

**SOUTH DAKOTA STATE RAILROAD BOARD MEETING MINUTES
MAY 31, 2019, AT 2:00 P.M.
BECKER-HANSEN BUILDING – 700 EAST BROADWAY
PIERRE, SOUTH DAKOTA**

MEMBER PRESENT

VIA CONFERENCE CALL:

Jerry Cope, Chairman
Jeff Burket, Vice-chairman
Greg Carmon, Member
Jack Nelson, Member (joined the call at 2:08 p.m.)
Gary Doering, Member
Steve Scharnweber, Member

DOT STAFF PRESENT:

Joel Jundt, Kellie Beck, Jack Dokken, and Kari Kroll

DOT STAFF PRESENT

VIA CONFERENCE CALL:

Becky Janssen

OTHERS PRESENT:

Kristin Brost – Brost Family

OTHERS PRESENT

VIA CONFERENCE CALL:

Chris Brozik – Civil Design, Inc.; Dick Huff; Alex Huff; Jerry Vest – Rapid City, Pierre & Eastern Railroad, Inc. (RCP&E); Scott Van Den Top - D&I Railroad Co. (D&I); Jack Parliament – D&I; Bob Mercer – Associated Press; Heath Haden – Dakota Southern Railway Company (DSRC); Daniel Gibson – L.G. Barcus & Sons

Chairman Jerry Cope called the meeting of the South Dakota State Railroad Board (the “Board”) to order at 2:02 p.m.

Chairman Cope opened the floor to Board members to disclose potential conflicts of interest and to present requests for waivers pursuant to South Dakota Codified Law (SDCL) chapter 3-23.

Cope declared a conflict of interest concerning the consideration of the Brost family's request to purchase excess railroad property in Presho. Cope has previously made a written disclosure of this conflict of interest to the Board. Cope will recuse himself from the discussion and the vote.

No other conflicts of interest were declared.

Cope determined a quorum by those present.

Cope asked for a motion to approve the minutes from the May 15, 2019, Board meeting.

A MOTION WAS MADE by Nelson and seconded by Carmon to approve the May 15, 2019, meeting minutes. All present voted aye by roll call vote. The motion carried.

Cope recused himself from the discussion and vote on the consideration of the Brost family request to purchase excess railroad property in Presho, South Dakota, and vice-chairman Jeff Burket became acting Chairman.

Jack Dokken of the Office of Air, Rail and Transit introduced Kristin Brost who was present to speak on behalf of her family and asked the Board to consider allowing her family to purchase approximately .73 acres of railroad right of way adjacent to her family's property in Presho and located 65 feet from the centerline of the railroad. The Board discussed the request and asked if the Brost family would agree that the property being purchased be located 75 feet from the centerline of the railroad. The Board felt 75 feet from centerline of the railroad would be safer and more logical for potential future railroad expansion projects.

A MOTION WAS MADE by Carmon and seconded by Scharnweber to approve the Brost family request to purchase the land located 75 feet from the centerline of the railroad and adjacent to the Brost's land. All present voted aye by roll call vote, except Cope who abstained from the discussion and vote. The motion carried.

THE MOTION WAS AMENDED by Carmon and seconded by Scharnweber to include authorizing the Department of Transportation's (the "Department's") Legal Office to prepare a purchase agreement and other documents necessary to complete the purchase. All present voted aye by roll call vote, except Cope who abstained from the discussion and vote. The amended motion carried.

The next item was led by Acting Chairman Burket as the discussion was held while Ms. Brost briefly stepped out of the meeting to call her family about the right of way width. During this time, the Board heard the consideration of the bid award for the Canton Bridge. Cope returned to the meeting for the discussion and vote on this item.

Jundt presented an agreement to amend the funding agreement with the D&I Railroad Co., (D&I) to include the full reconstruction of the Canton Bridge reconstruction, rail realignment, and surfacing on the T648 railroad bridge.

A MOTION WAS MADE by Doering and seconded by Carmon to amend the current funding agreement with D&I to include the bridge reconstruction, rail realignment, and surfacing on the T648 railroad bridge located south of Canton. All present voted aye by roll call vote. The motion carried.

Acting Chairman Burket turned control of the meeting back over to Chairman Cope.

Dokken presented the consideration of bid award for the Canton Bridge results:

Bidder	Bid Security	Addendum #1, #2, #3	Total Bid
L.G. Barcus & Sons	10% Bid Bond	X	\$2,629,901.00
J.F. Brennan Company, Inc.	10% Bid Bond	X	\$3,300,333.20
Lunda Construction Co.	10% Bid Bond	X	\$4,494,928.50
Kraemer North America, LLC	10% Bid Bond	X	\$3,858,644.50
Meyer Contracting	10% Bid Bond	X	\$3,664,938.10
<i>Engineer's Estimate</i>			\$3,759,478.50

A MOTION WAS MADE by Scharnweber and seconded by Burket to approve the bid of L.G. Barcus & Sons. All present voted aye by roll call vote. The motion carried.

Cope opened the floor for public input.

Jundt started an informal discussion regarding the current flooding situations including the recent MRC issues due to the latest rain. Steve Scharnweber shared his observations from the last two weeks of rail inspections. Greg Carmon gave accolades to the Britton line and Dakota Missouri Valley Western ("DMVW") for the work done.

Jerry Vest of RCP&E shared the problems being caused by flooding in Fort Pierre over the Bad River and west to Phillip. RCP&E are mobilizing equipment to begin repairs as soon as the water recedes to a safe level. He is confident they will be successful and taking care of the issues.

A special meeting will be scheduled to discuss flooding impact updates.

With no other business to come before the Board, the meeting was adjourned at 2:53 p.m.