

NOTICE OF PROPOSED GUIDANCE DOCUMENT

DTIMBTLRRH7

Pursuant to Wis. Stat. s. 227.112, the Wisconsin Department of Transportation is hereby seeking comment on DTIMBTLRRH7, Wisconsin Statute Chapter 85.08, a proposed guidance document.

PUBLIC COMMENTS AND DEADLINE FOR SUBMISSION

Comments may be submitted to the Wisconsin Department of Transportation for 21 days by:

1. Department's website: <https://appengine.egov.com/apps/wi/dot/guidance-docs?guidDocId=DTIMBTLRRH7>

2. Mailing written comments to:

Division of Transportation Investment Management
Wisconsin Department of Transportation
4822 Madison Yards Way
PO Box 7913
Madison, WI 53707- 7913

WEBSITE LOCATION OF FINAL GUIDANCE DOCUMENT

The final version of this guidance document will be posted at wisconsindot.gov to allow for ongoing comment.

AGENCY CONTACT

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FREIGHT RAILROAD PRESERVATION PROGRAM

PART IV - APPLICATION FORMS

An application for assistance is comprised of material prepared according to formats prescribed for the type of project proposed. In some cases, photocopies of the enclosed forms may be filled out and submitted. In other cases, considerable textual information is called for and is to be provided in the format called for in the enclosed forms.

<u>PROJECT TYPE</u>	<u>REQUIRED FORMS</u>
All Projects	G-1, G-2, G-3, G-4
Rail Banking	RBP
Acquisition for Continued Operation	ACO, Q&O
Substitute Service	SSP, Q&O
Rail Line Rehabilitation or Construction	RCP, Q&O

(See reverse side for instructions)

1. **ASSISTANCE APPLIED FOR:** Rail Corridor Use Improved Property Use
 Facility
 Construction Substitute Service Rehabilitation

2. **LEGAL APPLICANT/RECIPIENT**
 a. Applicant Name:
 b. Street/P.O. Box:
 c. City and Zip:
 d. Contact Person:
 and Phone No.:

3. **TITLE AND DESCRIPTION OF APPLICANT'S PROJECT**

 4. **APPLICATION DATE:**

5. **NAMES OF COUNTIES/MUNICIPALITIES, IF ANY, REPRESENTED BY APPLICANT:**

6. **PROPOSED FUNDING** (Complete one column for each program checked under Item 1)

Funding Source	Rail Corridor Use	Improved Property Use	Rehabilitation	Facility Construction	Substitute Service
a. State Grant	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
b. State Match Loan	XXXXXXXX	XXXXXXXX	\$ _____	\$ _____	\$ _____
c. State Loan	XXXXXXXX	XXXXXXXX	\$ _____	\$ _____	\$ _____
d. Local Gov't.	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
e. Rail Users	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
f. Operator	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
g. Other Fed.	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
h. Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

7. **CERTIFICATION:** To the best of my knowledge and belief, the information submitted herein is true and correct and the document has been duly authorized for submittal by the governing body.

 Signature of Applicant's Chief Executive Officer

 Title

 Date

Place additional responses on reverse side if necessary.

Instructions for Completing Form G-1, Wisconsin Standard Rail Assistance Application

1. Indicate by checking the appropriate block the project type for which application for grant funds is made.
2. Identifies the applicant for assistance.
3. Indicate line termini, project termini by milepost and current or former operating railroad.
4. Indicate date application is filed.
5. Name all member counties and municipalities if applicant is a local or county government or commission.
6. Indicate the sources and amounts of project funding either committed or proposed for each type of project for which assistance is being requested. Entries should be made in accordance with actual plans of the applicant based upon investigation of funding potential from these sources.
7. Self explanatory.

FORM G-2
OPINION OF APPLICANT'S ATTORNEY
(Sample Format)

I am the attorney for the applicant named in this application and am authorized by (name of applicant) to provide this opinion.

I have examined the following:

1. Cite and describe the Wisconsin statute(s) providing the authority for this applicant to make application.
2. Cite the charter or other document that qualifies this applicant under Wisconsin statutes cited under Item 1 above.
3. If applicant is a unit of local government, cite the resolution or other action taken by the applicant authorizing this application to be made.
4. If applicant is an agency created under s. 66.0301, formerly 66.30, or s. 59.968, or s. 66.943, Wis. Stats., cite the resolution or other action taken by each member local government comprising the applicant agency, which provides a commitment of funds for the local share of project costs under this grant application.
5. If this is an exhibit in an application for assistance which will in part be provided through funds obtained by WisDOT from the Federal Railroad Administration, cite Sections 5(i) through (o) of the Department of Transportation Act, as amended (49USC 1654(i) through (o)) and 49 CFR Parts 265 and 266.)
6. Cite Form G-3 of this application.

Based upon my examination of the foregoing, I am of the opinion that:

1. The (name of applicant) is authorized to make application and is eligible to receive rail assistance under the requirements of Wisconsin Statutes.
2. The (name of applicant) has the requisite authority to carry out actions and make assurances proposed in the application and to assume the responsibilities and obligations under Wisconsin and applicable federal statutes created thereby.
3. (Name of chief executive officer of applicant) has the authority to execute a grant agreement(s) resulting from this application.

Dated this _____ day of _____, 20____.

