participate in the program through October 15, 2009.

Update of Rail Restoration 15 Program: Frank Huntington reported that the RR15 Program is not in the State budget for 2008.

Bylaws of the EWCRC: There was discussion regarding the revisions of the Bylaws of the EWCRC. John Corey stated that he would make the changes that were discussed and agreed upon by consensus of the members of the EWCRC. A copy of the revised Bylaws will be included in the information packet that will be sent to all members prior to the meeting of the EWCRC scheduled for January 9, 2008. The matter of the revised Bylaws will be placed on the Agenda for the January 9, 2008, meeting of the EWCRC.

The Consortium may convene in closed session for the purpose of conducting specified public business, which, because of competitive or bargaining reasons, requires a closed session, namely, considering an Operating Agreement for Rail Service Continuation by and between the East Wisconsin Counties Railroad Consortium and the Wisconsin & Southern Railroad Company and considering an Operating Agreement for Rail Service Continuation by and between the East Wisconsin Counties Railroad Consortium and the Wisconsin Department of Transportation: There was a motion by Holub/Hall, to convene in closed session. Before voting on the Motion, Chairman Gotez announced to all present that the purpose of the closed session meeting is to conduct specified public business, which, because of competitive or bargaining reasons, requires a closed session, namely, considering an Operating Agreement for Rail Service Continuation by and between the East Wisconsin Counties Railroad Consortium and the Wisconsin & Southern Railroad Company and considering an Operating Agreement for Rail Service Continuation by and between the East Wisconsin Counties Railroad Consortium and the Wisconsin Department of Transportation. A roll call vote was taken. Motion carried by unanimous vote of all members present, at 10:50 o'clock A.M.

The following individuals were present for the closed session: Donald DeYoung, Columbia County; Russell Kottke and Edwin J. Qualmann, Dodge County; Joseph Koch, Fond du Lac County; Robert Walerstein, Ozaukee County; Jerald Holub and Duffy Reimer, Sheboygan County; Lawrence

Hoffman and Daniel Goetz, Washington County; Stan Kline and Jef Hall, Winnebago County, John F. Corey, Dodge County Corporation Counsel; and Kelly L. Lepple, Recording Secretary.

There was consideration, deliberation and discussion regarding specified public business, which, because of competitive or bargaining reasons, requires a closed session, namely, an Operating Agreement for Rail Service Continuation by and between the East Wisconsin Counties Railroad Consortium and the Wisconsin & Southern Railroad Company and an Operating Agreement for Rail Service Continuation by and between the East Wisconsin Counties Railroad Consortium and the Wisconsin Department of Transportation.

Motion by Kottke/Kline to reconvene in open session. A roll call vote was taken. Motion carried by unanimous vote of all members present, at 11:35 o'clock A.M.

There was consideration, deliberation and discussion with WSOR with regard to revisions of certain sections of the Operating Agreement for Rail Service Continuation by and between the East Wisconsin Counties Railroad Consortium and the Wisconsin & Southern Railroad Company.

Recess for Lunch at 12:06 o'clock P.M.

Reconvene at 1:00 o'clock P.M.

Consider and Take Action on Joint Use of Rail Line Segment between Rugby Junction and Slinger, Wisconsin: Frank Huntington stated that due to the railroad grade crossing congestion on the rail line segment between Rugby Junction and Slinger, Wisconsin, and the fact that the RR15 program was not adopted by the Wisconsin Legislature, this situation needs to be addressed. The Canadian National Railway is willing to rehabilitate this rail line segment with 100% of its own money. The Canadian National Railway has requested WisDOT to sell this rail line segment to it, but WisDOT is not willing to do so. WisDOT is willing to agree to either an easement or a long term lease. WSOR will be meeting with representatives of the Canadian National Railway on December 14, 2007, and will report back to the EWCRC at its next meeting. By consensus, the Board of Directors of the EWCRC agree that the EWCRC will support any negotiation between WSOR and the Canadian National Railway to upgrade the rail line segment between Rugby Junction and Slinger, Wisconsin, at no cost to the EWCRC.

Report of WSOR: Bill Gardner reported that he received an email from the Union Pacific. The Union Pacific has reached an agreement with WisDOT regarding the purchase from the Union Pacific Railroad, of the rail line from Plymouth to Kohler. The sale and purchase contract will be filed with the Surface Transportation Board after the sale and purchase contract language has been reviewed and approved. WisDOT will contribute 100% of the cost to acquire the land and will contribute 80% of the cost to acquire the track and improvements. Bill Gardner also reported that WSOR will be purchasing an industrial spur in the City of Sheboygan. The spur is located between the main track and the former Cargill Malt facility. Cargill is reopening the malt facility plant and WSOR will service it. Bill Gardner further reported that WSOR is working with a new customer in Oshkosh. This new customer is in the process of buying land in the Oshkosh Industrial Park. WSOR will provide freight rail service to this new customer.

Ken Lucht reported that in early 2008, WSOR will complete a system-wide check of the rail lines with the rail detector test car that performs ultrasonic testing of WSOR's rail. The rail detector test car detects internal defects that cannot be seen with the naked eye. WSOR is concerned about the condition of rail on the Southern Division between Madison and Milton. WSOR has found that 90 pound rail is no longer 90 pound rail between Madison and Milton. In a certain area near Edgerton, WSOR has found 81 pound and 83 pound rail. After the system-wide check of the rail lines has been completed, WSOR will make repairs of defects that had been detected by the rail detector test car. WSOR is required to timely repair defects after they have been detected. Ken Lucht also reported that WSOR hosted a number of Santa Claus visits that featured the Soo Line No. 1003 steam locomotive. Large numbers of people attended all of the Santa Claus events.

Time, date, and place of next meeting (January 9, 2008). The next regular EWCR meeting will be held on Wednesday, January 9, 2008, at 10:00 o'clock a.m., in Dodge County.

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

Meeting adjourned at 1:32 p.m.

Respectfully submitted,

Jef Hall, Secretary