

NORTHWOODS RAIL TRANSIT COMMISSION

MEETING SUMMARY

Nicolet Technical College - Rhinelander
June 24, 2016

I. Call to Order

Ms. Gehlhoff called the meeting to order at approximately 10:00 am.

II. Introductions and Public Comment Period

Ms. Gehlhoff asked for introductions from around the room. Commissioners in attendance were: Wendy Gehlhoff Florence County Economic Development Corporation, *Andy Albarado Rusk County Economic Development Corporation*, *Pete Boss Rusk County Board Chair*, *Dale Kupczyk Ashland County Economic Development Corporation*, *Frank Kempf Ashland County Board*, Angie Close Langlade County Economic Development Corporation, Dave Hintz Oneida County Board Chair, Ray Heikkinen Price County Board, Al Christenson Marathon County Board, Bruce Jilka Price County Board Chair, Sherry Abitz Marathon County Board, *Kelly Klein Iron County WI Economic Development Corporation*.

Others in attendance were: Steve Kienitz WisDOT, *Jerry Wuorenmaa WUPPDR*, *Jeff Ratcliffe KEDA*, *John Duncan Varda Wisconsin Central Group*, Kevin Soucie CN, *Peter Van Steen CUPPAD*, Bill Korrer WI Counties Association, Tom Clauder WI OCR, Dennis Hastreiter, Brian Buchanan CN, Chris Berry WEDC, Rick Bliese Lincoln Wood Products, MaryAnn Lippert Governor's Office, *Pasi Latula Michigan Tech University*, *Barb LaMue WEDC*, *Mike Berg Patrick Engineering*, *Susie Klinger Tomahawk Rail*, Ty Penca, Danielle Jones WEDC, Rob Swearingen WI Assembly, Daleth Mountjoy Northwoods River News, Michael Kinnick NWRPC, Max Ericson Ericson Logging, Collin Buntrock WisDNR and Darryl Landeau NCWRPC.

Note: Technical difficulties impeded roll call. Others may have attended via teleconference but did not check in.

III. Approval of Meeting Notes from January 29, 2016

On a motion by Ms. Abitz, seconded by Mr. Christenson, the meeting notes of the January 29, 2016 meeting were approved with all in favor.

IV. Payment of Invoice for Administrative Services

Ms. Gehlhoff presented an invoice for the administrative services provided by the NCWRPC to the Rail Transit Commission for 2016 in the amount of \$6,500.

On a motion by Mr. Kupczyk, seconded by Ms. Abitz, the invoice was approved for payment with all in favor.

V. Election of Officers

Ms. Gehlhoff announced that election of officers was due. With Vice Chair Lussow having retired from county service and Secretary / Treasurer Tatur being replaced as a commissioner for Rusk County by their new Board Chair, Ms. Gehlhoff turned the gavel over to Mr. Landeau to oversee the proceedings for election of chairperson

A) Chair: Mr. Landeau opened the nominations for Chair. Ms. Abitz nominated Ms. Gehlhoff. Mr. Landeau called two additional times for other nominations, and hearing none determined that a motion was in order. On a motion by Mr. Heikkinen, seconded by Mr. Hintz, nominations for Chair were closed and a unanimous ballot was cast for Ms. Gehlhoff with all in favor.

B) Vice-Chair: Taking back the gavel, Ms. Gehlhoff opened the nominations for Vice-Chair. Ms. Gehlhoff nominated Mr. Kupczyk. Ms. Gehlhoff called two additional times for other nominations, and hearing none determined that a motion was in order. On a motion by Mr. Albarado, seconded by Ms. Abitz, nominations for Vice-Chair were closed and a unanimous ballot was cast for Mr. Kupczyk with all in favor.

C) Secretary/Treasurer: Ms. Gehlhoff opened the nominations for Secretary/Treasurer. Ms. Gehlhoff nominated Mr. Christenson. Ms. Gehlhoff called two additional times for other nominations, and hearing none determined that a motion was in order. On a motion by Ms. Close, seconded by Ms. Abitz, nominations for Secretary/Treasurer were closed and a unanimous ballot was cast for Mr. Christenson with all in favor.

VI. Discussion/Possible Action on Follow-Up / Next Steps from 4/20/16 Meeting with CN Representatives

Ms. Gehlhoff provided handouts and gave an overview of key points from the summit meeting with CN. There was general discussion. One of the main out comes was an agreement to have better communication, and there was some praise regarding the Stanberry to Springbrook siding relocation. However, the issue of rates was then brought up which lead to extended discussion of return on investment and the factors affecting rate setting. According to CN, the rates being charged had fallen below costs and needed to be increased so they are not continuing to lose money, even in those cases where the shippers own the cars.

The log car situation was discussed as part of this conversation. CN is not looking at purchasing new log cars or extending the life of existing log cars because the return on investment is not there for them. In addition, CN reports a number of log cars sitting idle due to a drop off in demand.

Ultimately, the conversation turned to the TIGER grant, and Ms. Gehlhoff transitioned to the next item on the agenda.

VII. Discussion/Possible Action on TIGER Grant Consideration

Ms. Gehlhoff handed out some rail freight data for the northwoods lines, and provided an overview of some of the things needed to improve a TIGER grant application for the northwoods rail. There was general discussion. CN indicated they would consider supporting a third TIGER attempt. Basically, a working group with representation from WI and MI would need to start working on components of the application in advance of the grant announcement. The request will have to expand from cars only to cars and physical line improvements. Possible target line segments in Michigan and Wisconsin were discussed.

On a motion by Mr. Abitz, seconded by Mr. Hintz, the NRTC will move forward on TIGER grant development with the formation of an ad-hoc committee to work on redefining the application with all in favor.

VIII. Next Meeting

Scheduling of the next meeting will be at the discretion of the Chair dependent on progress on application development.

IX. Adjourn

On a motion by Ms. Abitz, seconded by Mr. Christenson, the meeting was adjourned at approximately 11:45 am with all in favor.