(Signature)

(Typed Name)

(Typed Title and Organization)

FORM G-3

CIVIL RIGHTS AND FISCAL ASSURANCES

(Sample Format)

1. The (name of applicant) hereby gives assurance that as recipient of any assistance resulting from this application, it will comply with the following laws, policies, regulations, and pertinent directions as may be applicable and will require its subcontractors through contractual agreement to similarly comply.
 - a. Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d et seq. and all requirements imposed by 49 CFR Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation;
 - b. Section 905 of the Railroad Revitalization and Regulatory Reform Act of 1976, 90 Stat. 148, 45 U.S.C. 803, and all requirements imposed by 49 CFR Part 265 (41 FR 4286, January 24, 1977), Nondiscrimination in Federally-Assisted Railroad Programs;
 - c. Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970, 42 U.S.C. 4601 et seq. and all requirements imposed by 49 CFR Part 25, Relocation Assistance and Land Acquisition under Federal and Federally-Assisted Programs;
 - d. The Rehabilitation Act of 1973, 87 Stat. 394, 29 U.S.C. 794, with regard to nondiscrimination under Federal grants.
 - e. The State and Local Fiscal Assistance Act of 1972, 31 U.S.C. 1221 et seq. and all requirements imposed by 31 CFR Part 51.
 - f. Section 16.765, Wisconsin Statutes.
2. The (name of applicant) further assures that funds property or use of property received under a grant or loan resulting from this application will be used solely for the purposes for which the assistance is provided and in conformance with any limitations on any allowable expenditures set forth under state and federal laws and regulations applicable to the assistance provided.
3. The (name of applicant) further assures that it will accept all attendant responsibilities and liabilities associated with its use of any state-owned property associated with the use of assistance funds resulting from the application including, if applicable, liability for accidents, erection and maintenance of fencing and other safety or protective devices, and the general maintenance of the project property.

FORM G-4
ENVIRONMENTAL ASSESSMENT AND IMPACT STATEMENT
(Outline of Form Content)

The applicant shall prepare the appropriate environmental documentation required by the Department of Transportation's Administrative Rule Trans 400. The Bureau of Railroads and Harbors is the contact for guidance in complying with the requirements of Trans 400 and obtaining the necessary forms. The completed document will be submitted to the Bureau of Railroads and Harbors for initial review. Final review will be performed by the DOT's Bureau of Environment in Madison.

No decision concerning funding of an application can be made until compliance with Trans 400 is complete.

**NARRATIVE DESCRIPTION FORM
FOR A
RAIL BANK PROJECT
(Form RBP)**

Applicant shall provide the following information in narrative form:

1. Restate form title.
2. State name, address, telephone number of applicant and of the designated contact person for applicant.
3. Provide a detailed description of the dimensions of the land corridor proposed for rail banking. This description should include specific end points of the corridor using all geographic and physical locators that apply, such as street names, town lines, city names, railroad mileposts, railroad engineering stations, and the like.

It will be assumed that the width of the land corridor proposed for rail banking will be the width to which the railroad purports to have ownership or operating rights up to a maximum of 50 feet from the centerline of the main (through) tracks. Land within 50 feet of the centerline of the main track which is occupied under lease by a permanent structure may be excepted from a rail bank project.

If land outside this 50 foot distance or land under existing lease is proposed for rail banking, a specific location and dimensional description of the parcel must be provided. Include with this description a discussion of the reasons extra width parcel is proposed for rail banking.

4. Provide a detailed description of the improved property proposed for rail banking. This description must include specific location identifiers, both in terms of railroad milepost and engineering station references and in terms of geographical references such as street names, industry names, and community names.

It will be assumed that the main line track structure, main line bridges, mainline trestles and road crossing signals within the end points listed will be proposed for rail banking. If track structures other than main line track are proposed for rail banking, each must be specifically identified by length and in locator terms noted above. Extra items of improved property, such as sidings, passing tracks, industry leads, runaround track, wyes, connecting tracks, yard tracks, and the like, must be identified again using specific locator terms. Any such item of improved property not identified will be deemed not to be included in the improved property proposed for rail banking.

It will be assumed that no building structures, such as depot buildings, storage sheds, freight houses, and the like, are proposed for rail banking unless specifically identified and described as to location and included as part of the improved property proposed for rail banking.

In addition to the physical descriptions of extra items and buildings, a discussion of the reasons these items and buildings are proposed for rail banking must be provided.

Omitting a discussion of the justification for acquiring will eliminate the item from consideration for rail banking.

5. Provide detailed information regarding the continuing management of the property proposed for rail banking after property is acquired.
 - 5.1 Identify the agency responsible for the continuing management of the rail banked property. Include a description of the statutory, municipal, or other authority under which this agency is able to enter into a management contract with WisDOT and perform tasks associated with items under 5.2.
 - 5.2 Describe the management agency's plans and institutional structure for addressing liability, trespass, vandalism, encroachment, trash and weed control, drainage way maintenance, road crossing maintenance, fencing maintenance, and utility easements.
6. Provide written documentation from an authoritative source the following:
 - 6.1 Documentation that for any consecutive three year period, within the ten years immediately prior to the date the abandonment petition is filed or abandonment is declared under s.85.09(3), Wis. Stats., the project segment has carried a minimum of ten carloads per mile per year. (Usual source: railroad company).
 - 6.2 Documentation that the project segment is free of any known environmental clean-up or remediation requirements likely to cost in excess of \$50,000. In lieu of such documentation, applicant may propose indemnifying WisDOT against any such cost. (Usual source: railroad company or applicant).
 - 6.3 Documentation from experts without vested interest in the project or area served by the project that the area served by the project may reasonably be expected to experience economic development within ten years.
 - 6.4 Documentation that, absent restored rail service, a responsible entity will accept the obligations concomitant with the use of the project segment as a recreational trail or all obligations of corridor management.

**NARRATIVE DESCRIPTION FORM
FOR AN
ACQUISITION FOR CONTINUED OPERATION PROJECT
(FORM-ACO)**

Applicant shall provide the following information in narrative form:

1. Restate form title.
2. State name, address, telephone number of applicant and of the designated contact person for applicant.
3. Provide a detailed description of the dimensions of the land corridor proposed for acquisition. This should include specific end points of the corridor using all geographic locators that apply, such as street names, township lines, city names, railroad mileposts, railroad engineering stations, and the like.

