

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

Please fill out this form then attach it to an email to jack.dokken@state.sd.us

APPLICANT INFORMATION

- a. Entity: **Sisseton Milbank Railroad**
- b. Point of Contact: **Mark Wegner**
- c. Address Line 1: **SMRR**
- d. Address Line 2: **405 W Milbank Ave**
- e. City: **Milbank**
- f. State: **SD**
- g. Zip Code: **57252**
- h. Phone Number: **605-432-6912**
- i. Email: **rschmidt@tcwr.net**

PROJECT LOCATION

- a. Please describe the geographic location of the project. If the project covers one or more line segment(s), describe the geographic or mile post limits of the project in relation to these line segment(s). **The project would upgrade the two worst sections of the line – MP 19.2 to MP 22.2 and MP 24.0 to MP 25.2 and repair or replace 72 culverts and/or washouts caused by spring 2023 flooding.**
- b. Is the project located on the state-owned rail network? Yes ☐ No ☒

PROJECT DESCRIPTION

- a. Please describe, in general terms, the purpose and need of the project and summarize the work to be performed. **The purpose of this project is to ensure that the worst sections of the railroad get upgraded and to repair recent flood damage. The railroad recently received news that a 2022 CRISI grant was awarded to upgrade the SMRR from Sisseton to Milbank. The SMRR is concerned that with the dramatically increased costs of rail construction the CRISI grant funding may fall short of the amount needed to reconstruct the entire railroad given the additional damage the flooding caused. The STC Funding would be utilized to rehabilitate the worst portions of the line that were impacted the most from the flooding that occurred this Spring. Approximately 72 culverts were damaged or washed out during the flooding this spring. The grade has been repaired, but the drainage issues caused by missing and damaged culverts (along with drainage washouts) remains. We request this funding source be approved to ensure adequate funding to reconstruct the entire railroad, including fixing the drainage issues that occurred this spring. Currently these two rail segments are the worst on the line – trains move over these segments at walking speed with a maximum of 13 cars per train.**

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PROJECT FUNDING

- a. Is the Applicant seeking a loan from the State Railroad Trust Fund? Yes ☐ No ☒
- i. Is Applicant seeking a grant or a loan? Grant ☒ Loan ☐
- b. Requested Funding

Funding Partner	Funding Program	Amount (in US Dollars)	Proposed Share Percentage
Federal	STC	\$3,241,040	80
State	0	0	0
Applicant	Sisseton Milbank Railroad	\$810,260	20
Total Project Cost		\$4,051,300	100%

- c. Percentage share of private funding contributing to project:
20%

ANTICIPATED BENEFITS

- a. Is this project intended to create or support new economic development opportunities? Yes ☒ No ☐
- i. If yes, please describe
In conjunction with the CRISI Grant this project will allow for the construction of a new shuttle loading elevator in Sisseton. The new elevator will be able to bring in shuttle trains, resulting in higher prices paid to farmers, a shorter farm to elevator truck haul for local farmers, and less trucks on the road. The shuttle elevator that will be built will create 16 new jobs, the SMRR will hire at least 2 additional employees.
- b. Will this project generate additional freight carloads on the affected segment?
Yes ☒ No ☐
- ii. If yes, please describe
In conjunction with the CRISI Grant this grant will increase carloads from a few hundred per year to 4,000 to 5,000 per year. The BCA for the CRISI estimated 126,600 carloads over the life of the project (30 years) or 4,220 cars per year.
- c. Is this project intended to reduce slow order miles? Yes ☒ No ☐
- iii. If yes, please describe
These two sections are the worst on the railroad. Currently trains can traverse these sections at walking speed. The railroad is operated at under 10mph train speeds. This project, in conjunction with the CRISI project will increase train speeds to 25 mph.

