

PECATONICA RAIL TRANSIT COMMISSION

PO Box 262 • 20 S Court Street • Platteville, Wisconsin 53818
MEMBER COUNTIES: GREEN • IOWA • LAFAYETTE • ROCK

PRTC/WRRTC FORMAL FUNDING AGREEMENT WORKING COMMITTEE October 24, 2014

Green Co. Courthouse 2nd Floor Courtroom, 1016 16th Ave • Monroe, WI

1. Call to Order – *Harvey W. Kubly, Chair*

The meeting was called to order by Chair Kubly at 2:31 PM

2. Establishment of Committee Members Present – *Mary Penn, PRTC Administrator*

<i>Commissioner</i>	<i>County</i>	<i>Present</i>
<i>Harvey W. Kubly</i>	<i>Green</i>	<i>x</i>
<i>Ron Wolter</i>	<i>Green</i>	<i>x</i>
<i>Philip Mrozinski</i>	<i>Iowa</i>	<i>x</i>
<i>Charles Anderson</i>	<i>Iowa</i>	<i>x</i>
<i>Alan Sweeney</i>	<i>Rock</i>	<i>x</i>
<i>Wayne Gustina</i>	<i>Rock</i>	<i>x</i>

Also attending: Bill Ladewig, Iowa County, Ken Lucht, WSOR, Frank Huntington, Kim Tollers, WDOT, Mary Penn, PRTC Administrator, and Troy Maggied, SWWRPC

3. Action Item. Certification of Meeting's Public Notice – *Noticed by Penn*

- *Motion to approve meeting – Mrozinski/Sweeney, Passed Unanimously*

4. Action Item. Approval of Agenda – *Prepared by Penn*

- *Motion to approve agenda – Sweeney/Mrozinski, Passed Unanimously*

5. Action Item. Approval of draft Minutes from May 2014 meeting – *Prepared by Penn*

- *Motion to approve May 2014 minutes – Mrozinski/Anderson, Passed Unanimously*

COMMITTEE BUSINESS

6. Continued Discussion on the potential of Green County joining the WRRTC – *Alan Sweeney, Rock County*

Harvey Kubly said in May he had wanted sit on this issue before approaching the County Board, as well as contacting Lafayette County too. He said he had talked to the County Board Chair who supported this effort. Since the line has reopened to Oregon, it makes rail more significant in the PRTC area.

Alan Sweeney reminded the Committee of the \$26,000 approved for bridge work and said Green County joining the WRRTC would not happen anytime soon, 2016 at the earliest.

7. Update and Discussion on Harvey Kubly's communication with Wayne Wilson regarding Lafayette County contributing one quarter of PRTC operating budget (\$3,450.00 based on 2014 operating budget) – *Harvey Kubly, Chair*

Kubly said he had talked to Wayne Wilson and had a good conversation. He said Wilson said it was out of his (Wilson's) hands and Kubly should talk to Jack Sauer. Kubly said he called Sauer and said it was a pretty good chat. Kubly said Sauer said that he did not see any benefit of rail to Lafayette County and said there were grain elevators in the county that paid better than the ethanol plant in Monroe so he did not see anything there for Lafayette and did not think the County needed to contribute anything. Kubly said he did

not want to see Lafayette County to pull out of the Commission because that would be bad for the corridor. Kubly was told by Wilson that money demands might result in the county pulling out.

Sauer said if it came down to money, the County would probably contribute their share of the operating overhead to the Commission. Kubly reported that Sauer had not be able to come to today's meeting but that he would try and come in January. Kubly said he was relieved after talking to Sauer as he had feared the County might want to pull out. He said if they got anything from Lafayette it would be nice. Mrozinski asked for clarification to contributing to the overhead. Kubly said there were no rail costs but staff, the audit, corridor fencing etc. were what was meant. Kubly said this would not be what the PRTC would like but was "small progress".

Sweeney said it was unfortunate but it would be a mistake to push the issue with Lafayette County as the PRTC was obviously moving forward: any economic benefits of the Commission were not being heard. Kubly agreed that Lafayette County was not receptive to that message. Kubly said with the ethanol statistics seen today, there would definitely be an impact on the corn price in the County and, Sweeney added, in the Midwest. Charles Anderson said that he had counted 19 grain trucks between Hwy 23 to Monroe on his way to the meeting going west. He said if there was more corn storage at Badger. Sweeney said Badger ethanol has had a regional impact which of course included Grant and Lafayette counties.