It will be assumed that the width of the land corridor proposed for acquisition will be the width to which the railroad purports to have ownership or operating rights up to a maximum of 50 feet either side of the centerline of the main line (through) track. Land within 50 feet of the centerline of the main track which is occupied under lease by a permanent structure may be excluded by WisDOT from the proposed acquisition.

If land outside this 50 foot distance or land under existing lease is proposed for acquisition, a specific location and dimensional description of the parcel must be provided. Include with this description a discussion of the reasons this extra width is proposed for acquisition.

4. Provide a detailed description of the improved property proposed for acquisition. This description must include specific location identifiers, both in terms of railroad milepost and engineering station references and in terms of geographical references such as street names, industry names, and community names.

It will be assumed that the main line track structure, main line bridges, main line trestles and road crossing signals within the end points listed will be proposed for acquisition. If track structures other than main line track are proposed for acquisition, each must be specifically identified by length and in locator terms noted above. Extra items of improved property, such as sidings, passing tracks, industry leads, runaround track, wyes, connecting tracks, yard tracks, and the like, must be identified again using specific locator terms. Any such item of improved property not identified will be deemed not to be included in the improved property proposed for acquisition.

It will be assumed that no building structures, such as depot buildings, storage sheds, freight houses, and the like, are proposed for acquisition unless specifically identified and described as to location and included as part of the improved property proposed for acquisition.

In addition to the physical descriptions of extra items and buildings, a discussion of the reasons these items and buildings are proposed for acquisition must be provided.

Omitting a discussion of the justification for acquiring will eliminate the item from consideration for acquisition.

**NARRATIVE DESCRIPTION FORM
FOR A
SUBSTITUTE SERVICE PROJECT
(FORM-SSP)**

Applicant shall provide the following information in narrative form:

1. Restate form title.
2. State name, address, and telephone number of applicant and of the designated contact person for applicant.
3. Provide a location and physical (including dimensions) description of the project.
4. Provide a description of the project's purpose and scope.
5. Provide a rationale for accomplishing this project in place of other alternative approaches to dealing with the abandonment. Explain why this project is the best alternative when compared with other alternatives studied in terms of service, cost, and such other criteria as the applicant chooses to include. A summary of findings from an alternative's analysis study is one approach to completing this requirement.
6. Provide a comprehensive description of the work to be accomplished under this project. It should contain an estimate of material, equipment, and labor quantities and costs. In describing the work to be accomplished, the following areas of work should be addressed. If a particular area is not applicable to the proposed project, so note and give the reason(s) it does not apply. The applicant should add to this list as may be appropriate.
 - a. Availability or acquisition of land.
 - b. Required earthwork.
 - c. The design and function of the facility to be built or installed.
 - d. The estimated types and quantities of railroad materials involved.
 - e. Permits or agreements required from local and state government.
 - f. The specific location of the project.
 - g. Identify which of the elements of work described above will be accomplished by each of the following methods and state the reason(s) why that method is selected.
 - Force account by applicant.
 - Force account by a railroad.
 - Applicant contracting with qualified low bidder.
 - Railroad contracting with qualified low bidder.
 - A combination of these or a different approach (describe).

7. Provide a comprehensive description of the arrangements for providing railroad service to the proposed substitute facility. This description would include, if possible, copies of any service agreement to new team tracks or the proposed operating terms of a bulk material trans-loading piece of equipment and the like. If the substitute service project does not involve railroad service, the applicant should so state.

If the substitute service project does include provision of railroad service and such provision of service requires construction or rehabilitation of railroad facilities using project funds, the applicant must also provide the information required under the Rehabilitation or Construction Form RCP, Parts 8 and 9.

8. Provide a detailed estimate of the schedule for completion of the project work elements. The most comprehensive response would include a PERT or CPM network diagram in support of the schedule submitted. The schedule submitted should identify the completion dates of major work elements (event milestones).
9. Provide a detailed description of the applicant's plan for accomplishing certain project development and management tasks. The applicant should include the identification and qualifications of the persons performing these tasks and an estimate of the costs.

**NARRATIVE DESCRIPTION AND PROJECT COST ESTIMATE FORM
FOR A
RAIL LINE REHABILITATION OR CONSTRUCTION PROJECT
(FORM RCP)**

Applicant shall provide the information required under Parts 1 through 8 in narrative form and Part 9 in tabular form.

1. Restate form title.
2. State name, address, and telephone number of applicant and of the designated contact person for applicant.
3. Provide a location and physical (including dimensions) description of the project.
4. Provide a statement or description of the project's purpose and scope.
5. Provide the rationale for accomplishing this project in place of other alternative approaches to dealing with preservation of rail freight service. Explain why this project is the best alternative when compared with other alternatives studied in terms of service, cost, and such other criteria as the applicant chooses to include.
6. Provide a detailed estimate of the schedule for completion of the project work elements. The most comprehensive response would include a PERT or CPM network diagram in support of the schedule submitted. The schedule submitted should identify the completion dates of major work elements (event milestones).
7. Provide a detailed description of the applicant's plan for accomplishing certain project development and management tasks. The applicant should include the identification and qualifications of the persons performing these tasks and an estimate of the costs.
8. Provide a comprehensive description of the rehabilitation work to be accomplished with the assistance and matching funds requested in this application.
 - 8.1 Identify, if any, those portions of the line which will not be subject to rehabilitation work.
 - 8.2 Identify the location of and reason for replacement of rail, if any. Provide the weight, grade, and length in feet of the replacement rail proposed for each location.
 - 8.3 State the average number of crossties to be replaced per mile of main line track and per mile of siding track. Provide the grade, type, and size of crossties to be installed in each type of track and whether new or used ties will be installed.
 - 8.4 State the type (granite, crushed limestone, etc.) and size of ballast to be used. If ballast renewal is not to be uniform throughout the line, identify the location and length of segments which will not be reballasted and those that will have above average amounts of ballast renewed.