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- d. Is this project intended to upgrade track to a higher FRA track classification? (i.e. Class 1 to Class 2) Yes ☒ No ☐
- iv. If yes, please describe
For these sections upgrade increase the track classification from excepted to Class 2 track. The CRISI grant project will upgrade the rest of the railroad from excepted to Class 2 track.
- e. Is this project intended to upgrade track or structures to allow 286,000-lb maximum gross weight carloads? Yes ☒ No ☐
- v. If yes, please describe:
In conjunction with the CRISI Grant the entire railroad will allow for 286,000lb cars, up from the current 263,000 lb weight limit.
- f. Is this project intended to divert freight from truck to rail? Yes ☒ No ☐
- vi. If yes, please describe
In conjunction with the CRISI Grant the entire railroad will be upgraded to allow 286,000lb cars to travel at 25 mph. There will be a significant diversion from truck to rail due to the shuttle loading Sisseton Elevator that will be built and because the Sisseton Elevator already ships over half of its volume by truck to other rail served elevators and currently receives fertilizer by truck. That movement of grain by truck to other elevators will no longer happen and the new elevator will receive fertilizer by rail. The BCA for the CRISI grant estimated 31 million truck miles diverted to rail over the life of the project (30 years).
- g. Is this project intended to yield highway-rail grade crossing or pedestrian safety benefits? Yes ☒ No ☐
- vii. If yes, please describe
The project will provide significant safety benefits by the reduction of 31 million truck miles over 30 years. Statistically a certain number of crashes are going to happen in 31 million miles – these crashes will be avoided by moving this truck traffic to rail.
- h. Is this project intended to support an ongoing state-of-good-repair or preserve an existing rail corridor for continued or future use? Yes ☒ No ☐
- viii. If yes, please describe:
If these sections are not repaired the railroad will likely cease operation. This project in conjunction with the CRISI project will preserve this rail corridor for continued and future use.

PROJECT READINESS

- a. If seeking federal funding for construction, what is the status of Preliminary Engineering (PE) for this project at this time?
PE has not been started and will be completed using pre-award authority.
- b. If seeking federal funding for construction, what is the status of National Environmental Policy Act (NEPA) documentation for this project at this time?
Environmental has not been started and will be completed using pre-award authority.

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- c. Please indicate if this project has been documented in any of the following planning documents:

- i. South Dakota State Rail Plan Yes ☒ No ☐
- ii. South Dakota State Freight Plan Yes ☐ No ☒
- iii. South Dakota Long Range Transportation Plan Yes ☐ No ☒
- iv. Local/Regional Planning Documents (Please Describe) Yes ☐ No ☒

From the 2022 State Rail Plan: “This proposed STC project will replace 2.5 miles of 60 lb. per yard rail that dates back to 1884 with new 115 lb. per yard rail on the Sisseton Milbank Railroad between MP 19.5 and MP 22.0, just to the north of Wilmot, South Dakota. This rail is the worst on the rail line; SMRR maintenance of way crews repair broken rail in this area as often as twice per week.” The scope has increased to 4.22 miles, the location for this request is 19.2 – 22.2 and 24.0 – 25.2.

SMRR – STC Grant
Photos of Existing Track Conditions



Figures 1, 2, & 3 – Previous derailments caused by rail defects.



Figures 4 & 5 – Damage to SMRR track caused by derailments.



Figures 6 - 11 – Track washouts resulting from flooding during spring of 2023.

APPLICANT INFORMATION

- a. Entity: Ringneck & Western Railroad (RWRR)
- b. Point of Contact: Ryan Yanez
- c. Address Line 1: 520 N. Lawler St.
- d. Address Line 2: Ste 200
- e. City: Mitchell
- f. State: South Dakota
- g. Zip Code: 57301
- h. Phone Number: 605-299-1404
- i. Email: Ryan.Yanez@watco.com

PROJECT LOCATION

- a. Please describe the geographic location of the project. If the project covers one or more line segment(s), describe the geographic or mile post limits of the project in relation to these line segment(s).

The project area is located on the RWRR from MP 445 at the west-side of the Missouri River Bridge to MP 481 at Presho, South Dakota and from MP 434 to MP 442.5 east of the Missouri River Bridge.

- b. Is the project located on the state-owned rail network? Yes ☐ No ☒

PROJECT DESCRIPTION

- a. Please describe, in general terms, the purpose and need of the project and summarize the work to be performed.

