

MEMORANDUM

TO: Railroad Board Members

FROM: Joel Jundt, Deputy Secretary of Transportation

DATE: October 16, 2017

SUBJECT: Railroad Board Agenda Items for Attachment 2 & 3

Railroad Board Members:

Additional information on items listed under ATTACHMENT 2 and ATTACHMENT 3 in the packet is as follows.

ATTACHMENT 2

The area bounded in red on the map shown on Attachment #2 is located north of Jarrett Junction and is currently railroad property owned by the State. The area bounded in yellow indicates property Marshall County Regional Railroad Authority (MCRRA) acquired for construction of the south leg to connect the Britton line with G&P Subdivision but the physical assets/rail is owned by the State.

Mr. Doug Henley, the abutting landowner to the north, contacted DOT asking to purchase the State railroad property (area in red). Mr. Henley is in the process of purchasing property just to the northeast of the said area (triangle piece - not marked on the map) from MCRRA and is desirous of also purchasing State property to make all of it contiguous as the State's property currently runs through the middle of Mr. Henley's fields. A couple of options to consider:

1. Sell the property in red to Mr. Henley at appraised value (no longer being used for rail purposes).
2. Trade the MCRRA the property in yellow (south leg track which State currently owns assets on) for the property in red. The State's area consists of 2.7 acres and MCRRA area is 12.8 acres - a difference of 10.1 acres. State would need to pay the difference. MCRRA acquired the property shown in yellow for \$3,200 /acre. A consideration would be to amend MCRRA recent loan authorization of \$250,000 to reflect the difference in price of the two properties (\$32,320) and reduce the loan amount appropriately. Mr. Henley would then purchase the entire areas (two areas north of track) from MCRRA. The State would benefit by owning the property under the south leg track.

ATTACHMENT 3

The City of Wagner is considering performing improvements on Railroad Street. Railroad Street is currently a gravel road and only 27' wide. The City would like to widen the road to 36' and pave it. The purposed street improvements would encroach into State RR ROW 10.8'. The first map shows the current layout of the area and the second map shows the potential street. More discussion at the meeting from the City on what impact their work will have on RR property.