- 8.5 Identify the location, length in feet, and side of track where ditching will be performed.
 - 8.6 Identify by location and type each drainage structure (culvert, bridge, trestle) to be rehabilitated and the work to be done on it.
 - 8.7 For each road crossing to be rehabilitated, identify its location, length, and work to be done, e.g. install 3-rail design with rubber, move signals, change grade of road, etc.
 - 8.8 Identify location and describe any work to be done on railroad crossing diamonds.
 - 8.9 For each turnout on the line, identify its location and the work, if any, to be done on it.
 - 8.10 Identify location and describe the work, if any, to be done on each building, platform, loading ramp, pole line, or signals.
 - 8.11 Identify location and describe the purpose for and work intended for any significant earth work to be done, especially in or near wetlands.
 - 8.12 Identify location, length, and FRA safety standards intended of any side or other auxiliary track to be rehabilitated.
9. Provide in tabular form according to the following format the data requested in support of the amount of assistance requested for this rehabilitation or construction project. Expand the table as may be required. This data shall serve as an estimated price quotation for force account work or as an engineer's estimate for sealed bid contract work.

9.1 Materials.

<u>Description of Item</u>	<u>Quantity</u>	<u>Unit</u>	<u>Total</u>
	<u>Amount</u>	<u>Cost</u>	

(Make a separate entry for each different weight or size in each category)

(a)	Rail __ L.F. __ Size (wt.)		NT
(b)	Tie Plates Size _____		Ea.

9.1 Materials. (Continued)

<u>Description of Item</u>	<u>Quantity</u>	<u>Unit</u>	<u>Total</u>
	<u>Amount</u>	<u>Cost</u>	
(c) Rail Anchors Type __ Wt. __ Ea.			
(d) Spikes Size ____			Kgs.
(e) Ties New Size ____ SH Size ____ Ea.			Ea.
(f) Joint Bars Size ____ Wt. ____			Pr.
(g) Insulated Joints Type __ Wt. __			Pr.
(h) Compromise Joints Wt. __			Pr.
(i) Bolts Size ____			Ea.
(j) Nutlocks Size ____			Ea.
(k) Ballast C.Y. __ NT __			NT
(l) Other Track Material (List Items)			

TOTAL

9.2 Labor.

<u>Description of Item</u>	<u>Quantity</u>	<u>Unit</u>	<u>Total</u>
	<u>Amount</u>		
(a) __ General Foremen or Administrators			Hrs.
(b) __ Foremen			Hrs.
(c) __ Assistant Foremen			Hrs.
(d) __ Trackmen			Hrs.
(e) __ Machine Operators			Hrs.

- | | | |
|-----|---------------------------|------|
| (f) | _ Asst. Machine Operators | Hrs. |
| (g) | _ Welders | Hrs. |

9.2 Labor (Continued)

<u>Description of Item</u>	<u>Quantity</u> <u>Amount</u>	<u>Unit</u> <u>Unit Cost</u>	<u>Total</u>
(h) _ Signal Maintainers			Hrs.
(i) _ B&B Foremen			Hrs.
(j) _ B&B Laborers			Hrs.
(k) _ Labor Additives*			\$
(l) _ Per Diem Expense			Days
(m) _ Mileage Expense			Days

(* Include Vacation, Paid Holidays, Workmen's Compensation, Unemployment, Health & Welfare, and Risk Insurance)

TOTAL

9.3

	<u>Equipment Rental or</u> <u>Use</u>	<u>Per</u> <u>Day Cost</u>	<u>Per</u> <u>Days</u>	<u>Total Amount</u>
(a) _ Spike Puller				
(b) _ Bolt Machine				
(c) _ Tie Saw				
(d) _ Scarifier				
(e) _ Tie Handler				
(f) _ Tie Crane				
(g) _ Tie Inserter				
(h) _ Power Jack				
(i) _ Spiker				
(j) _ Rail Anchor Applicator				

- (k) __ Motor Cars
- (l) __ Adzers
- (m) __ Ballast Regulators

9.3

Equipment Rental or
Use Per
Day Cost Days
Total Amount

(Continued)

- (n) __ Other Cranes
- (o) __ Tie Plugger
- (p) __ Gauging Machine
- (q) __ Other Machines
- (r) __ Small Tools (jacks, sledges,
claw bars, picks, lining bars,
adzers, etc.)

TOTAL

9.4 Charges for Transportation of Material to Site Including
Per Diem on Freight Cars.

TOTAL

9.5

Work Train & Crew
Unit Quantity Unit Cost
Total Amount

Equipment
Crew

Hrs.

Hrs.

TOTAL

9.6 Miscellaneous Costs
(List Items)
(Include detours, permits,
truck rental, administrative
expenses, etc.)

TOTAL

Total Project (Add 9.1-9.6)

Contingencies 5%

Sub-Total

Less Salvage [Salvage Net of Removal and Transport Costs]

Total of Project Cost

(_____)

**QUALIFICATION AND OPERATIONS FORM
FOR A
RAILROAD PRESERVATION PROGRAM PROJECT
(FORM Q&O)**

The applicant shall restate the question or direction including the same numerical identification provided in this outline and then state its response to the question or direction. If an item is not applicable, so state and give the reason not applicable.

1.0 General Project Identification.

1.1 Give the name of applicant.

1.2 Give the name of the operating railroad or proposed operating railroad, if known.

1.3 Give the termini cities of the line or in which project is located.

2.0 Ownership and Management.

2.1 Surface Transportation Board (STB) Certification.

2.1.1 Give the name of the entity which will hold the common carrier certificate of convenience and necessity from the STB.

2.1.2 Give the name of the entity which will (or has) prepare(d) the application for the STB certificate if different from 2.1.1.

2.1.3 Describe the type of STB certificate to be obtained or already obtained (emergency car service order, modified or full, etc.).