This project consists of purchasing and installing 31,600 ties, 17,000 tons of ballast, and 44 miles of surfacing. In addition to the surfacing, the project includes the replacement of a culvert at MP 468.15 and bridgework at MP 454.3, MP 455, and MP 455.2. At MP 468.15, the current culvert has detached from the internal coupler which is causing below culvert soil erosion. Failure of the culvert is eminent. This work is to repair currently identified problem areas and continue focusing resources related to subgrade problems and resurfacing from Chamberlain to Presho to minimize the risk of future embargoes.

In 2022, the RWRR experienced significant grade failures due to wet subgrade and erosion due to the close proximity and location of the railbed within the riparian areas of American Creek (east river) and American Crow Creek (west river). The nature of the soil and the proximity of the two creeks causes the ground to constantly be eroded underneath the surface. Because of this, washouts, hill slides, and sink holes can exist undetected until the weight of a train travels atop them, causing the ground to break loose and reveal eroded sections. The grade failures resulted in significant service interruptions to major customers who rely on the RWRR for their commodity shipping. The RWRR was without shipping and under embargo for 48 days from west river from July 13, 2022, to August 30, 2022, resulting in a lost revenue of approximately \$500,000. Repairs conducted since Watco purchased the RWRR have resulted in increased stabilization and drainage to known locations of historic failures.

Administration Goals for the Infrastructure Investment & Jobs Act (IIJA)

The project to repair the subgrade, railbed, and rail infrastructure aligns with all four primary goals of the IIJA, the funding mechanism for STC/CRISI. First, this project addresses a changing climate, sustainability, and resiliency on the plains of South Dakota by improving the historic railbed to ensure compatibility with emergent environmental conditions. Second, this project builds upon equity and community connections by ensuring access to markets for agricultural producers and other commodity owners. Third, there is a direct and immediate improvement to safety and efficiency as discussed throughout this application. Finally, improved operation of the RWRR provides access to good jobs and investment opportunities to further utilize and invest in the RWRR infrastructure.

PROJECT FUNDING

- a. Is the Applicant seeking a loan from the State Railroad Trust Fund? Yes ☐ No ☒
- i. Is Applicant seeking a grant or a loan? Grant ☒ Loan ☐
- b. Requested Funding

Funding Partner	Funding Program	Amount (in US Dollars)	Proposed Share Percentage
Federal	CRISI STC	\$8,310,932	80%
State			
Applicant	Ringneck & Western RR	\$2,077,733	20%
Other (Please Describe)			
Other (Please Describe)			
Total Project Cost		\$10,388,665	100%

- c. Percentage share of private funding contributing to project:

The RWRR will contribute up to 20% (\$2,077,733) of the overall project cost of \$10,388,665.

ANTICIPATED BENEFITS

- a. Is this project intended to create or support new economic development opportunities? Yes ☒ No ☐
- i. If yes, please describe

Investing in the RWRR will continue to benefit South Dakota's agriculture producers and resulting industries. New infrastructure and consistent attention to maintenance of the rail corridor are an attractant for new business seeking a location with a sound and smooth commodity delivery system. This project will benefit the RWRR customers and shippers by eliminating railroad damage and minimizing service interruptions related to natural resource impacts. Reducing risk of railbed failures increases the resiliency of the customer's ability to conduct business.

- b. Will this project generate additional freight carloads on the affected segment?

Yes ☒ No ☐

ii. If yes, please describe

In coordination with the Meet and Pass Siding Project and the Efficiency and Growth Project, additional freight carloads are anticipated due to potential for new industry relocation along the RWRR line. As seen with other Watco-owned railroads, continued investment into railroad infrastructure has led to an increase in carload traffic based on the ease of consistent operations and safety, customer confidence in selecting new sites for loading/unloading, and decreased risk of delays due to improved resiliency. The RWRR is aware of new industries seeking rail-served locations in central South Dakota and will continue to pursue all opportunities for growth.

c. Is this project intended to reduce slow order miles? Yes ☒ No ☒

iii. If yes, please describe

The RWRR averaged 4 miles of scattered slow orders in 2022. Currently, the track sections included in this grant are cleared of all slow orders, resulting in zero (0%) of current slow order miles. All track segments “west river” between MP 445 and MP 480 have a maximum speed of 10 mph. No slow orders exist through any towns, intersections, or gorges. Continued improvement of the railbed and infrastructure will decrease any natural resource caused slow orders.

