

**Wisconsin River Rail Transit Commission
Commission Meeting - Friday, December 8, 2017 at 10:00 am
Dane County Highway Garage 2302 Fish Hatchery Rd, Madison, WI**

1. 10:02 AM **Call to Order** – *Alan Sweeney, Chair*
2. Roll Call. **Establishment of Quorum** – *Matthew Honer*

Crawford	Tom Cornford, <i>2nd Vice Chair</i>	X	Rock	Terry Thomas	<i>Excused</i>
	Rocky Rocksford	X		Wayne Gustina	X
	Derek Flansburgh	X		Alan Sweeney, <i>Chair</i>	X
Dane	Gene Gray, <i>Treasurer</i>	X	Sauk	Marty Krueger, <i>Alternate</i>	X
	Jim Flemming	<i>absent</i>		Chuck Spencer	X
	Chris James, <i>Vice Secretary</i>	X		Craig Braunschweig	<i>Excused</i>
		Dave Riek, <i>3rd Vice Treasurer</i>		X	
Grant	Gary Ranum	X	Walworth	Eric Nitschke	<i>Absent</i>
	Mike Lieurance	X		Richard Kuhnke, <i>2nd Vice Treasurer</i>	X
	Robert Scallon, <i>1st Vice Chair</i>	X		Allan Polyock	X
Iowa	Charles Anderson, <i>Secretary</i>	X	Waukesha	Dick Mace	X
	William G Ladewig	X		Richard Morris	X
	Jack Demby	X		Karl Nilson, <i>4th Vice Chair</i>	X
Jefferson	Mary Roberts	X			
	Gary Kutz	<i>Excused</i>			
	Augie Tietz, <i>3rd Vice Chair</i>	<i>absent</i>			

Commission met quorum.

Others present for all or some of the meeting:

<ul style="list-style-type: none"> • Matt Honer - WRRTC Administrator • Ken Lucht, - WSOR 	<ul style="list-style-type: none"> • Teri Beckman, Rich Kedzior, Kim Tollers – WisDOT • Dana White-Quam, WIDNR
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3. Action Item. **Certification of Meeting’s Public Notice** – *Noticed by Honer.*
 - *Motion to approve meeting’s public notice – Ladewig/Gustina. Passed Unanimously.*
4. Action Item. **Approval of Agenda** – *Prepared by Honer.*
 - *Motion to approve the agenda – Cornford/Kuhnke. Passed Unanimously.*
5. Action Item. **Approval of draft November 2017 Meeting Minutes**– *Prepared by Honer.*
 - *Motion to approve November 2017 meeting minutes – Polyock/Rocksvold. Passed Unanimously.*
6. Updates. **Public Comment** – *Time for public comment may be limited by the Chair*

There were no public comments.

7. Updates. **Announcements by Commissioners**

Mace thanked the commission for their get well wishes during his medical operations. Sweeney thanked Crawford County for hosting last month’s commission meeting

REPORTS & COMMISSION BUSINESS

8. **WRRTC Financial Report** – *Gene Gray, Jim Matzinger Treasurer.*

Grey reported that they had received the audit report from Johnson Block. Grey reported the audit showed that everything was in proper order but that there was a letter included that identified significant deficiencies. The two weaknesses are common

deficiencies for organizations like WRRTC. They include weaknesses in internal control and not undertaking financial reporting in accordance with generally accepted practices, but rather relies on the Auditor to undertake this practice. The auditor recommended that they will continue to work with the Commission to address these issues. Sweeney asked if it is more efficient for the auditor to undertake these measures or for Matzinger to do so. Matzinger stated that it is likely more efficient for the auditors to do so. Mace asked if it is more expensive for the auditor to do this work. Matzinger stated that the auditor would likely lower the cost if Matzinger were to do so, but Dane County would charge the Commission. Ranum stated that 85- 90% of audits have the same deficiency. The reason that the auditor recognizes it as a significant deficiency is because if the commission paid staff to undertake the additional practices, the commission would be aware of the issue sooner. Nilson stated that accounting for liquid assets is more important than accounting for the built infrastructure.

- *Motion to acknowledge the 2016 Audit Report – Ladewig/Scallon Passed Unanimously.*

Matzinger reported that this year’s expenses went over budget. Matzinger stated that the commission will likely need to adjust the 2018 budget due to being over budget on certain expenses. Matzinger stated he would like to adjust the 2018 budget in January. Matzinger reported that permit money was under budget, the interest budget was over, and legal expenses were over budget. The commission owes \$7,100 more than what was budgeted.