2.1.4 If not already secured, provide a timetable for the securing of certification which identifies major actions required by operator, applicant, and STB and projected completion dates.

2.2 Rail Service Provider (Operator).

2.2.1 Describe type of business structure and if incorporated, give the name under which the company is incorporated, the state, and the date of incorporation, and the names and addresses of the incorporators.

2.2.2 Give the present mailing address of the operator company.

2.2.3 Give the proposed location (city) of the company's general offices when operations are underway.

2.2.4 List the names and addresses of principal owners (5% or more of the company's shares).

2.2.5 If any proposed or current principal owner is engaged by other proposed or operating railroads, give the owner's name and the name(s) of the other railroad(s).

- 2.2.6 If a corporation, provide a copy of the Articles of Incorporation filed with the Secretary of State of Wisconsin and all amendments thereto or the Certificate of Authority from the Secretary of State of Wisconsin.
- 2.2.7 List the names and provide the following information for current or proposed management, operating, and maintenance-of-way personnel. (If naming personnel at this time is inopportune, state the position title and then complete the information requests as applicable to the unnamed prospective employee.)
 - a. Relevant experience.
 - b. Relevant positions held, duration and employer for each.
 - c. Expected percentage of working time assigned or to be assigned to providing service on the line for which this application is made.
- 2.2.8 List the payroll categories used. State the number of employees by category, the annual compensation paid or proposed to be paid by category, the person-hours per week and person-weeks per year by category dedicated to providing service on the line for which this application is made.
- 2.3 Local Governmental Unit (Transit Commission or Other Governmental Unit Making Application).
 - 2.3.1 Identify the entity and, if known, the personnel performing the following immediate and on-going services for the local governmental unit.
 - a. Developing contracts between operator and commission.
 - b. Developing contracts/agreements between commission and WisDOT.
 - c. Preparing grant application materials.
 - d. Developing project related performance and material specifications.
 - e. Supervising project related construction, reconstruction, and delivery of service by operator or subcontractor.
 - f. Managing the assistance funds and revenues accruing over time to the commission.
 - g. Preparing commission operating budgets.
 - h. Preparing reports required of the commission under assistance

agreements.

2.3.2 Identify the sources of revenue to pay for the work and service provided under each of the items listed in 2.3.1 by item.

3.0 Traffic.

3.1 List actual and projected customers, commodities, and carloads for the first five years of operation according to the following format:

<u>Customer Name</u>	<u>Location</u>	<u>Individual Commodity</u>	<u>Outbound Carloads</u>					<u>Inbound Carloads</u>				
			Years					Years				
			<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>

3.2 Provide a projection of carloadings for the first five years of operation according to the following format:

<u>Operating Year</u>	<u>Originating</u>	<u>Terminating</u>	<u>Overhead/Bridge</u>	<u>Total</u>
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First Year

Second year

Third Year

Fourth Year

Fifth year

3.3 Describe the method employed in developing the projections in 3.1 and 3.2 and the basis for projecting significant increases or decreases in traffic. (New industry, industry closes, new product line, new service innovation, etc.).

3.4 Describe proposed marketing efforts to increase rail usage by current users, to gain or regain usage by current non-users and to attract new industry to the line. Delineate specific proposals expected to be implemented, such as lease of rail cars for dedicated service, installation of a TOFC service, installation of a special piece of equipment, increased service frequency, etc., and identify the market each proposal is targeted to reach. Do not identify a proposal unless a target market is known and the proposal has a high probability of being implemented. State the number of personnel to be assigned to this activity and the amount of time they will perform these functions on a yearly basis.

4.0 Rolling Stock - Physical Facilities.

4.1 Identify the motive power already available from off-line or to be continued on-

line to meet the service demands of the line for which this application is made.

<u>Type of Unit</u>	<u>Number of Units</u>	<u>Date Available</u>	<u>Horse-power</u>	<u>Cost if Purchased</u>	<u>Monthly Cost if Leased</u>	<u>Source of Funds</u>
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4.2 Identify the freight car supply available to meet the service demands of the line for which this application is made.

<u>Car Type(s)</u>	<u>Capacity (tons)</u>	<u>No. of Units</u>	<u>Source of Funds</u>
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4.2.1 Owned by operator's company

4.2.2 Leased by operator's company

4.2.3 Owned or leased by shipper/receiver

4.2.4 Owned or leased by applicant commission

4.2.5 Assigned to line by other railroads

4.2.6 Requested from other railroads

4.2.7 Inbound loads suitable for outbound reload

4.3 Identify and describe any of the following on-line and off-line support facilities required to meet the service demands of the line for which this application is made. Indicate for all off-line facilities if use agreements are in force or if they are still to be negotiated and when such negotiations are expected to be completed. All lengths and capacities shall be verified by on-site examination.

4.3.1 Location of operating headquarters office. (Payroll, accounting, sales, dispatching, etc.).

4.3.2 Motive power (repair and fueling facilities/heavy engine repairs).

Locations(s)

Type(s) of Facility

4.3.3 Car shop or RIP track

Locations(s) Type(s) of Facility

4.3.4 Classification yard(s), if any (List)

Location Number of Tracks Capacity

4.3.5 Interchange yard(s) or tracks (List)

Location No. of Interchange Tracks
Capacity

4.4 Identify and describe any of the following delivery facilities required to meet the service demands of the line for which this application is made.

4.4.1 Team Track (List)

Location Length in Feet
(from clearance point)

4.4.2 TOFC/COFC Facilities (List)

Location Type Capacity

4.5 Identify and describe any other facility required to meet the service demands of the line for which this application is made. (TOFC trailer/container supply, weigh scales, bulk loaders/unloaders, etc.).

5.0 Acquisition of the Rail Land Corridor.

5.1 If the access to all or part of the rail land corridor by the applicant and operator is by other method than a land-use agreement with WisDOT, describe the method used or to be used in detail.