d. Is this project intended to upgrade track to a higher FRA track classification? (i.e. Class 1 to Class 2) Yes ☒ No ☐

iv. If yes, please describe

There is the potential, but not the intention of this project, to upgrade from Class 1 to Class 2 between MP471 to MP481. Operationally it will cut the run time for Presho by about 30 minutes each way. Twenty four percent (24%) of the total miles in this project will be upgraded from Class 1 to Class 2.

e. Is this project intended to upgrade track or structures to allow 286,000-lb maximum gross weight carloads? Yes ☐ No ☒

v. If yes, please describe

RWRR will remain at 268,000 carload weights, primarily due to the slow navigation of the gorge west of Chamberlain.

f. Is this project intended to divert freight from truck to rail? Yes ☒ No ☐

vi. If yes, please describe

The RWRR provides transportation in this area for elevators in Chamberlain, Kimball, Kennebec and Presho. The railroad provides competitive transportation costs for agricultural inputs and direct access to the BNSF shuttle program, benefiting agricultural producers. Prior to the restoration of the RWRR line, the grain grown along the line was trucked east to Mitchell, north to the RCPE or south into Nebraska. With the addition of elevators in Kimball, Kennebec and Presho, the line has greatly reduced trucking miles in south central South Dakota. During the embargo, our customers had to ship their commodity via trucking. For example, the elevator in Kennebec had to divert grain shipments to Aberdeen, which would put more trucks on I-90 and Hwy 281. The elevator in Presho diverted grain

shipments to other rail-served locations north of I-90. Our customers did not share the exact truck shipment information.

- g. Is this project intended to yield highway-rail grade crossing or pedestrian safety benefits? Yes ☒ No ☐
- vii. If yes, please describe

Due to the potential upgrade to Class 2 between MP471 to MP481 resulting in an increased speed of 25 mph within that section, delay time for the public will decrease from approximately 6 minutes to 2 ½ minutes.

- h. Is this project intended to support an ongoing state-of-good-repair or preserve an existing rail corridor for continued or future use? Yes ☒ No ☐
- viii. If yes, please describe

Previous rehabilitation on portions of this segment of track included relay ties and a minimal ballast section. The project will strengthen the track with new ties and granite ballast. This will allow RWRR maintenance crews to maintain the line for many years without major annual capital and/or emergency funds. New ties and surfacing will replace infrastructure that has reached its end of life, thus restarting the longevity of a sound and safe railroad.

PROJECT READINESS

- a. If seeking federal funding for construction, what is the status of Preliminary Engineering (PE) for this project at this time?

The majority of this project is shovel ready and does not require PE designs for implementation. All bridge design is completed by ARE Corp, an FRA-approved bridge engineering company, currently under long-term contract with Watco. ARE Corp will handle all design and permitting for the three bridges. In coordination with CDI, the RWRR has a detailed cost estimate for all materials and labor costs for both the resurfacing and bridge and culvert rehabilitation.

- b. If seeking federal funding for construction, what is the status of National Environmental Policy Act (NEPA) documentation for this project at this time?

All work will be completed within the existing right-of-way minimizing the requirements for new NEPA work. With the approval of this project by the SD Rail Board, a Categorical Exclusion (CE) will be completed for attachment for the formal submittal to FRA. The CE will include all required discussion including any additional hydrology / engineering studies required to implement a successful project. Watco and the RWRR prepare all CE's in-house and contracts with approved South Dakota contractors for the required NEPA work. Watco and the RWRR are currently under contract with CDI Engineering and Lund Engineering & Environmental in anticipation of moving forward with these projects. In addition to NEPA, the RWRR will complete three separate studies for this project. They include (1) Hydrological Analysis / Hec-Ras Modeling; (2) Floodplain Impact based on FEMA modeling; and (3) Geotechnical evaluation of soil stabilities.

c. Please indicate if this project has been documented in any of the following planning documents:

- i. South Dakota State Rail Plan Yes ☒ No ☐
- ii. South Dakota State Freight Plan Yes ☐ No ☒
- iii. South Dakota Long Range Transportation Plan Yes ☐ No ☒
- iv. Local/Regional Planning Documents (Please Describe) Yes ☐ No ☒

State Rail Plan: Section 4.3.2.5 discusses the need for a grade stabilization project consisting of ties, ballast, rip rap and surfacing. This project expands upon the reach discussed within the Rail Plan to include all western segments of the RWRR.