Ranum asked why the county contributions are not reflected on the financial report. Matzinger reported that they collect the money and put it on the balance sheet until they spend it, revenues and expenses will always show up together. The county contributions are reflected on the balance sheet under the “2017 Project.” Ranum stated that it would make him feel better to see that the money is reflected even though it is not being shown as revenue, but it is being shown as a liability/deferred income.

Lucht asked if the 2017 budget reflects the money set aside for the Sauk City Railroad Bridge stabilization project. Kedzior stated that there is a grant component and a loan component and the Commission can allocate their payments to either the loan or the grant as they bill WisDOT. Krueger stated the loan is only \$200k and the remaining balance (approx. \$130k) will be from the 2017 and 2018 budgets. Krueger asked if the \$15k salvage value of rail removed from Sauk County is allocated to the bridge, and if it could be returned to Sauk County to offset the costs of removing track. Lucht asked if Matzinger could follow up on the cash allocation to the bridge stabilization money that is allocated for the bridge yet in 2017.

Sweeney stated that there will be a review of the 2017 left over dollars and appropriate funds towards the Sauk Bridge project at the next meeting.

- *Motion to approve the balance sheet, treasurer report, and payment of bills – Anderson/Scallon. Passed Unanimously*

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

Ken stated that the emergency repair contract for the Merrimac Bridge was awarded on November 8th. Lucht reported that they are applying for grants, beginning February 1st, for the first stage of construction for the Merrimac Bridge to take place in 2019 with the second phase in 2020. WSOR has advertised for competitive bids for the replacement of the Wauzeka Bridge which will be done in 2018. The Spring Green Bridge is complete. Lucht reported that six contractors attended the pre-bid meeting for the stabilization of the Sauk City Bridge. Bids are due December 14th. Lucht reported that prior to the next meeting the bids will be presented to the Commission. Lucht reported the Watertown tie replacement project is complete and additional grade crossings will be done next year. The Waukesha tie replacement project is complete and there are 18 proposed grade crossings to be completed in 2018 and Continuous Welded Rail (CWR) to be completed in 2019. The Walworth CWR project has gone to bid, to be completed in 2018.. Lucht stated that an invitation was sent to the Commission to attend a December 13th showcase of the Johnson Street Yard Trans load facility.

Ranum asked if Blue River is happy with their new crossing on Hwy T and 133. Lucht stated he will follow up with Ranum. Scallon asked what is going on just east of Muscoda near the county line and close to the railroad ROW. Lucht stated that he is not sure as they are not a rail customer. James asked if contractors had serious concerns about the environmental issues at the pre-bid meeting. Lucht stated the contractors did have concerns about environmental issues and the DNR was at the meeting and did discuss with the contractors the standards they have and their expectations.

10. WisDOT Report – Rich Kedzior, Kim Tollers, Teri Beckman, WisDOT.

Kedzior introduced Lisa Stern, Chief, and Edward Singer, real estate specialist, from Rails and Harbors.

