

SOUTH DAKOTA STATE RAILROAD BOARD MEETING AGENDA

Wednesday, July 20, 2022 at 11:00 a.m. CDT

Becker-Hansen Building/Commission Room – 700 East Broadway Avenue, Pierre, SD

MEMBERS PRESENT: Jerry Cope, Chairman
Jeff Burket, Vice-chairman
Steve Scharnweber

**MEMBERS PRESENT
VIA CONFERENCE CALL:** Jack Nelson
Greg Carmon
Jon Kirby

DOT STAFF PRESENT: Joel Jundt, Karla Engle, Kellie Beck, Jack Dokken, Perry Griffith, Misty Siedschlaw, Lance Birger, Kyle Weinman, and Kari Kroll

OTHERS PRESENT: Ryan Yanez – Ringneck & Western Railroad; Dan Kippley – Ellis and Eastern Railroad; Jerry Vest – Rapid City, Pierre & Eastern Railroad (RCP&E); Debra Owens – Sioux Falls Chamber of Commerce; Mark Cotter – City of Sioux Falls; Jeff Eckhoff – City of Sioux Falls; Bruce Lindholm; and Anna Hays – Elevate Rapid City

**OTHERS PRESENT
VIA CONFERENCE CALL:** Jeff Stewart - Dick Huff; Kip Harrington – City of Rapid City; Dan Bilka – All Aboard Northwest; Julie Johnson; and a representative from Keloland News

Chairman Jerry Cope called the meeting of the South Dakota State Railroad Board (the “Board”) to order at 11:03 a.m. CDT. A roll call was taken, and a quorum was determined.

Cope opened the floor to the Board member to disclose potential conflicts of interest and to present requests for waiver pursuant to the South Dakota Codified Law (SDCL) chapters 3 – 23.

Karla Engle, Office of Legal Counsel, addressed the Board. She discussed the obligation to file annual conflicts of interest disclosures and acknowledged receipt of an annual disclosure form by Jerry Cope, a copy of which was distributed to the Board prior to the meeting and has been included as **Attachment A** to these minutes. No other conflicts of interest were disclosed and no waivers were requested.

Cope asked for a motion to approve the June 15, 2022 Board meeting minutes.

A MOTION WAS MADE by Scharnweber and seconded by Burket to approve the Board meeting minutes for June 15, 2022. All present voted aye by roll call vote. The motion carried.

Cope opened the floor to public input. No members of the public addressed the board.

Secretary Jundt presented the Secretary's Report to the Board. He shared that during the 2022 State Legislative session, there was a bill regarding funding for quiet zones, SB115. The bill passed the Senate but was defeated in the House Committee on Appropriations..

Jundt described three federal funding programs for railroad crossing:

1. Section 130 Funding
2. CRISI Grants
3. STC Grants

Jundt stated that Section 130 is not an eligible funding program for establishment since this program is only for safety related improvements. Quiet zones are not considered a safety improvement but instead a noise reduction improvement. The other two programs mentioned can be used for the establishment of quiet zones with CRISI grants being a national competitive grant program vs. the non-competitive STC grant program that has funds dedicated to South Dakota.

Jeff Stewart of the Federal Railroad Administration (FRA) made a PowerPoint presentation on quiet zones.

Following the FRA presentation, the public was invited to address the Board on the use of the railroad trust fund for quiet zones. The following individuals expressed support for federal and state funding for quiet zones as a means of increasing economic development and growth:

- Debra Owens, representing the Sioux Falls Chamber of Commerce
- Mark Cotter, representing the City of Sioux Falls
- Jeff Eckhoff, representing the City of Sioux Falls
- Anna Hays, representing Elevate Rapid City
- Kip Harrington, representing the City of Rapid City.

The following individuals expressed opposition.

- Jerry Vest, representing Rapid City, Pierre & Eastern (RCP&E) Railroad, stressed the importance of ensuring safety at railroad crossings and pointed out the high demand for funding of railroad infrastructure.
- Bruce Lindholm, a railroad consultant and former program manager for the Office of Air, Rail and Transit, stated that historically the State Railroad Board has always used state and federal funds for railroad infrastructure development and he recommended the Board not use these funds for the establishment of quiet zones. .

- Dan Kippley, Ellis & Eastern Railroad, stated a concern for using these funds for non-infrastructure related activates based on the great need for shortlines within the State. He also suggested the Board and interested parties consider cooperatively submitting large projects for federal funding approval by FRA via the CRISI grant program.

The Board took no action but will consider the issue of quiet zone funding at a future meeting.

With no other business to come before the Board, Cope adjourned the meeting at 12:41 p.m. CDT

ANNUAL DISCLOSURE FOR AUTHORITY/BOARD/COMMISSION MEMBER
PURSUANT TO SDCL CHAPTER 3-23

THIS IS A PUBLIC DOCUMENT

Name of Member: **Jerry Cope**

Name of Board, Authority, or Commission: **South Dakota State Rail Board and State Rail Authority**

The Member shall disclose below any contract in which the Member has an interest or from which the Member derives a direct benefit if the contract is:

- 1) With the state agency to which the Member's board, authority, or commission is attached for reporting or oversight purposes and which contract requires the expenditure of government funds;
- 2) With the state and which contract requires the approval of the Member's board, authority, or commission and the expenditure of government funds; or
- 3) With a political subdivision of the state if the political subdivision approves the contract and:
 - a. Is under the regulatory oversight of the authority, board, or commission, or
 - b. Is under the regulatory oversight of the agency to which the Member's board, authority, or commission is attached.

The Member shall disclose the contract even though no additional authorization is needed from the Member's board, authority, or commission to have an interest or derive a benefit from the contract.

The Member shall also identify every entity in which the Member possesses an ownership interest of five percent or greater if:

- 1) The entity receives grant money from the State, either directly or by a pass-through grant or
- 2) The entity contracts with the State or any political subdivision for services.

1. **Contracts in which you have an interest pursuant to SDCL Chapter 3-23 and which do not violate any other provision of law** – Provide the following for each contract in which you have, or will have, an interest. For further information see SDCL 3-23-2.1 and 3-23.3.1.

Description of the contract	Parties	Description of your interest/role in the contract	Date contract was previously disclosed, if applicable
*Murdo State Rail Land lease *Presho State Rail Land lease	Dakota Mill & Grain Inc for all purchases and leases	Employed by Dakota Mill & Grain Inc.	*Murdo State Rail Land lease - ongoing *Presho State Rail Land lease - ongoing

Attach additional pages, if necessary.

2. **Contract in which you have a direct benefit pursuant to SDCL Chapter 3-23** – Provide the following for each contract from which you derive, or will derive, a direct benefit. For more information see SDCL 3-23-2, 3-23-2.2, and 3-23-3.1.

Description of the contract	Parties	Description of the direct benefit	Date contract was authorized
*Murdo State Rail Land lease *Presho State Rail Land lease	Dakota Mill & Grain Inc for all purchases and leases	Employed by Dakota Mill & Grain Inc	*Murdo State Rail Land lease- ongoing *Presho State Rail Land lease - ongoing

3. **Entities in which you possess an ownership interest of five percent or more that receive grant money from the State, either directly or by a pass-through grant, or that contract with the State or any political subdivision for services** – Provide the following for each such entity. See SDCL 3.23-3.1.

Description of the contract or grant	Party in which you possess the interest	State agency or subdivision

Attach additional pages, if necessary.

The Member shall complete a separate authorization request for any contract identified above that requires authorization from the Member's board, authority, or commission in order for the Member to legally derive a direct benefit.

Signature of Member:  Date 7/11/22