

SOUTH DAKOTA STATE RAILROAD BOARD MEETING

Teleconference

May 15, 2015 @ 11:00 AM

DOT Building – Commission/Boardroom

Pierre, South Dakota

MEMBERS: Todd Yeaton, Chair via phone  
Carl Anderson via phone  
Jeff Burket via phone  
Jerry Cope via phone  
Sheldon Cotton  
Gary Doering  
Harlan Quenzer via phone

OTHERS: Kyle Hart, Gary Strom, Chris Brosz, Dustin Buttrock, Jack Parliamont, Ron Mitzel all via phone and Bob Mercer present

STAFF: Bruce Lindholm, Kevin Tveidt, Kellie Beck, Bonnie Olson, Karla Engle, Katie Thompson, Bill Nevin, Misty Siedschlaw, and Jeryl Lynn Stein

**Agenda Items:**

Call to order

- 1) Approve the minutes of meeting on April 22, 2015
- 2) Update on Sioux Valley Relocation Project
- 3) Update on MRC Reconstruction Project
- 4) Discussion on MRC Reconstruction Bids received April 22, 2015
- 5) Discussion on Dakota Southern's in-kind match agreement
- 6) Discussion on Brookings County RRA Loan - Novita

Chair Yeaton called the regular meeting of the South Dakota State Railroad Board (the "Board") to order at 11:06 a.m. with a quorum present.

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1) Motion by Anderson, second by Cope, to approve the April 22, 2015, Railroad Board meeting minutes. Motion carried by roll call vote (all aye).

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## **Bruce Lindholm, Office of Air, Rail and Transit**

Lindholm started the discussion with Item 3.

### 3) Update on MRC Reconstruction Project

Lindholm stated the Department continues to receive ties (6 rail cars) in Oacoma and truck loads in Kennebec. The weeds have been sprayed twice, the grass is cut, the track is plowed, and the entire length has been broomed.

Lindholm returned to Item 2 for discussion.

### 2) Update on Sioux Valley Relocation Project

Lindholm stated that the Department has decided on the site for the 14½ acres of wetland mitigation in Plymouth County, Iowa, and is currently negotiating the final details.

The Board proceeded to Item 4.

### 4) Discussion on MRC Reconstruction Bids received April 22, 2015

(1) Rail bids. The low bid from Railroad Materials Salvage for 6 miles (31,680 feet) of rail did not include two signed federal certifications as required by the bid letting documents.

Motion by Moering, second by Quenzer, to: (1) reject the bid made by Railroad Materials Salvage on account of the failure to sign the 2 federal certifications; (2) accept bids made by Omaha Track for 20.4 miles of track in the amount of \$4,555,206.00 and 16 miles of track in the amount of \$3,668,517.00; and (3) rebid the remaining 6 miles of rail.

Motion carried by voice call vote (all aye).

Jeff Burkett joined the meeting via phone during the discussion on the culvert work and slope stabilization bid.

(2) Culvert work and slope stabilization. The low bid from Subsurface, Inc. did not include the correct amount required for the bid bond.

Motion by Cope, second by Doering, to reject the bid made by Subsurface Inc on account of the bid bond amount not being in the correct amount and to accept the next lowest bid made by RP&H, Inc., in the amount of \$1,169,866.

Motion carried by roll call vote (all aye).

(3) Bridge work. The Department received a single bid submitted by Koppers Railroad Structures, Inc., for the bridge work.

Motion by Doering, second by Cotton, to approve the bid made by Koppers Railroad Structures, Inc., for the bridge work in the amount of \$4,573,690.95.

Motion carried by roll call vote (all aye).

(4) Installation of rail on east side of the project and installation of rail on west side of the project.

There was a single bid opened for the two rail installation contracts from Railworks Track Systems, Inc. A second bidder submitted a bid after the 2:00 pm deadline. The Department returned the late bid packet to the second bidder unopened. The Engineer's estimate for this work was \$9,195,405.00 and the bid from Railworks Track Systems Inc. was \$14,591,777.75.

Motion by Quenzer, second by Anderson to reject the bid by Railworks Track Systems, Inc., and re-advertise for bids for the installation of rail on the east side of the project and on the west side of the project.

Motion carried by roll call vote (all aye).

5) Discussion on Dakota Southern's in-kind match agreement

Lindholm explained the items of work that would be provided by Dakota Southern as in-kind match for the MRC rehabilitation project from Chamberlain to Presho.

Motion by Anderson, second by Doering to authorize the Department to enter into the in-kind match agreement with Dakota Southern.

Motion carried by roll call vote (all aye)

6) Discussion on Brookings County RRA loan – Novita

Brookings County Regional Railroad Authority/Novita Aurora, LLC withdrew the request for a railroad trust fund loan.

## OTHER BUSINESS

The remaining bid items for the MRC rehabilitation project from Chamberlain to Presho will be re-bid prior to the next Board meeting on June 17, 2015 and the results from those bids will be provided to the Board at the June meeting.

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The meeting was adjourned at 12:45 p.m. upon a motion for adjournment by Cope, seconded by Quenzer.

Next meeting is scheduled for June 17, 2015, at 11 a.m.

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