State Priorities for Investment per the State Rail Investment Guide

Support Economic Growth and Development

The RWRR provides transportation in this area for elevators in Chamberlain, Kimball, Kennebec and Presho. The railroad provides competitive transportation costs for agricultural inputs and direct access to the BNSF shuttle program, benefitting agricultural producers. This results in stabilizing the economy in rural areas along the railroad. By helping keep this line open with is project, the local economy will continue to benefit from the railroad.

Ensure Connectivity for Critical Industries

Agriculture is the biggest industry in the state, and grain elevators are the RWRR's largest customers. This project will help the railroad ensure that it can maintain service to customers. This project will allow the railroad to be more resilient in the event of weather or climate related service disruptions. The ability to respond quickly is a benefit to this critical industry. The railroad was out of service for two months this summer, causing increased costs for west river shippers.

Maintain State Railroad Assets in a State of Good Repair

The subgrade west river and east river along American Creek and American Crow Creek is unstable, causing constant problems.

Reduce Highway Impacts

Prior to the restoration of the RWRR line, the grain grown along the line was trucked east to Mitchell, north to the RCPE or south into Nebraska. With the addition of elevators in Kimball, Kennebec and Presho, the line has greatly reduced trucking miles in south central South Dakota. This project will help maintain that positive impact.

Improve Railroad Safety, Security and Resiliency

RWRR experienced two main line outages, due to the subsurface conditions, that greatly affected both the railroad and customers. This project will directly help the railroad become safer. Currently the railroad is vulnerable to weather events such as heavy rains that can cause washouts or contribute to soft subgrade areas. The project will help the track structure resist such damage.

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APPLICANT INFORMATION

- a. Entity: **SDDOT**
- b. Point of Contact: **Jack Dokken**
- c. Address Line 1: **700 E Broadway**
- d. Address Line 2: Click or tap here to enter text.
- e. City: **Pierre**
- f. State: **SD**
- g. Zip Code: **57702**
- h. Phone Number: **605-773-7045**
- i. Email: **Jack.Dokken@state.sd.us**

PROJECT LOCATION

- a. Please describe the geographic location of the project. If the project covers one or more line segment(s), describe the geographic or mile post limits of the project in relation to these line segment(s).

Napa Jct to Tyndall (MP 0.0 to MP 20.9) as Option 1A and 1B.

Napa Jct to west side of Tabor (MP 0.0 to MP 11.37) as Option 2A and 2B.

- b. Is the project located on the state-owned rail network? Yes ☒ No ☐

PROJECT DESCRIPTION

- a. Please describe, in general terms, the purpose and need of the project and summarize the work to be performed.

The Napa Platte line is predominately 65lb jointed rail on a sod grade. The existing infrastructure is inadequate for safely moving loaded cars or operating locomotives. Current rail traffic is limited to storage cars and rail traffic related to the Napa Junction Industrial Park – the only currently active shipper is the Cargill elevator. The elevator primarily uses the loop track that is in the industrial park.

For the railroad to support economic development beyond the Industrial Park it will need to be completely reconstructed to include rail, ties, ballast, bridge repairs, road crossings, tree and brush removal, and grade restoration.

There are two options – Option 1 is reconstruction from MP 0.0 to MP 20.9 with either new (Option 1A) or relay (Option 1B) 115# rail. Option 2 is reconstruction from MP 0.0 to MP 11.37 with either new (Option 2A) or relay (Option 2B) #115 rail. Both options include bridge repair, crossing reconstruction, tree and brush removal, grade repair, and culvert replacement.

Please see the CDI Napa Line Track Inspection Report for additional details regarding the condition of the line and probable costs.

