

SOUTH DAKOTA STATE RAILROAD BOARD MEETING MINUTES

Wednesday, May 21, 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, Vice-chairman
Scott Lockwood
Greg Carmon
Ralph Schmidt

**MEMBERS PRESENT
VIA CONFERENCE CALL:** Steve Scharnweber

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

OTHER PRESENT: Shellee Currier - Ringneck & Western Railroad, LLC (RWRR) and Bobby Butcher - RWRR

**OTHERS PRESENT
VIA CONFERENCE CALL:** Laverne Shieffer – Mayor of Tabor; Al – Bon Homme County Highway Department; Ross Lane – Genesee & Wyoming Railroad Services, Inc.; Heath Haden – Dakota Southern Railway Co.; and Alex and Dick Huff

Chairman Jeff Burket called the meeting of the South Dakota State Railroad Board (the “Board”) to order at 11:00 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.

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

Burket asked for a motion to approve the Board meeting minutes from March 19, 2025.

A MOTION WAS MADE by Lockwood and seconded by Nelson to approve the Board meeting minutes from March 19, 2025. All present voted aye by roll call vote. The motion carried.

Burket opened the floor to public input.

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

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

- Federal: On May 2, 2025, the Trump administration released their "Skinny Budget" which provided some information on the President's proposed budget. One of the budget items is funding the CRISI program. This line item would experience 5.8% increase over FFY2025. The current surface transportation bill (IIJA) expires at the end of September 2026. Lastly, the Notice of Funding Opportunity for the Special Transportation Circumstance (STC) grants is expected to be announced later this summer or early fall.
- Napa-Platte Update: Jundt asked Heath Haden of Dakota Southern Railway Company (DSRC) to share an update on the Tabor railroad crossing per the request from the Board at the March meeting. Jundt noted that DSRC did not submit a written report about the track inspection and proposed repairs as required by the Board. Heath Haden stated he was not aware of the written report requirement, but Haden stated he would prepare a written submission for the Board. In the meantime, Haden shared that the Town of Tabor, Bon Homme County, and DSRC are working out an agreement to pave over the three Tabor crossings and that the work should be completed fairly quickly. Lavern Shieffer, Mayor of Tabor, agreed with the plan to pave over the crossings. Haden indicated that if the service is needed, the pavement would be removed at the cost of the Town of Tabor and Bon Homme County, and DSRC would restore the railroad crossing. Jundt emphasized the importance of a formal agreement by the Town of Tabor, Bon Homme County and DSRC, including details about who will perform the work, the costs that would be covered by each party, and the timeframes for completion. Haden also represented that DSRC was spraying the entire leased line from Napa to Tyndall to control noxious weeds. The work was taking place on May 21 and 22, 2025, weather permitting. Given the lack of a written report detailing the inspection and repairs, the conditional approval of DSRC's maintenance plan remained in place, and no action was taken by the Board.
- Tabor to Platte Rails to Trail Study Planning Update: Jundt shared that there was a group that came before the Board a few years ago wishing to pursue a recreational trail on the state-owned railbed stretching roughly from Tabor to Platte. They applied to the SDDOT for a federal planning study which was awarded and is being administered by the Department of Transportation (the "Department") to study the feasibility of a recreational trail. The study advisory team surveyed the public receptiveness of a trail and the results showed that there is both support of, and opposition to, a proposed trail. The next step is to review the bridges along the trail then create a cost estimate to share and get additional input from the public. The study results eventually will be presented to the Board in late 2025 or early 2026.

Jack Dokken, Program Manager for the Office of Air, Rail, and Transit, presented for Board consideration the weed control contract proposal from Pennington County. The proposal from Pennington County is to spray noxious weeds from Maple Street in Rapid City to Interior, South Dakota, at a total cost not to exceed \$7100.

A MOTION WAS MADE by Lockwood and seconded by Carmon to approve the Department's execution of a weed control contract with Pennington County for up to \$7100. All present voted aye by roll call vote. The motion carried.

Dokken presented for Board consideration a request from the Department to transfer \$600,000 from the railroad trust fund to the railroads_administration fund for state fiscal years FY2026 through FY2028. With the changes in state ownership, the railroads administration fund has had a drastic decrease in annual income. Because of the decrease, the administration fund needs the income adjustment provided by the trust fund.

A MOTION WAS MADE by Schmidt and second by Lockwood to approve the transfer of \$600,000 from the railroad trust fund to the railroads administration fund as requested. All present voted aye by roll call vote. The motion carried.

Dokken asked the Board members to share their observations from the tour they took May 6 – 8, 2025 on the Britton, Napa-Platte, and Yale/Wolsey rail lines. Board members Lockwood, Schmidt, and Carmon shared their observations about track condition. Lockwood noted the Napa to Tabor line had trees growing on the tracks and lots of thistle sprouting and actively growing. Schmidt noted that line also needed lots of brush cutting. Carmon was impressed with the condition of the Yale Line, but Lockwood and Carmon noted some spots on the surface between switches at the Wolsey interchange need attention.

Dokken asked for Board input on items to consider as the Department prepares for a request proposal for the State Railroad Plan. This plan is required to be updated every 4 years by the Federal Railroad Administration (FRA). The Board's current plan will expire December 2026 so the Department needs to start the process to prepare the new document.

Because the current plan had a great amount of detail, Dokken responded to the Board that a study that meets the minimum requirements of the FRA should be sufficient as an update. Secretary Jundt suggested adding an assessment of the steps necessary to re-activate service on a portion of the Napa-Platte rail line.

Board members raised no objections to the work recommended by Dokken and Jundt. Dokken shared that the Department will draft a request for proposals document and share it with the Board for consideration of approval at the next Board meeting.

Dokken presented an update on the current status of the following grants for the Board's information:

2021 RAISE – RCP&E – SD Freight Capacity Expansion

Rail relay has started near Fort Pierre. Timber bridge strengthening will start in June and concrete/steel bridge rehab possibly next spring.

2022 CRISI – Sisseton Milbank Railroad Modernization

Project is nearing completion of the preliminary design phase.

2020 STC – Ringneck & Western Meet & Pass Siding

Grant agreement now complete.

2021 STC- Ringneck & Western Efficiency & Growth

Bid opening last week for grading and installation of rail.

2021 STC – RCP&E Increasing Rail Resilience

In preliminary design and environmental phase.

Currently in Obligation Phase:

- 2022-2023 STC – Belle Fourche Industrial and Rail Park
- 2022-2023 STC – D&I Railroad Main Line Relay
- 2022-2023 STC – DMVW SD Britton Line Rehabilitation SD
DMVW SD BRITTON Line Rehabilitation ND
- 2022-2023 STC – RCP&E Upper Black Hills Corridor Upgrade
- 2022-2023 STC – Ringneck & Western RR Grade Stabilization & Repair
- 2022-2023 STC – Sisseton Milbank RR Culvert Rehabilitation

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

A MOTION WAS MADE by Nelson and seconded by Lockwood 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 roll call vote except Scharnweber who had just hung up to call into the Executive Session. The motion carried.

Executive session began at 12:09 p.m.

Executive session ended at 12:37 p.m. CT.

Scharnweber left the meeting.

With no further business to come before the Board, Burket declared the meeting adjourned at 12:37 p.m. CT.