5.2 If access to all or part of the rail land corridor by the applicant is by an existing land-use agreement with WisDOT, include a copy of the agreement as an attachment to this exhibit.

6.0 Normal Maintenance of Track and Structures. (Complete Section 6.0 for each distinct line segment, as defined by applicant, for which funds under this application are to be used.)

Applicant Please Note: This section addresses normal maintenance issues on an annual basis. This section is not to be used to describe a major rehabilitation project. Applicants for rehabilitation grants must complete Form RCP. Likewise, data provided in Form RCP is for a one time rehabilitation and cannot be used verbatim as a response to this section. Please also note that WisDOT and the Wisconsin railroads have established minimum maintenance standards that the operator will be required to meet under any grant agreement. Those standards should be considered when preparing this section of the application. A copy of the standards is available from the Bureau of Railroads and Harbors.

6.1 Line Identification.

6.1.1 Identify and describe any joint use trackage on this line. The description should include a brief description of the terms of the joint trackage agreement, the maintenance responsibility and obligations for the joint trackage and the termini of the joint trackage, by station, milepost, and engineering stationing.

6.1.2 Give the total number of miles of track to be maintained, excluding turnouts and all sidings.

6.2 Operating Conditions.

6.2.1 Upon completion of an inspection by the applicant or the operator, state the FRA track safety class to which the line currently conforms and the maximum gross weight currently allowable on the line in the judgment of the applicant or operator.

These statements are to be based upon the judgment of the applicant or the prospective operator and not that of the prior owner or operator unless the applicant or prospective operator accepts the prior owner's or operator's judgment as its own.

6.2.2 Indicate by milepost termini the location and cause for each slow order which is now imposed on the line by the current carrier or which should be imposed in the judgment of the applicant or operator.

6.2.3 Describe in narrative form the approach to be taken by the applicant or operator to the following:

- a. Keeping the track at its current safety class level or raising it or lowering it under management by the applicant or operator.
- b. Maintaining the current operating speed or increasing it as well as the reasons for selecting a particular speed goal.
- c. Removing or not removing existing slow orders and if they are to be removed, what work is required, how will it be accomplished, and when would the work be expected to be completed.

6.3 Estimates of Normal Annual Maintenance Material and Labor Quantities and Costs. (**Note:** These estimates are not equivalent to those required under Form RCP.)

6.3.1 For each of the following material items, indicate how many units **per year** would be needed, the basis for the estimate, and the method of installation:

- a. Rail - Linear feet and net tons.

- b. Tie Plates - Sizes and number of each size.
- c. Rail Anchors - Type(s) and number of each type.
- d. Spikes - Spike size and number of kegs.
- e. Cross Ties - New or second hand, size, type, grade and number of each.
- f. Joint Bars - Size and number of pairs.
- g. Bolts - Size and number of each.
- h. Nut Locks - Size and number of each.
- i. Ballast - Type, size, cubic yards, and net tons.
- j. Switch Components - Size, type, and quantity of each component.
- k. Other Materials - Describe completely.

6.3.2 Provide an estimated annual cost for the quantities of materials estimated in 6.3.1 and an estimated annual cost for labor to install the materials as separate amounts.

6.3.3 For each of the following areas of maintenance, describe fully the type of work required, the method proposed to accomplish the work, the reason for using the proposed method, the estimated cost of the work, and the relative priority of the work. If an extraordinary amount of work in any of these categories is required at start-up, provide data for start-up as well as for subsequent normalized annual maintenance.

- a. Vegetation Control.
- b. Ditching.
- c. Culvert Renewal.
- d. Bridge Renewal or Repair.
- e. Highway Grade Crossing Repair.
- f. Railroad Crossing Diamond Maintenance.
- g. Building or Other Structure Maintenance.
- h. Other (Describe fully).

7.0 Operations.

7.1 Interchange of Traffic.

7.1.1 Provide a list of interchange locations by city, milepost, and yard name and the name of the railroad interchanging traffic with the applicant or operator at that location.

7.1.2 As partial verification of the operator's ability and readiness to provide rail service on the project line, provide documentation from the connecting carrier that either:

- a. An interchange agreement is in place and executed, or
- b. The connecting carrier agrees to interchange traffic at the locations specified at such time as railroad operations begin on the project line. This documentation must be provided prior to the execution of an assistance agreement resulting from this application.

7.2 Tariff and Shipper Contract Filings - Including Interline Rates and Routes.

As partial verification of the operator's ability and readiness to provide rail service on the project line, list all tariffs in which the operator must participate to serve the current demands of rail service users on the project line and a schedule of expected dates for filing of these tariffs and the expected effective date of these tariffs. Reference should be made to assumption of shipper contracts and to appropriate filings in accordance with AAR Car Service and Car Hire Agreement, Leland's Open and Prepaid List, The Official Railway Equipment Register and the appropriate tariff bureaus.

7.3 Division of Revenue.

As partial verification of the operator's ability and readiness to provide rail service on the project line, provide documentation from the connecting carrier(s) that either (a) a revenue division agreement is in place and executed or (b) the connecting carrier and the operator have entered into negotiations of a revenue division agreement.

7.4 Freight Train Service.

7.4.1 Dispatching - Provide a description of the operating policy governing when and if trains operate and methods to be employed to maintain records regarding train movements.

7.4.2 Local Freight Service. (Prepare separate response for **each** train operation.)

- a. Name of the line.
- b. Termini.
- c. Crew Assignment.

1. Home terminal.
 2. Turning point on the line.
 3. Expected frequency.
 4. Estimated number of annual round trips.
 5. Average time serving the line per round trip. (This time should include overhead running time to reach the line and yard, terminal, and tie-up time attributed to the line.)
 6. (a) Additional assignments for this crew on days serving this line.
 - (b) Additional assignments for this crew on days not serving this line.
 7. Scheduled starting time for train crew.
- d. Serving yard or train make-up point.
1. Location.
 2. Distance from line (if off project line).
- e. Power.
1. Type.
 2. Horsepower.
 3. Number of units.
- f. Miscellaneous.
1. Layover.
 2. Taxiing.