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PROJECT FUNDING

- a. Is the Applicant seeking a loan from the State Railroad Trust Fund? Yes ☐ No ☐
- i. Is Applicant seeking a grant or a loan? Grant ☐ Loan ☐
- b. Requested Funding

Funding Partner	Funding Program	Amount (in US Dollars)	Proposed Share Percentage
Federal	STC		80
Option 1A		\$21,822,384	
Option 1B		\$18,924,784	
Option 2A		\$11,539,568	
Option 2B		\$10,024,368	
State	SDDOT/RR Trust Fund	Varies \$5,455,596 to \$2,506,092	20
Applicant	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Other (Please Describe)	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Other (Please Describe)	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Total Project Cost		Varies \$27,277,980 to \$12,530,460	100%

- c. Percentage share of private funding contributing to project:
0

ANTICIPATED BENEFITS

- a. Is this project intended to create or support new economic development opportunities? Yes ☒ No ☐
- i. If yes, please describe
The railroad as it is will not attract any business to the line. In order to attract any economic development, the railroad must be upgraded. Job creation is difficult to predict without a known interest in the line.
- b. Will this project generate additional freight carloads on the affected segment?
Yes ☒ No ☐

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- ii. If yes, please describe
The railroad must be upgraded to attract an industry that utilizes rail, only then is there a possibility of freight movements on the improved line.
- c. Is this project intended to reduce slow order miles? Yes ☒ No ☐
iii. If yes, please describe
Currently, any movements on the line (rail car storage) are at walking speed.
- d. Is this project intended to upgrade track to a higher FRA track classification? (i.e. Class 1 to Class 2) Yes ☒ No ☐
iv. If yes, please describe
The project would upgrade the track from excepted to Class II
- e. Is this project intended to upgrade track or structures to allow 286,000-lb maximum gross weight carloads? Yes ☒ No ☐
v. If yes, please describe
In addition to the #115 lb rail, the bridges would be repaired and upgraded to be able to handle 286,000lb cars.
- f. Is this project intended to divert freight from truck to rail? Yes ☒ No ☐
vi. If yes, please describe
If a shipper locates on the line. Volumes are difficult to estimate.
- g. Is this project intended to yield highway-rail grade crossing or pedestrian safety benefits? Yes ☐ No ☒
vii. If yes, please describe
Click or tap here to enter text.
- h. Is this project intended to support an ongoing state-of-good-repair or preserve an existing rail corridor for continued or future use? Yes ☒ No ☐
viii. If yes, please describe
The line is currently unable to be used for freight shipments. One option to preserve the line is to repair it and attract a shipper.

PROJECT READINESS

- a. If seeking federal funding for construction, what is the status of Preliminary Engineering (PE) for this project at this time?
PE has not begun. If selected, we will request pre award authority for PE.
- b. If seeking federal funding for construction, what is the status of National Environmental Policy Act (NEPA) documentation for this project at this time?
NEPA has not begun, if selected, we will request pre award authority for PE.
- c. Please indicate if this project has been documented in any of the following planning documents:
 - i. South Dakota State Rail Plan Yes ☒ No ☐
 - ii. South Dakota State Freight Plan Yes ☐ No ☒
 - iii. South Dakota Long Range Transportation Plan Yes ☐ No ☒
 - iv. Local/Regional Planning Documents (Please Describe) Yes ☐ No ☒
Click or tap here to enter text.

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***CDI #2023-201 SDDOT NAPA Line
Photos of Existing Track Conditions***



Figures 1 & 2 – Trees obstructing track clearance and general brush overgrowth from Napa to Janousek.



Figures 3, 4, & 5 – General track condition from Janousek to Tabor.



Figure 6 – Track condition in east Tabor (MP 10.0 to MP 10.4) with empty cribs and brush overgrowth.



Figure 7 – Railroad Crossing in Tabor that has been paved over with asphalt.



Figures 8 & 9 – Brush overgrowth on track in west Tabor (MP 10.4 to MP 10.9).



Figures 10 & 11 – General track condition from west Tabor (MP 10.9) to MP 14.5.



Figures 12 & 13 – General track condition from MP 10.9 to Tyndall (MP 20.9).



Civil Engineers & Land Surveyors

MEMORANDUM
CDI #2023-201 SDDOT NAPA STC Grant

Monday, September 18, 2023, CDI conducted a track inspection of the NAPA to Platte Subdivision from the Napa Wye (MP 0.0) to Tyndall (MP 20.9).

Due to railcars and overgrowth on the tracks and ROW, the track was largely inaccessible for inspection from Janousek to Tabor.

