

Railroad Advisory Board

Meeting Minutes

October 8, 2009

The meeting of the Railroad Advisory Board was called to order at 7:30 a.m., October 8, 2009 at the Water and Light Administration Utility Services Conference Room, 105 East Ash Street, Columbia, MO

The following persons were present:

Peter Davis, Chairperson
Greg Eiffert, Vice-Chair
Jack Blaylock, Member
Kee Groshong, Member
Bryan Ross, Member
Benny Lusk, Member
Harry "Doc" Wulff, Member
Michael J. Schmitz, Interim Water and Light Director
Jim Windsor, Rates/Fiscal Manager
Christian Johanningmeier, Engineer II
Dave Sprague, Railroad Operations Supervisor
Tina Worley, Utility Services Manager
Marilyn Thorpe, Administrative Support Supervisor

APPROVAL OF MINUTES: The minutes of the regular meeting of August 13, 2009 were approved unanimously by voice vote on a motion by Kee Kroshong and second by Jack Blaylock.

DIRECTOR'S REPORT: **COLT Transload Facility:** Interim Director, Mike Schmitz told the Board that per legal staff directions, a letter was sent to Vaughn Prost advising him that there had been no respondents to the RFP to solicit an operator for the transload facility. He said inquiry was made of Mr. Prost as to whether he had any responses. According to the terms of the contract both parties, the City and Mr. Prost were to seek out prospects. Mr. Schmitz also mentioned that there were several pieces of equipment that should be repaired or replaced he said a letter had been sent to Mr. Prost notifying him of the problems. Mr. Schmitz said if there was no operator by January 11 the City would have to purchase the building and would be fully in charge.

Dinner Train: Mike Schmitz informed the Board that there had been several meetings to discuss the prospect of having a dinner train. He said Christian Johanningmeier had been compiling prices for minimum costs to the city to get the infrastructure needed to operate the venture. He said the City Manger had expressed a willingness to cooperate on the front end if this would be a long term commitment. Christian said it would be \$50,000 to \$60,000 to extend the sewer lines; \$25,000 to \$45,000 for electric; and \$15,000 for new water lines. There is a question about where the train would be stored when it is not being used and where the passengers would board. Lora Steiner from the Convention and Visitors Bureau would like the boarding to be done as close to the down town area as possible. Christian said basically the railroad would be turned over to the dinner train Friday evening though Sunday. He said they would provide their own staff and crew. Mike said the Board would be kept up to date on future developments.

FINANCIAL REPORT: Jim Windsor said the COLT is not doing well with traffic. He said at present we are operating at a loss.

TRAFFIC REPORT: Christian FY 2009 was our worst year since FY 1995. He said traffic was down across all groups. He said we have not recovered from the coal delivery contract issues in the spring. Tad Johnsen said coal delivery has not been reliable.

MARKETING: Tina Worley said the steel shipments might start picking up next spring. She has been talking with several prospective customers and working with Norfolk Southern on rates.

NEW BUSINESS: Christian told the Board that a scrap metal business approached him about using the track behind the Transload. Christian said it is not a recycling business. Scrap metal would be brought to the site it would be loaded onto rail cars and sent back to steel mills to be melted down. There was a potential for 10-20 cars a month. There would be no car hire or demurrage. Ideally they would transfer from truck to rail car.

OLD BUSINESS: 63 Bridge Update - Christian said construction was underway for the 63 Railroad Bridge project. He said the site had been brush hogged and the stripping of the top soil has been done. He said work was being done on the north side to get the rough grading completed. Christian said the steel fabrication would be done through the winter with delivery in April. The project should be finished next summer.

Next Meeting Date: The next meeting is December 10, at 7:30 am.

The meeting adjourned at 8:30 a.m.