

**SOUTH DAKOTA STATE RAILROAD BOARD MEETING MINUTES
OCTOBER 18, 2017 – 11:00 A.M.
BECKER-HANSEN BUILDING – 700 EAST BROADWAY
PIERRE, SOUTH DAKOTA**

MEMBERS PRESENT: Todd Yeaton, Chair
Sheldon Cotton, Vice Chair
Jerry Cope, Member
Gary Doering, Member
Harlan Quenzer, Member
Jack Nelson, Member

**MEMBERS PRESENT
VIA CONFERENCE CALL:** Jeff Burket, Member

DOT STAFF PRESENT: Darin Bergquist, Joel Jundt, Becky Janssen, Bonnie Olson, Lynn Kennison, Misty Siedschlaw, Kristi Sandal, and Tessa Wenner

**OTHERS PRESENT
VIA CONFERENCE CALL:** Kirk Jones and Drew Fredrickson

OTHERS PRESENT: Alex Huff, Dick Huff, Becky Brunsing, Heath Haden, Rick Vallery, Gabe Laber, and Bob Mercer

Chair Yeaton called the meeting of the South Dakota State Railroad Board (the "Board") meeting to order at 11:00 a.m. Roll call was taken and a quorum was determined.

Chair Yeaton announced to the Board that this meeting would be his last Board meeting. Yeaton has decided to retire from the Board after being a member for 14 plus years.

Secretary Darin Bergquist presented an executive proclamation from the Governor to Chair Yeaton and thanked him for his years of service.

Chair Yeaton introduced the new Board member, Jack Nelson.

An item will be placed on the agenda for the next regular Board meeting for the election of officers.

Chair Yeaton opened the floor to Board members to disclose potential conflicts of interest and to present requests for waivers pursuant to South Dakota Codified Law (SDCL) chapter 3-23.

No conflicts of interest were disclosed and no waivers were requested.

Chair Yeaton asked for a motion to approve the minutes of the August 16, 2017, Board meeting.

A correction was made to the spelling of the name of a meeting attendee. Avery Banks was corrected to read Avory Beggs.

A MOTION WAS MADE by Cope and seconded by Quenzer to approve the amended August 16, 2017, meeting minutes. All present voted aye by roll call vote. The motion carried.

Secretary Bergquist presented the Board with written documents detailing responses to questions the Government Operations and Audit Committee ("GOAC") requested the South Dakota Department of Transportation (the "Department") answer regarding state owned rail. Bergquist also suggested the Board review the archive audio of the GOAC meetings to hear their concerns. Bergquist stated that it is likely the Department will be asked to attend the next GOAC meeting.

Link to GOAC archive:

<http://sdlegislature.gov/Interim/Documents.aspx?Committee=172&Session=2017>

Deputy Secretary Jundt presented the Board with information for the consideration of a property sale in Marshall County. The Department recommends trading the Marshall County Regional Rail Authority (MCRRA) property in yellow (south leg track which the state currently owns assets on) for the property in red which is owned by the State of South Dakota (the "state"). The state owned property consists of approximately 2.7 acres and MCRRA owned property is approximately 12.8 acres - a difference of 10.1 acres. The Department would need to pay the difference. MCRRA acquired the property shown in yellow for \$3,200/acre.

A MOTION WAS MADE by Doering and seconded by Quenzer to authorize and direct the Department:

- 1) to salvage the approximately one-half (1/2) mile of track material north of Jarrett Junction and include that salvage material in the Request for Proposals the Department is issuing for the previously approved sale of salvage materials on the Britton line;
- 2) to execute all documents necessary to complete the trade of the MCRRA owned property shown in yellow on the attached **Exhibit A** (south leg track which state currently owns assets on) for the state owned property shown in red on the attached **Exhibit A**; and
- 3) to execute the necessary documents to reduce the recent loan authorization for the MCRRA loan agreement of \$250,000.00 by \$32,320.00 which is the difference in the number of acres being traded multiplied by the amount MCRRA paid per acre for the property it owns.

All present voted aye by roll call vote. The motion carried.

Becky Brunsing, representative from the city of Wagner, South Dakota, and Gabe Laber, representative from DGR Engineering presented the Board with information regarding their plans to make improvements on a city of Wagner owned street called Railroad Street. Railroad Street is currently a gravel surfaced road and is 27 feet in width. The city of Wagner would like to widen the road to 36 feet, install curb and gutter, and hard surface the street. The purposed street improvements would encroach into state-owned railroad property by approximately 11 feet.

The Board recommended the city of Wagner apply to the Department for a permit to occupy the railroad right of way for the proposed improvements.

No action was taken.

Project updates:

- RCP&E: The Department has executed both the agreement with Federal Railroad Administration (“FRA”) and the agreement with Rapid City, Pierre & Eastern Railroad, Inc.
- Sioux Valley - An application was submitted to United States Department of Transportation for a federal TIGER grant which was accepted in United States Department of Transportation grant system. The FRA has been working on environmental issues regarding the slide project and the Department is still waiting for a coordinating meeting with Iowa State Historic Preservation Office.
- MRC – The underwater bridge inspection was performed at the Missouri River Chamberlain Bridge at the columns and no scour issues were found. Mapping was also provided and will be delivered to the Department for historical purposes.
- Britton – The Department is waiting for final plans and a status update from the consultant on the Richland-Sargent drainage project.

A MOTION WAS MADE by Doering and seconded by Cope to adjourn.

With no other business to come before the Board, the meeting was adjourned at 12:01 p.m.



State of South Dakota Owned RR Right of Way
2.7 Acres Plus or Minus

12.8 Acres
Plus or Minus
Wooded Area
Beyond State Right
of Way

Jarrett Junction, Mile Post, 74.5 on the G&P Subdivision