The scope of work for all options is a complete track removal and reconstruction. Multiple locations throughout the rail segment will require tree removals, clearing, and grubbing due to lack of adequate clearance. The track bed contained rodent holes and rotten ties. Multiple crossings through Tabor had been paved over completely. To properly rehabilitate this line, all track will need to be removed following clearing and grubbing operations. The only material salvageable to sell for scrap is the 65# rail and OTM. Following track removal, the track bed will need to be undercut a minimum of 1' prior to track construction. Track Construction will include Grade 3 Ties and 115# Rail. See the variances in the options below.

Option 1A: Complete Track Removal & Reconstruction – New 115# Rail from MP 0.0 to MP 20.9

Option 1B: Complete Track Removal & Reconstruction – 115# Relay Rail from MP 0.0 to MP 20.9

Option 2A: Complete Track Removal & Reconstruction – New 115# Rail from MP 0.0 to MP 11.37

Option 2B: Complete Track Removal & Reconstruction – 115# Relay Rail from MP 0.0 to MP 11.37

9/25/2023

Materials

Item	Description	Unit	Quantity	Unit Price	Total
1	115lb New CWR	Tons	4,200	\$ 2,000.00	\$ 8,400,000.00
2	Tie Plates	Each	140,000	\$ 17.00	\$ 2,380,000.00
3	Anchors (115 Lb)	Each	140,000	\$ 2.50	\$ 350,000.00
4	Rail Spikes	Each	340,000	\$ 0.75	\$ 255,000.00
5	6"x8"x8'-6" Grade 3 Ties	Each	68,000	\$ 70.00	\$ 4,760,000.00
6	7"x9"x10'-0" Grade Ties	Each	800	\$ 95.00	\$ 76,000.00
7	Timber Crossing Planks	Tr-Ft	592	\$ 200.00	\$ 118,400.00
8	12" Crossing Lags	Each	2,070	\$ 4.00	\$ 8,280.00
9	Concrete Crossing Panels	Tr-Ft	306	\$ 400.00	\$ 122,400.00

Total Materials: \$ 16,470,080.00**Labor Only**

Item	Description	Unit	Quantity	Unit Price	Total
1	Mobilization	LS	1	\$ 250,000.00	\$ 250,000.00
2	Tree Clearing	LS	1	\$ 750,000.00	\$ 750,000.00
3	Brush Cutting	Tr-Mi	20.9	\$ 125,000.00	\$ 2,612,500.00
4	Track Removal	Tr-Mi	20.9	\$ 75,000.00	\$ 1,567,500.00
5	Undercutting	Tr-Mi	20.9	\$ 75,000.00	\$ 1,567,500.00
6	Replace Failing Culverts	LS	1	\$ 50,000.00	\$ 50,000.00
7	Track Construction	Tr-Mi	20.9	\$ 100,000.00	\$ 2,090,000.00
8	Timber Crossing Reconstruction	Tr-Ft	592	\$ 250.00	\$ 148,000.00
9	Concrete Crossing Reconstruction	Tr-Ft	306	\$ 800.00	\$ 244,800.00
10	Traffic Control	LS	1	\$ 5,000.00	\$ 5,000.00
11	Rail Train Unloading	LS	1	\$ 5,000.00	\$ 5,000.00
12	Bonding	LS	1	\$ 10,000.00	\$ 10,000.00
13	Railroad Protective Insurance	LS	1	\$ 5,000.00	\$ 5,000.00

Total Labor: \$ 9,305,300.00

Total Construction: \$ 25,775,380.00

10% Contingency: \$ 2,577,000.00

Engineering: \$ 100,000.00

Total Project Cost: \$ 28,452,380.00**Salvage Rail & OTM**

Item	Description	Unit	Quantity	Unit Price	Total
1	Salvage 65lb Rail & OTM	LF	205,000	\$ 5.00	\$ 1,025,000.00