7.5 Derailment Response Plan.

7.5.1 Equipment and Lading - Describe the operator's plan for picking up equipment following a derailment and the basis for selecting the approach used. Topics that should be addressed in the description include transferring lading material, re-railing motive power and freight cars, repairing motive power and freight cars, handling of claims, and budgeting for such occurrences.

7.5.2 Track and Structures - Describe the operator's plan for repairing track and structures damaged by a derailment and the basis for selecting the

approach used. Topics that should be addressed in the description include the use of company and contractor forces, equipment rental plans, emergency stockpile of material, and budgeting for such occurrences.

7.6 Hazardous Materials Response Plan.

(The following material is required only in applications where the project line is expected to transport lading classified by FRA as hazardous materials.) Describe the operator's plans for dealing with a hazardous materials spill. The description should address the operator's knowledge of 49 CFR Parts 170 through 179, a plan and timetable for notification of proper authorities, the agencies to be notified, the information needed by these agencies, a system for situation evaluation and initiation of action, procedures for containment and counter measures, type and access to materials and equipment needed for clean-up, and plans for training employees for proper response.

7.7 Additional Safety Concerns.

Describe the operator's plans to participate in or deal with the following safety issues:

- a. Developing a book of operating rules for the new railroad.
- b. Operation Lifesaver or other program of grade crossing warning.
- c. Close clearances.
- d. Vegetation control at rail-roadway intersections.
- e. Debris removal.
- f. First aid training and on-board equipment.
- g. Safety personnel or advisor.
- h. Track and equipment safety inspection.

8.0 Accounting and Financing.

As partial verification of the operator's ability and readiness to provide rail service on the project line, the following financial and accounting information is to be provided. The information provided is to relate solely to the line or lines for which this application for funds is made. If any of the data provided is also applicable to other lines operated or to be operated by the applicant or the operator, it must be so identified and an appropriate proration or apportionment of resources among the lines be shown.

8.1 Accounting - The accounting system(s) of the applicant and the operator are expected to meet any applicable requirements of the Uniform System of Accounts prescribed by the Surface Transportation Board. Of particular concern for this

application is the accounting system established or to be established by both the applicant and operator to account for the assistance funds initially provided as a result of this application and for the continuing accounting of revenue, and expenses necessary to comply with the terms of the assistance agreement(s) resulting from this application.

8.1.1 Accounting Function Performance: For both the applicant and the operator, describe the method already established or to be established for performing the accounting functions associated with the assistance resulting from this application. The description should address the issue of personnel and qualifications (in-house employee or contracted accounting firm or contracted billing service), experience of accounting personnel, and the responsibilities of the applicant and the operator for performing the assistance related accounting functions.

8.1.2 Accounting System: For both the applicant and the operator, describe the features of the accounting system to be employed. This description should address the accounts and cost centers to be established by the operator. This description need not be extensive inasmuch as a pre-assistance award audit must be completed prior to assistance award.

8.1.3 Audit Reports: For the operator, describe who will prepare independently audited financial statements and when the statements will be prepared.

8.1.4 Pre-Award Audit: A pre-award audit of the operator's accounts must be completed prior to assistance award. Include in this application or under separate cover, documentation of an acceptable pre-award audit of operator's accounts by WisDOT or an independent auditor acceptable to WisDOT. The applicant is advised that a request for a pre-award audit by WisDOT must be made at least sixty days prior to the date the assistance award is to be made.

8.2 Financial Resources - For each of the following potential sources of funding, provide the following information: the use to which the funds obtained will be put (such as, rehabilitation, salaries, locomotive lease, etc.), the amount obtained or to be requested from the source, the date application for the funds was made or is expected to be made, the date the funds are expected to be actually available for use, and any special conditions attached to obtaining the funds (such as a 30-day notice, a loan guarantee, security, a project start-up date, etc.). Clearly indicate if a given source of funding is not expected to be used. The description of financial resources should include all that are necessary to the initiation and continuation of rail service on the project line for which this application is submitted.

8.2.1 Public Sector Sources.

- a. Wisconsin railroad preservation program.
- b. Local government (city, county, town, village tax resources).

- c. Economic Development Administration (EDA) programs.
- d. EDA Section 304 discretionary funds.
- e. Farmer's Home Administration programs.
- f. Department of Energy programs.
- g. Department of Agriculture programs.
- h. Small Business Administration programs.
- i. Other public sources.

8.2.2 Private Sector Sources.

- a. Common and preferred stock offering.
- b. Bond or similar debt instrument issues.
- c. Private sector commercial loans (FmHA and SBA guarantees should be shown under 8.2.1).
- d. Rail service users (grants or loans from shippers or receivers serviced by the project line).
- e. Surcharges, arbitraries or other special assessments on rail service users.
- f. Freight rate increases.

8.2.3 Non-Monetary Sources.

- a. Material goods contributed or provided in lieu of cash (rail, ties, ballast, etc.).
- b. Services contributed or provided in lieu of cash (accounting, engineering, inspection, etc.).

8.3 Financial Pro Forma - The following several pages provide a format for a beginning balance sheet and a format for developing a five year estimate of revenue and expenditures for the railroad company operating the line. The beginning balance sheet (Format 8.3.1) is to reflect the amounts as they actually are at the time the application is filed or as they are expected to be on the first day of operation. This format is based on Schedule B - Comparative Balance Sheet of the Class III Railroad Annual Report. The forms for this report are available from the Wisconsin Department of Revenue. The amounts shown in Format 8.3.1 should reflect the responses provided under 8.2 and comprise an amount sufficient to comply with the eligibility requirements under Part I, Sub 2.3 of Application Instructions.

