

September 25, 2003

Ref: Billing/Union Pacific RR

To The Honorable  
The Common Council  
City of Milwaukee

Dear Council Members:

The attached resolution authorizes the cancellation of seventy-six (76) invoices billed to the Union Pacific railroad during 2000 and 2001.

The Port performs railroad maintenance on Jones Island, the cost of which is rebilled to its two principal railroads, the Union Pacific and the Canadian Pacific on a "percentage of usage basis" established by railroad car counts.

For the years 2000 and 2001, the car counts provided by the CP were substantially in error, causing the UP to be over billed for those periods.

Upon discovering the inaccuracy, the Port met with the railroads, established acceptable figures and negotiated a reallocation/rebilling of amounts due. This has been accomplished and the funds have been paid, as rebilled, by the railroads.

To finally resolve the issue, the old UP invoices need to be cancelled.

Respectfully submitted,

KENNETH J. SZALLAI  
Municipal Port Director

KJS/dcl

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