

SOUTH CENTRAL WISCONSIN RAIL TRANSIT COMMISSION

PO Box 262 • 20 S Court Street • Platteville, Wisconsin 53818
 Harvey Kubly, Chair • Commission Office Phone 608.342.1637 • Fax 608.342.1220
 MEMBER COUNTIES: DANE • GREEN

**Wednesday, July 25th, 2018, 2:00 PM, Fitchburg DNR Facility,
 Raptor Conference Room, 3911 Fish Hatchery Rd, Fitchburg, WI 53571-5367**

1. **2:05 PM** **Call to Order** – *Harvey Kubly, Chair*
2. Roll Call. **Establishment of Quorum** – *Matthew Honer, SCWRTC Administrator*

	Commission members present for all/part of meeting:		Others present for all/part of meeting:
Dane County	Jay Allen	X	<ul style="list-style-type: none"> Matthew Honer, Admin. SCWRTC Ed Singer, WisDOT George Bellovics, Illinois DNR
	Chris James	X	
	Roger Hillebrand, <i>Vice Chair</i>	X	
Green County	Harvey Kubly, <i>Chair</i>	x	
	Oscar Olson, <i>Secretary</i>	X	
	Paul Beach, <i>Treasurer</i>	X	

3. Action Item. **Certification of Meeting’s Public Notice** – *Prepared by Honer*
 - Motion to approve certification of meeting – Olson/James. Passed Unanimously*
4. Action Item. **Approval of Agenda** – *Prepared by Honer*
 - Motion to approve agenda – Hillebrand/Olson. Passed Unanimously*
5. Action Item. **Approval of draft May 2018 meeting minutes** – *Prepared by Honer.*
 - Motion to approve May 2018 minutes – James/Hillebrand. Passed Unanimously*
6. Updates. Announcements by Commissioners
7. Updates. **Public Comment**

Bellovics thanked the commission for the opportunity to discuss the Trail Use Agreement at today’s meeting.

REPORTS & COMMISSION BUSINESS

8. SCWRTC Financial Report – *Paul Beach, SCWRTC Treasurer.*

Total receipts since March 31st were \$357.88 and total disbursements were \$1,022.45, leaving a checking account balance of \$4,496.81. Total balance of Checking and CDs is \$154,496.81 Beach reported that the CD #57240 is coming due in October and asked the Commission if they would like Beach to get a week extension to bring rates to the Commission at the next meeting. Kubly stated that as long as rates are trending upwards it should not make too big of a difference. Hillebrand what they typical time frame they look at for CDs. Hillebrand suggested discussing rates with the Bank or shopping around.

- Motion to authorize Paul Beach as treasurer to renew the upcoming CD in the best interest of the Commission – Hillebrand/Olson. Approved Unanimously.*

Paul asked how he should bill expenses, such as postage, to the commission. Harvey stated that he believed Wolter billed once a year. Beach asked about the lock box for the commission. Honer reminded Beach, to keep enough of the CD in checking to cover the proposed 2019 budget. There were no bills.

- *Motion to authorize Beach to place \$5000 into checking when renewing the CD – Hillebrand/James. Approved Unanimously.*
- *Motion to approve Treasurer’s Report– Olson/Allen. Passed Unanimously.*

9. WisDOT Report – Ed Singer, *WisDOT*.

Singer had no report. Honer asked if WisDOT has resolved the issue with the Belleville Library. Hillebrand stated that the architect has spoken with and confirmed the design with WisDOT.

10. WIDNR Report – *WIDNR*.

No one present from DNR. Honer stated that Dana White-Quam recently retired. Honer stated that he has invited the person taking over Dana’s position to attend the meeting.

11. SCWRTC Administrator’s Report – *Honer, SCWRTC Admin.*

Honer stated that he has been working on 2019 Budget, Staff Services agreement, IDNR Discussions, and onboarding Chris James and a Commissioner from Dane County.

