

**MRC LINE COMMITTEE**  
**REPORT ON LINE OBSERVATIONS**  
**FROM**  
**MITCHELL TO CHAMBERLAIN**  
**August 09, 2016**

Participants:

Lynn Kennison, SD DOT  
Harlan Quenzer, SD Railroad Board  
Mike Williams, Dakota Southern Railroad Company

General background information:

The purpose of the observations this date was to monitor the progress being made by Dakota Southern Rail Company (DSRC) in regard to the completion of the items addressed in the maintenance plan provided by Mike Williams of the DSRC.

Mike Williams of the DRSC accompanied Mr. Kennison and me to address any issues that we may have noted during our high-railing observations.

Extent of high-rail observations:

1. Started at the junction of the MRC rail line and Ohlman Street in Mitchell, SD, and ended at the east end of the DSRC yard in Chamberlain.
2. Exceptions:
  - a. None

General Conformance with Schedule for Completion of Maintenance Tasks

1. At the May 18 meeting of the Railroad Board, DSRC was provided with a list of tasks to be completed within 90 days of the meeting. That would put the date of completion at August 15, 2016. During our observation of August 09, 2016, it was determined that DSRC has nearly completed the tasks that were requested. It is expected that barring any unforeseen occurrences the work tasks as outlined in the maintenance plan that was provided by DSRC will be completed by the August 15 completion date.

General observations:

Bridges

1. Mike Williams informed us that the work on the bridges is completed.

### Ballast Tamping and Regulating

1. Mr. Williams informed us that all of the 10,000 tons of ballast had been delivered and that all of the ballast has been placed as per the maintenance plan.
2. The tamping and regulating equipment was at the H&R Salvage, Inc. siding. Mr. Williams informed us that approximately ½ mile of tamping and regulating remained to be completed.
3. Mr. Williams stated that he intends to pre-place ballast at a rate of 500 tons per mile between Mount Vernon and Plankinton. Placement of the ballast is to occur in October of this year so it is in place to allow immediate repair of any soft spots that become evident next spring. Mr. Williams stated that this section of the rail line is susceptible to soft areas when the frost goes out of the ground.
4. Mr. Williams also stated that the tamping equipment and operators would be permanently stationed in the area for the purpose of rail line maintenance. Written commitment to this verbal assurance should be provided by Mr. Williams to the Railroad Board on or prior to the meeting scheduled for September, 2016.
5. Mr. Williams verbally committed to the placement of 100,000 tons of ballast to be provided, placed, tamped and regulated on that part of the line between Mitchell and Chamberlain over the next three years. Written commitment to this verbal assurance should be provided by Mr. Williams to the Railroad Board on or prior to the meeting scheduled for September, 2016.

### Tie Replacement and Disposal

1. The old ties that were replaced in the section of line between Pukwana and the DSRC yard in Chamberlain have been removed from the areas immediately adjacent to the rail line in this area.
2. It appeared that the old ties that were present in the DSRC yard in Chamberlain as noted in the April and July, 2016, observation reports had been removed. Mr. Williams informed us that these and the ties removed during the replacement completed this year had been moved to and were being stored on private leased property approximately three miles north of the Chamberlain yard. Mr. Williams further informed us that the material is being sorted to separate those ties that he deems suitable for reuse in the construction of sidings from the material that is to be disposed. Written schedule for the completion of the sorting process should be provided by Mr. Williams to the Railroad Board on or prior to the meeting scheduled for September, 2016.
3. In regard to the disposal of the old tie material, it is our recollection that Mr. Williams told us that this material was to be hauled away for disposal. Written confirmation of the disposal facility and the schedule for the removal of the waste material should be provided by Mr. Williams to the Railroad Board on or prior to the meeting scheduled for September, 2016.
4. Mr. Williams stated that he intends to replace 2,000 ties in 2017, 3,000 ties in 2018 and 4,000 ties in 2019. Written confirmation of this assurance should be

provided by Mr. Williams to the Railroad Board on or prior to the meeting scheduled for September, 2016.

### Weed Control

1. A crew of two men with DSRC were observed in Mount Vernon mowing weeds within the right-of-way. These efforts included the removal of weeds adjacent to and under the rail cars that are being stored on the siding. Mr. Williams stated that he intends to have his crews complete the removal of weeds on the right-of-way within the city limits of all communities along the rail line route between Mitchell and Chamberlain.
2. Mr. Williams informed us that the spraying of weeds has been completed. However, there appears to be a significant re-growth of weeds in certain areas. Mr. Williams estimated that about 1/3 of the rail line has fair to good control; about 1/3 of the rail line has moderate re-growth; and 1/3 of the rail line has significant re-growth.
3. The efforts to complete a re-spray of the entire rail line route from Mitchell to Chamberlain is to begin on August 10, 2016, and is expected to be completed by the end of this week.
4. Mr. Williams verbally committed to the completion of multiple sprayings in an effort to better control weed growth along the rail line route between Mitchell and Chamberlain. Written commitment to this verbal assurance and an annual schedule should be provided by Mr. Williams to the Railroad Board on or prior to the meeting scheduled for September, 2016..

### Tree and Brush Removal

1. It was noted that additional effort was put forth along the rail line to trim the trees along the rail line. The branches that appeared to have been broken off during our July, 2016, observation trip were sawed and the debris removed.

### Crossings

1. During our observation of July 14, 2016, a crossing at Mile Post 436.1 had loose boards in place of a proper crossing with crossing plank. It was recommended that this be corrected as soon as possible. As of the date of this observation, the crossing had not been corrected. Mr. Williams was asked to take action to have this situation corrected as soon as possible.

### General Recommendations:

1. It is our opinion that Mr. Williams should provide the Board with routine monthly progress reports of on-going maintenance efforts in written format.

2. At the June meeting of the Board, verbal assurances were given by Mr. Williams that adequate personnel and equipment would be transferred into the area to complete the maintenance work required, now and in the future. There is a concern that contrary to the verbal promises made at the June meeting, that DSRC will transfer the equipment and personnel currently performing maintenance work to other locations until such time as there is another emergency on the MRC line. It is recommended that a written plan describing the number, type and qualifications of personnel needed to adequately perform the routine maintenance of the track necessary to keep the rail at the standards to which it was provided to the operator of the line. This plan should be provided to the Board on or prior to the meeting scheduled for September, 2016.
3. During the reconstruction of the sections of the MRC line from Mitchell and Chamberlain and from Chamberlain to Presho, not all of the ties were replaced which means that many of the old ties were left in place. As the traffic on these sections of line increases, the older and weaker ties will become evident and will require replacement. Therefore, it is recommended that a written plan describing the future removal and replacement of ties in that section of the MRC line from Mitchell and Chamberlain and from Chamberlain to Presho should be prepared and submitted to the Board for review and acceptance. This plan should include an estimate for the number of ties that can reasonably be expected to be replaced on an annual basis. This plan should be provided to the Board on or prior to the meeting scheduled for September, 2016.