8.3.1 Format for Pro Forma Beginning Balance Sheet

CLASS III RAILROAD ANNUAL REPORT
SCHEDULE B - COMPARATIVE BALANCE SHEET

Line No.	Item	Balance at Close of Year	Balance at Beginning of Year
	CURRENT ASSETS		
1	Cash		
2	Temporary Cash Investments		
3	Special Deposits		
4	Accounts Receivable		
5	Less: Allowance for Uncollectible Accounts		
6	Prepayments (and Working Funds)		
7	Materials and Supplies		
8	Other Current Assets		
9	Total Current Assets		
	OTHER ASSETS		
10	Special Funds and Other Investments & Advances		
11	Other Assets		
12	Other Deferred Debits		
13	<u>Total Other Assets</u>		
Line No.	Item	Balance at Close of Year	Balance at Beginning of Year
	ROAD AND EQUIPMENT (Schedule C)		
14	Road and Equipment Property		
15	Accumulated Depreciation and Amortization		
16	Net Road and Equipment		
17	Total Assets		
	CURRENT LIABILITIES		
18	Loans and Notes Payable		
19	Accounts Payable		
20	Interest and Dividends Payable		
21	Federal Income Taxes Accrued		
22	Other Taxes Accrued		
23	Deferred Income Tax Credits		
24	Other Current Liabilities		

25	Equipment Obligations and Other Long-Term Debt due Within One Year		
26	Total Current Liabilities		
	NON-CURRENT LIABILITIES		
27	Funded Debt Unmatured		
28	Equipment Obligations		
29	Capital Lease Obligations		
30	Other Long-Term Liabilities and Deferred Credits		
31	Total Non-Current Liabilities		
	SHAREHOLDER'S EQUITY		
32	Common Stock		
33	Preferred Stock		
34	Discount on Stock		
35	Paid-In-Capital		
36	Retained Earnings		
37	Less: Treasury Stock		
38	Total Liabilities		

8.3.2 Format For Pro Forma Operating Expenses.

Projected company operating expenses including the rail line subject to this application based on the operating plan. If items are not applicable to your operation, mark N/A.

<u>Normal Maintenance of Way and Structure</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
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Labor

Chief Engineer and Expenses

Track Foreman and Expenses

Trackman ____ at ____ per person

Temp. Trackman ____ at ____ per person

Materials

Ties __ at __ each

Rail __ tons at __ per yard

Ballast __ tons at __ per ton

Bridge Maintenance (painting, masonry,
timber replacement, etc.)

Track Materials (bolts, spikes, tie plates,
etc.)

Weed Killer __ lb. at __ per lb.

Brush Cutting

Structures (electrical, painting, etc.)

Miscellaneous (specify)

8.3.2 (Continued)

<u>Maintenance of Equipment</u>	Year 1	Year 2	Year 3	Year 4	Year 5
---------------------------------	--------	--------	--------	--------	--------

Labor

Locomotive Shop Foreman ___ at ___ per year

Mechanic ___ at ___ per year

Materials

Parts for Motive Power

Maintenance Work Performed by Outside Firm
(Identify expected location)

Traffic and Transportation

Labor

Traffic Supervisor ___ at ___ per year
and Expenses

Locomotive Engineer ___ at ___ per year

Conductor ___ at ___ per year

Brakeman ___ at ___ per year

Freight Agent ___ at ___ per year

Clerks ___ at ___ per year

Overtime

8.3.2 (Continued)

<u>Miscellaneous</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
----------------------	---------------	---------------	---------------	---------------	---------------

Fuel ___ gal. at ___ per gal.

Liability and Equipment Insurance

Other (freight claims, telephone, etc.)

General

Directors and Officers ___ at ___ per year

Management and Superintendent ___ at ___ per year

Management Expenses (travel, telephone, etc.)

Accounting Service or In-House Accountant ___ at ___ per year

Others (list)

Outside Auditing Service

Legal Service

Memberships (specify)

Office Expenses: Supplies, telephone, others

Employee Fringe Benefits (___% of payroll)

8.3.2 (Continued)

<u>Rental</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
---------------	---------------	---------------	---------------	---------------	---------------

Hire of Freight Cars: Per Diem ___
Demurrage ___ (Minus)

Net Per Diem

Rental of Locomotive ___ at ___ per year

Rental of Track Equipment (specify)

Rental of Proposed Line from Government Body

Joint Facilities Cost (specify)

Railway Tax

Real Estate Tax

Payroll Tax

Income Tax (City, State, Federal)

Other Tax

Return to Investor

GRAND TOTAL RAILWAY OPERATING EXPENSES

8.3.3 Format for Pro Forma Income Statement.

<u>Income</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
(101) Freight Income: ___ carloads at \$____ average division.					
Income from Originating Carloads					
Income from Terminating Carloads					
Income from Bridge Carloads					
<u>Total Freight Revenue</u>					
(102) Passenger Income					
(104) Switching Income: ___ carloads at \$____ average switch charge					
(106) Demurrage Income: ___ cars at \$____ average per car					
(120) Joint Facility Income					
(506) Income from Property Used in Other Than Carrier Operation					
a. Contract Car Repair					
b. Other					
(510) Miscellaneous Rent Income					
a. Freight Car Storage					
b. Per Diem Revenue Surplus					
c. Warehousing					
Other Income Not Identified Above					
TOTAL RAILROAD OPERATING REVENUE					

8.3.4 Format for Pro Forma Profit and Loss Statement

PROFIT AND LOSS STATEMENT

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<u>REVENUE</u>					

(From 8.3.3)

OPERATING EXPENSES

(From 8.3.2)

OPERATING INCOME (LOSS)

For each year in which an operating loss is indicated, provide information how the applicant or operator will fund the loss. If all five years indicate a loss, indicate in what year, if any, the operation will no longer show a loss. Also indicate the basis for that projection.