12. Discussion and Action to extend Interim Trail Use/Rail Banking Agreement with IDNR and WisDOT – *Honer, Admin.*

Honer provided a background on the existing agreement between IDNR, WisDOT, and SCWRTC. Honer stated that the Commission received a letter earlier in the year from the Illinois Department of Natural Resources to renew their 20-year lease. Honer stated that there needs to be a motion at this meeting to acknowledge IDNR’s letter and determine if the Commission will renew the existing agreement. Allen asked if the Commission needs to determine at this meeting if the agreement will be extended. Bellovics stated that he had visited the Commission approximately 12 years ago with a similar request. Bellovics explained that the Illinois Department of Natural Resources is interested in acquiring the trail through gift of transfer or acquisition. Bellovics stated that trails in Illinois are in the public realm in perpetuity. Each trail property has conditions that it must be in the public realm. Bellovics stated that no matter what happens in the next fifty years, if IDNR acquired the Trail it would remain in the public realm. Bellovics stated that he believes the property should remain in the public realm as it is today. Beach asked if IDNR would allow the potential for a return of Railroad. Bellovics stated that the trail is a State Rail Banked line and not Federally rail banked. Bellovics stated that IDNR has maintained the line to rail standards. Bellovics stated that there is no reason why the Commission could not place a deed restriction on the line to maintain the line for potential return of railroad. Bellovics stated that he works regularly with railbanking in the State of Illinois and the cost of returning a line to rail is close to \$2 million per mile, which does not include purchasing the land. Bellovics stated that there needs to be significant incentive for a company to develop an active rail corridor. Bellovics stated that Illinois DNR is willing and ready to secure the property.

Allen stated that he feels unprepared to make a decision at this meeting. Allen stated that the agreement states that the commission will need to decide to renew the agreement at this meeting. Honer stated that is the case but the current agreement does not require specifics to the decision that needs to be made at today’s meeting. Kubly stated the past agreement has worked well for all parties for the past twenty years and feels comfortable with extending the current agreement. Allen stated that he does not want to rock the boat but he does not feel personally comfortable with an agreement that he is not familiar with and that he does not have enough information to make an informed decision. Bellovics stated that the property in Illinois is the Commission’s property that extends south from the Illinois/Wisconsin Stateline to Freeport, Illinois. Allen stated that he is concerned that the existing document may no longer make sense, although it may have made sense 20 years ago. Bellovics stated that IDNR utilizes, almost exclusively, license agreements that are normally five years in duration. Bellovics stated that with a license agreement, the Commission holds the greatest power. Allen stated that he understands the agreement but does not know if the agreement is the best agreement to have. Allen stated he would like to explore IDNR’s proposal to acquire the trail further and is unsure of what WisDOT’s position is as they are party to the agreement as well. Bellovics stated that the Commission owns the property, not WisDOT. Bellovics stated that WisDOT is party to the agreement because of the WisDOT railbanking agreement. Honer stated that the agreement between IDNR and SCWRTC is a license agreement rather than a lease because the Rail Transit Commission’s mission is to maintain the ROW for a potential return of railroad, license agreements are the best agreement method the Commission has to accomplish this while allowing interim trail use.

Beach asked how the Commission came to own the property in Illinois. Honer stated that the Commission was deeded the property from WisDOT after WisDOT purchased the property. Beach asked the purchase amount. Honer stated that he will need to look this up and report back. Allen stated that one of his questions is how much the purchase price from IDNR would be for the property if IDNR were to purchase the property. Hillebrand stated that the agreement that needs to be decided on

today is if the Commission intends to renew the license agreement and it could be discussed if it is 10 years or 20 years. Bellovics stated that IDNR would likely be defensive about changing the agreement from 10 years to 20 years. Bellovics stated that the 20 years in the agreement is in part due to corresponding to the life of the improvements that IDNR has made to the trail, which was over \$1 million. An agreement that is less than 20 years makes it more difficult to secure federal grant money for improvements. Bellovics stated that the longer-term agreements that IDNR uses are being moved up to 25 years to allow for planning and engineering ahead of applying and utilizing federal funding for trail assets.