Anderson said if the Commission was not going to pursue revenue from Lafayette County but keep them involved then the PRTC should stop talking about Green and Rock going to WRRTC since that would result in just overseeing trail. Anderson confirmed that all the PRTC trail was in Lafayette County. Anderson said consolidating would cut some minor expenses. Kubly asked for clarification. The Committee discussed which counties belonged to which RTC's. Kubly said the PRTC owned the corridor from Monroe to Mineral Point and basically in the charter that it was the PRTC's responsibility even though there is not any rail there today. Anderson said he thought corridor out of Monroe was owned by the State. Frank Huntington said west from the ethanol plant was owned by the PRTC. Sweeney said it was never the intent to combine the PRTC with the WRRTC. The original discussion started with talks about a Memorandum of Agreement (MOA) to ensure funding for capital projects on either line and make sure that was done on an as needed basis as determined by the railroad. He said talk had now moved towards Green County's joining the WRRTC so they would have a voice in whole system capital projects, because the PRTC relied on WRRTC trackage and vice versa: the intent was never to dissolve the PRTC. Anderson said to just join. Sweeney said the issue of the annual donation would have to be addressed because he was sure Green County would want their money to remain in Green County. Kubly confirmed "absolutely" and if Green County joined the WRRTC there would definitely have to be language in the MOA that Green's money went to PRTC. Sweeney said this was to have a plan in place for future projects. Anderson said if something happened, Green would be involved. Sweeney gave an example of why it might be useful for Green to be part of the conversation in case something happened on the WRRTC owned line, speaking in particular of the Fox Lake Sub.

Anderson asked about the Orford Hill situation and who funded that. Ken Lucht said a state grant and WSOR local match paid for that. Lucht said that WSOR was currently doing a major tie replacement so Green County had contributed to that. Anderson said he was thinking of bridges and if something major happened, \$26,000 would not come close to putting in 20' of track. He said he liked the idea of having a bigger pot to draw on in the event of a disaster. Sweeney said that was exactly what he was talking about.

Bill Ladewig asked if Lafayette County was part of the original charter and asked if Eileen Brownlee had checked to see if the County could not pay, what sort of options were available. He said he thought that the charter was being destroyed if its stipulations were not met. Kubly said Brownlee had spoken of this before but the problem was when the rest of the counties contributed, there had been no request to Lafayette so all these years it 'fell by the wayside'. Huntington said the same was true of Iowa County as they only contributed to WRRTC but not PRTC; Rock County too. Sweeney asked Huntington if they were obligated to pay for overhead and costs on an equal basis. Huntington confirmed that costs needed to be shared. He said in the past few years only Green had contributed to the PRTC. Anderson asked if Jack Saur knew about the overhead costs when Kubly spoke to him. Kubly said he did not know and said that he believed that Lafayette County knew they had to pay something which perhaps explained Sauer's explanation to do that. Kubly said the Tri-County Trail (TCTC) had a big impact on Lafayette County and he did not think the County would want to jeopardize that. Anderson said if the Browntown Bridge fell in, who would have to replace it. Huntington said he believed that the agreement with the TCTC said that the TCTC would be responsible to replace bridges. Huntington also said he believed that the notice of intent sent to the STB which the TCTC would have to have submitted at the time said that the TCTC took responsibility of the railroad trail corridor. Ron Wolter said when there had been tax problems on the Janes Adams trail, the SCWRTC had to threaten to close the trail.

Lucht said that the County had been told that 50% of the ethanol corn was being trucked in: the 5 year old WDOT study confirmed this. This study clearly showed the flow of grain into Green County and showed that Lafayette contributed to that flow. Lucht confirmed there were a lot of trucks coming in and in WSOR's opinion that grain originated in Lafayette County and terminated in Green County which in turn had a regional impact. Lucht said the reason Monroe had been picked for the ethanol plant was its relation to the rail. In the end it was pretty clear the line had a pretty big impact judging from the study and WSOR's customers.

8. Action Item - Adjournment

Motion to adjourn at 3:00 PM – Gustina/Sweeney, Passed Unanimously