

SOUTH DAKOTA STATE RAILROAD BOARD SPECIAL MEETING MINUTES
APRIL 5, 2019 AT 3:30 P.M. via CONFERENCE CALL
BECKER-HANSEN BUILDING – 700 EAST BROADWAY, PIERRE, SOUTH DAKOTA

MEMBER PRESENT

VIA CONFERENCE CALL:

Jerry Cope, Chair
Jeff Burket, Vice-Chair
Greg Carmon, Member
Gary Doering, Member
Jack Nelson, Member
Harlan Quenzer, Member (joined at 3:33 p.m.)
Steve Scharnweber, Member

DOT STAFF PRESENT:

Darin Bergquist, Joel Jundt, Karla Engle, Jack Dokken, and
Kari Kroll

OTHERS PRESENT

VIA CONFERENCE CALL:

Jack Parliament – D&I; Steve Mousel – L.G. Everist; Rob
Everest – D&I; Dick Huff; Alex Huff; Christ Brozik – Civil
Design; Scott Van Den Top – D & I Railroad Co. (D&I); Del
Bartels – Capitol Journal

Chair Jerry Cope called the meeting of the South Dakota State Railroad Board (the “Board”) to order at 3:30 p.m.

Chair 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.

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

Deputy Secretary Joel Jundt presented information relating to the 2019 D&I Emergency Flood Repair. Jundt explained that the state-owned Sioux Valley Line operated by the D&I Railroad Company has sustained extensive damage, including damage to the railroad grade and various bridge elements from near Hawarden, Iowa to Elk Point, South Dakota, and the complete loss of a bridge near Canton, South Dakota. The South Dakota Department of

Transportation (“the Department”) received two bids for the repair work from Hawarden to Elk Point, and wishes to award the contract for this work to the lowest responsible bidder, L.G. Everist, Inc. Project administration need to be done as part of this repair work. In addition, the Department wishes to pursue design and planning services and hydraulic engineering related to the reconstruction of the collapsed bridge near Canton. The Department also needs to make an emergency purchase of steel girders to promptly make the bridge repairs at Canton and along the Hawarden to Elk Point segment of the line.

Funding for all this work must be addressed before any agreements for the repair work can be executed. The Department wishes to pursue FEMA funding, but local match will be required. The Department proposes that D&I Railroad Company finance all work not otherwise covered by any federal funding that may be awarded by FEMA. The financing arrangement would involve D&I Railroad Company reimbursing the Department for expenditures made from the state railroad trust fund to cover all the above-referenced work.

Representatives from L.G. Everist, Inc., and D&I Railroad addressed the Board regarding loss of service on the Sioux Valley Line and the need to restore service.

Del Bartels left the call at 3:46 p.m.

Steve Mousel, L.G. Everist, left the call at 4:15 p.m. and rejoined at 4:20 p.m.

A MOTION WAS MADE by Burket and seconded by Quenzer to authorize the Department to execute an agreement between the Department and D&I whereby D&I agrees to finance all repairs to the Sioux Valley Line not otherwise eligible for federal funding reimbursements from FEMA, with the caveat that D&I reserves the right to request additional funds from other sources and D&I’s financial liability would be reduced to account for any additional funding awarded; and

If said agreement is executed between the Department and D&I, the Board authorizes the Department to execute all documents necessary to accomplish the following relating to repair of the Sioux Valley Line:

- (1) The Department applying for, receiving and administering federal funds from FEMA;
- (2) L.G. Everist, Inc. performing repair work on damaged segments located from near Hawarden to Elk Point;
- (3) Civil Design, Inc., performing design and planning services and project administration;
- (4) RESPEC performing hydraulic engineering; and
- (5) The Department making an emergency purchase of steel girders needed for construction of damaged railroad bridge elements.

All present voted aye by roll call vote. The motion carried.

Chair Cope opened the floor for public input. No members of the public addressed the Board or offered input.

With no other business to come before the Board, Chair Cope declared the meeting adjourned at 4:28 p.m.

DRAFT