Allen stated that if the agreements continue, he does not understand why the Commission would hold on to the property if IDNR will continue to maintain it. Kubly stated that is not motion in front of the commission. Bellovics stated that IDNR is comfortable with the agreement and would not oppose the Commission discussing with their attorney cleaning up the document. Bellovics also stated that if the Commission wants to entertain transferring the property to the IDNR, that is something that will not take place between now and 9 months from now when a new agreement will be in place. Bellovics stated it would be a year or more to undertake a transfer.

- Motion to inform IDNR that SCWRTC will clean up the agreement in preparation of renewal and will get an evaluation of the property – Allen/

Olson asked if this would move towards the consideration of selling the property. Allen stated it is a financial responsibility of the Commission. Harvey stated that the motion that Allen made does not address the agenda item directly. Allen stated that the motion he made was deliberate based on what he feels comfortable with.

- Motion fails due to lack of a second.

James asked if it is possible to extend the agreement with IDNR and to make administrative updates over the next nine months. Bellovics stated that he believes WisDOT is the lead agency in the agreement due to railbanking agreement.

- Motion to extend the existing agreement – Olson/James.

Hillebrand believes that there should be discussion with WisDOT and Corporate Counsel to make any changes to the agreement. Beach asked if there needs to be a discussion regarding the time frame of the next discussion. Allen stated that he would like to see a motion that includes the language “up to 20 years.”

- Amendment to the motion work with WisDOT and Corporate Counsel to update the current agreement and that the agreement be made with the language “up to 20 years.”
- Motion to extend the agreement with IDNR up to 20 years, contingent upon WisDOT and Corporate Counsel review of the document. Olson/James. Passed Unanimously.

13. Discussion and Action on 2019 Staff Services Agreement – Honer, Admin.

Honer handed out a copy of the 2019 staff services agreement between SCWRTC and Southwestern Wisconsin Regional Planning Commission. Honer stated that contract amount is the same as last year and that project management, grant administration, or grant writing is not part of the contract amount and would be billed separately.

- Motion to extend the existing agreement – Allen/James. Passed Unanimously.

14. Discussion and Action on 2019 Budget – Honer, Admin.

Honer stated that the 2019 budget is similar to the prior year’s budget with additional expenditures due to increase in audit prices and an increase in revenue based on the interest earned in the previous year. Allen asked if there an actual 2018 expenditure number to show how accurate the previous budget was. Honer stated that there is little room for change in post of the expenditure line items, with the exception of legal costs due to possible unforeseen circumstances. Honer stated Eilieen Brownlee bills annually and he has not spoken with her much in 2018. Allen asked about the potential interest revenue in 2019. Honer stated that the commission earned \$1977.67 in interest the year prior. Kubly stated that the interest earned from the CDs is transferred directly to the checking. Paul stated that looking at the budget and the CDs he will need to adjust the CDs to account for the next CD coming due in 2020 and not 2019.

- Motion to adopt the 2019 Budget – Allen/Hillebrand. Passed Unanimously

Roger asked where the funds came from and what we can use them for. Kubly stated that the commission received a lot of money from salvage when the rail was abandoned and there was a time when the commission made more money in interest than what the commission spent. Kubly stated that other rail transit commission require county contributions. Bellovics stated that the 14 miles in Illinois that was salvaged earned \$200,000.

Roger asked about an agenda item for today's meeting being changing the change in meeting times. Honer responded that Jay asked that question. Honer stated that the issue was brought up at the October 2017 meeting and at that meeting it was determined that it would be addressed after elections in May. At the May meeting it was an agenda item and it was determined that the time was fine.

15. Action Item - Adjournment

- *Motion to adjourn at 3:07 pm – Beach/Allen. Passed Unanimously.*