

SOUTH DAKOTA STATE RAILROAD BOARD MEETING MINUTES

Wednesday, September 17, 2025 at 11:00 a.m. CDT

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

MEMBERS PRESENT: Jeff Burket, Chairman
Jack Nelson
Steve Scharnweber
Scott Lockwood
Greg Carmon
Ralph Schmidt

DOT STAFF PRESENT: Joel Jundt, Paul Coppock, Kellie Beck, Jack Dokken, Misty Siedschlaw,
Perry Griffith, and Kari Kroll

DOT STAFF PRESENT

VIA CONFERENCE CALL: Karla Engle

OTHER PRESENT: Erik Thompson – Ironhorse Railroad Park

OTHERS PRESENT

VIA CONFERENCE CALL: Chadd Thimesch - Ringneck & Western Railroad, LLC (RWRR); Shellee Currier - RWRR; John LeSuer – Slover & Loftus LLP; Dan Bilka – All Aboard; Holly Stalder – Belle Fourche Development Corporation; Suzan Caylen – Sunflour Railroad; Alex Huff; Dick Huff; Bob Foley; and Janet Wagner

Chairman Jeff Burket called the meeting of the South Dakota State Railroad Board (the “Board”) to order at 11:01 a.m. CT. A roll call was taken, and a quorum was determined.

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

Karla Engle, Chief Legal Counsel, acknowledged the Board’s receipt of an annual conflict of interest disclosures submitted by Jack Nelson attached to these minutes as **ATTACHMENT A**. The disclosures will be filed as required by law.

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

Burket asked for a motion to approve the July 16 ,2025 Board meeting minutes.

Board member Scott Lockwood noted a typo on page 2 of the minute. The typo was the time the Board entered into Executive Session; it should read 11:07 a.m., not 10:07 a.m.

A MOTION WAS MADE by Carmon and seconded by Nelson to approve the July 16, 2025 Board meeting minutes with the noted edit. All present voted aye by roll call vote. The motion carried.

Burket opened the floor to public input.

Dan Bilka, All Aboard, addressed the Board. Bilka shared that he had met with the U.S. Department of Transportation last month and that the Federal Railroad Administration (FRA) would be willing to present to the Board the Long-Distance Service Study on passenger rail.

Secretary Joel Jundt shared that the Board would need to take action at a future meeting if it desired to hear a presentation. In addition, the Secretary noted that the item would be put on a future agenda once additional logistical details were gained from the FRA.

No other members of the public addressed the Board nor offered input.

Burket asked for a motion for the Board to enter into executive session.

A MOTION WAS MADE by Nelson and seconded by Carmon to enter into executive session pursuant to SDCL 1-25-2(3) for the purpose of consulting with legal counsel and reviewing communications from legal counsel about proposed or pending litigation or contractual matters. All present voted aye by voice vote. The motion carried.

Executive session began at 11:07 a.m. CT

Executive session ended at 11:34 a.m. CT.

Karla Engle, Office of Legal Counsel, addressed the Board. She explained that a new law requires the Board to annually acknowledge review of materials provided by the Attorney General concerning open meetings laws. Engle pointed out that the updated 2025 Open Meeting brochure authored by the Attorney General had been provided to the Board as an updated Attachment #2 for the Board's review.

All present acknowledged reviewing these open meeting materials by roll call.

Secretary Jundt presented to the Board the following items in his Secretary's Report:

- **Federal:** September 16, 2025 the House Appropriations Committee released the Continuing Appropriations and Extensions Act, 2026. The bill would keep the government open and ensure service to the American people. The House is expected to consider the bill on the House floor this week. The Senate bill(s) have not advanced to the same level as of yet.
- **Grant Update:** Still no news on the anticipated release date for the Notice of Funding Opportunity (NOFO) for the Consolidated Rail Infrastructure and Safety Improvement (CRISI) grants or the Special Transportation Circumstance (STC) grants. In FY2024, the CRISI NOFO was published in March 2024 with awards occurring in October 2024. We are still hopeful FRA will publish the NOFO's still yet this year.
- **Napa to Platte Rail Line:** Dakota Southern Railroad Company did file the necessary documents on with the Surface Transportation Board (STB) for intent to terminate their modified certificate for the Napa Junction to Tyndall section of the Napa-Platte line. This 60-day notice was submitted to the STB on August 7, 2025. The Department of Transportation (the "Department") has also gone out for quotes for vegetation control and tree trimming and those quotes are due today. The Department will be reviewing those quotes and making a determination on next steps.

Jundt presented for Board consideration the future lease or sale of the Napa to Platte rail line. He briefed the Board on the importance of securing a new operator to protect this corridor for freight rail service. He explained that the Department thinks the best way to secure an operator who can fulfill this need is to solicit proposals from rail operators via an Invitation for Proposals (IFP) to either purchase the line or enter into a lease. Such was similarly done in FY2020. The Department would use that document as the template to be modified for purposes of selling or leasing the Napa to Platte Rail Line. The process would also be similar: the proposers would come before the Board to present their proposal, the Board would be able to inquire, and, ultimately, the Board would decide on a course of action. If the Board was to select one of the proposals for future negotiations, the Department would pursue negotiations.

The Board members discussed the topic and vocalized their preference for selling the line or at least finding a long-term lessee.

A MOTION WAS MADE by Nelson and seconded by Carmon to authorize the South Dakota Department of Transportation to prepare and issue an invitation for proposals to purchase the state-owned Napa to Platte railroad or lease the Napa to Tyndall segment of that line. A primary purpose of the IFP shall be to reflect the primary purpose of fostering, developing, and protecting freight rail service. All present voted aye by roll call vote. The motion carried.

Jack Dokken, Program Manager of the Office of Air, Rail & Transit, presented the Board with updates on the current open grants—STC, CRISI, and RAISE. He described the status of each project and their projected completion dates.

With no further business to come before the Board, Burket declared the meeting adjourned at 12:06 p.m. CT.

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

THIS IS A PUBLIC DOCUMENT

Name of Member: Jack Nelson

Name of Board, Authority, or Commission: South Dakota DOT Railboard

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 |
|---|---------------|---|---|
| Agtegra has entered into agreements with DOT concerning construction and maintenance of highway / railroad crossings and other railroad related appurtenances and installation of equipment at DOT facilities | Agtegra & DOT | As I am the manager of the south region. I will not have any direct involvement with the locations which have agreements with DOT. My employment with Agtegra started 9/23/2022 | NA |

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 |
|-----------------------------|---------|-----------------------------------|------------------------------|
| | | | |

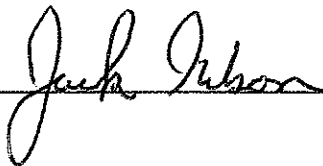
Attach additional pages, if necessary.

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 9-11-25