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

- *2018 Calendar*
Honer presented the 2018 Calendar. Sweeney stated that the May 4th meeting will include elections.
- *2018 Administrator’s Work-Plan.*
Honer presented the 2018 Administrator’s Work Plan. He explained that in addition to administering the regular meetings of the commission there are ongoing projects that he will be working on throughout the year. The projects are broken into three major categories: Mapping, Property Management, and Administration. Honer explained there are large amounts of institutional knowledge not easily accessible to commissioners or the administrator at the current moment. This is the case for information on past rehabilitation projects, existing crossing permits, and existing agreements. Another aspect of the administrator’s work is to understand the property issues, with specific attention paid to the property where the Commission owns the track and the property.
- *Fox-Lake Subdivision updates.*
Honer reported that he had been in contact with several landowners in McHenry County Illinois over the past month regarding property issues.
 - a. The first issue was a private crossing for a landowner that owns a golf pro shop in Spring Grove, Illinois and has a paved private track crossing to access a driving range. Honer spoke with the land owner who stated they have a private crossing permit and will attempt to provide the permit. They stated that WSOR rebuilt the crossing within the past year.
 - b. The second issue is a private crossing for a landowner near Highway 173. The person purchased the property within the past month and wishes to apply for a private at-grade crossing permit. Honer review the aerial photographs and determined that the existing crossing is the owner’s only access to the property. Honer stated he has sent the private crossing permit to WSOR who will need to approve it before the Commission will approve it.
 - c. Honer stated that he received a notice that a business has requested a zoning permit to park trailers behind their building, near their border with the railroad. Honer stated he has forwarded this to WSOR as well. WSOR suggested that the property owner construct a barrier to ensure that they are not encroaching on railroad property. Honer will be in contact with the Spring Grove Planning and Zoning Commission and the property owner to communicate this.
 - d. Honer stated that he has done research to determine who owns the billboard in Spring Grove, Illinois that appears to be within the railroad right of way. He stated that he called the business that is currently utilizing the board. The business stated they attempted to find the current owner but were unsuccessful and utilized the billboard anyways.
 - e. Ken Lucht reported on several other land issues on The Fox Lake Subdivision and provided a handout with photos of issues on the Subdivision. Lucht stated that WSOR could be a resource to assist with the Billboard.
 - f. Sweeney asked Eileen if a demand letter could be sent to the owner of the horse fence and dog kennel. Polyock asked if we can just remove the improvements and issues. Ladewig asked if it is possible to have adverse possession against the railroad. Eileen stated that she is not sure in Illinois but is the case in Wisconsin, except on State owned property. Sweeney asked if the billboard can be on the January agenda.
- *Additional Reporting*
Honer stated that Troy Maggied moved the Commission’s administrative files from Eileen Brownlee’s office to Regional Planning’s office in Platteville. The files were moved to Brownlee’s office when the RPC moved from its university space. Honer reached out to several agencies regarding the disposal of rail ties from the Great Sauk Trail. Honer attended a survey of the rail property within the former Badger Army Ammunition Plant with WisDOT. He followed the survey up with a phone call to adjacent property owners, and forwarded the survey map created by WisDOT to the Sauk County Highway Department. Honer forwarded a private at-grade crossing permit application to a prospective property owner in Grant County. The Pecatonica Rail Transit Commission has approved the revenue sharing MOU with WRRTC.

12. Discussion, Update, and Action on removal of track on Sauk Subdivision for Great Sauk Trail – Alan Sweeney, Matthew Honer, WisDOT.

- *First Segment of track removal, Sauk City Bridge to Badger Army Ammunition Plant (BAAP).*
Total expenses for railroad removal from the Sauk City Bridge to the South Gate of BAAP was \$223,537.51. Total revenue for the salvage of materials, excluding the outstanding expenses of remaining cross ties, was \$182,806.37. The balance was -\$40,731.14.

Krueger stated that Sauk County had initially estimated revenue from salvage rail to be \$160,579.00. Krueger stated that their numbers for revenue is \$183K, which considered revenue from the donation of rail to Circus World Museum compensated by Sauk County. Krueger stated that the brushing costs were approximately \$40k which accounts for the difference between rail salvage and expenses. Krueger stated that no brushing had been done on that right of way for 20 years. He said that the cost of brushing that has been done in the BAAP so far is \$28k.

- *Second Segment of Track Removal, BAAP.*

Sweeney asked Brownlee when it was determined that WRRTC owned the property in the BAAP. Brownlee stated that the commission does not own the property but that it was included within the land use, grant, and operating agreements. Tollers stated amendment 6 took it out of the operating agreement, absolving WSOR from maintenance and operation, but no amendments taking it out of the land use and grant agreements.

Ladewig asked who owns the ROW and tracks within BAAP. Brownlee stated that the state owns it. Tollers clarified that the state has a 99 year lease on the property through the Bureau of Land Management. Tollers explained that the state spent money to lease the land and then granted the track to the Commission creating responsibility for the commission. Tollers stated that the County will have additional brushing to complete. The main track has been brushed but there is additional brushing required.

- *Discussion and Approval of SWWRPC as WRRTC Project Manager for BAAP track removal.*

Honer stated that the agreement for 2018 Staff Services does not include property management services for the Commission. The contract stated that these services would be charged at approximately \$60.00 an hour and charged separately. A rough estimate of the amount of work done would be \$1500 - \$2500 to work as project manager for the second phase of track removal. Project management work would only be billed in 2018 and would include several site visits, working with Sauk County to assure that the Commission's property has been completely removed, and balancing the salvage income with expenses to provide an update.

- *Motion to approve SWWRPC as WRRTC Project Manager for BAAP track removal – Nilson/Mace. Passed. Ladewig voted no.*

13. Discussion and Action on the removal of WRRTC property between Patterson and Brearly Streets, Madison, WI – Ken Lucht, WSOR

Lucht asked the commission to lay this over until January as he does not have the necessary information.

- *Motion to postpone the discussion and action of removal of WRRTC property between Paterson and Brearly Streets – Krueger/Ladewig. Passed Unanimously*

14. Adjournment

Motion to Adjourn at 11:35 am – Scallon/Cornford. Passed Unanimously.