9/25/2023

Materials

Item	Description	Unit	Quantity	Unit Price	Total
1	115lb Relay Rail	Tons	4,200	\$ 1,700.00	\$ 7,140,000.00
2	Tie Plates	Each	140,000	\$ 17.00	\$ 2,380,000.00
3	Anchors (115 Lb)	Each	140,000	\$ 2.50	\$ 350,000.00
4	Rail Spikes	Each	340,000	\$ 0.75	\$ 255,000.00
5	6"x8"x8'-6" Grade 3 Ties	Each	68,000	\$ 70.00	\$ 4,760,000.00
6	7"x9"x10'-0" Grade Ties	Each	800	\$ 95.00	\$ 76,000.00
7	Timber Crossing Planks	Tr-Ft	592	\$ 200.00	\$ 118,400.00
8	12" Crossing Lags	Each	2,070	\$ 4.00	\$ 8,280.00
9	Concrete Crossing Panels	Tr-Ft	306	\$ 400.00	\$ 122,400.00
Total Materials:					\$ 15,210,080.00

Labor Only

Item	Description	Unit	Quantity	Unit Price	Total
1	Mobilization	LS	1	\$ 250,000.00	\$ 250,000.00
2	Tree Clearing	LS	1	\$ 750,000.00	\$ 750,000.00
3	Brush Cutting	Tr-Mi	20.9	\$ 125,000.00	\$ 2,612,500.00
4	Track Removal	Tr-Mi	20.9	\$ 75,000.00	\$ 1,567,500.00
5	Undercutting	Tr-Mi	20.9	\$ 75,000.00	\$ 1,567,500.00
6	Replace Failing Culverts	LS	1	\$ 50,000.00	\$ 50,000.00
7	Track Construction	Tr-Mi	20.9	\$ 100,000.00	\$ 2,090,000.00
8	Timber Crossing Reconstruction	Tr-Ft	592	\$ 250.00	\$ 148,000.00
9	Concrete Crossing Reconstruction	Tr-Ft	306	\$ 800.00	\$ 244,800.00
10	Traffic Control	LS	1	\$ 5,000.00	\$ 5,000.00
11	Rail Train Unloading	LS	1	\$ 5,000.00	\$ 5,000.00
12	Bonding	LS	1	\$ 10,000.00	\$ 10,000.00
13	Railroad Protective Insurance	LS	1	\$ 5,000.00	\$ 5,000.00
Total Labor:					\$ 9,305,300.00

Total Construction: \$ 24,515,380.00

10% Contingency: \$ 2,451,000.00

Engineering: \$ 100,000.00

Total Project Cost: \$ 27,066,380.00**Salvage Rail & OTM**

Item	Description	Unit	Quantity	Unit Price	Total
1	Salvage 65lb Rail & OTM	LF	205,000	\$ 5.00	\$ 1,025,000.00

9/25/2023

Materials

Item	Description	Unit	Quantity	Unit Price	Total
1	115lb New CWR	Tons	2,330	\$ 2,000.00	\$ 4,660,000.00
2	Tie Plates	Each	74,000	\$ 17.00	\$ 1,258,000.00
3	Anchors (115 Lb)	Each	74,000	\$ 2.50	\$ 185,000.00
4	Rail Spikes	Each	185,000	\$ 0.75	\$ 138,750.00
5	6"x8"x8'-6" Grade 3 Ties	Each	37,000	\$ 70.00	\$ 2,590,000.00
6	7"x9"x10'-0" Grade Ties	Each	420	\$ 95.00	\$ 39,900.00
7	Timber Crossing Planks	Tr-Ft	272	\$ 200.00	\$ 54,400.00
8	12" Crossing Lags	Each	940	\$ 4.00	\$ 3,760.00
9	Concrete Crossing Panels	Tr-Ft	189	\$ 400.00	\$ 75,600.00
Total Materials:					\$ 9,005,410.00

Labor Only

Item	Description	Unit	Quantity	Unit Price	Total
1	Mobilization	LS	1	\$ 200,000.00	\$ 200,000.00
2	Tree Clearing	LS	1	\$ 750,000.00	\$ 750,000.00
3	Brush Cutting	Tr-Mi	11.37	\$ 125,000.00	\$ 1,421,250.00
4	Track Removal	Tr-Mi	11.37	\$ 75,000.00	\$ 852,750.00
5	Undercutting	Tr-Mi	11.37	\$ 75,000.00	\$ 852,750.00
6	Replace Culverts	LS	1	\$ 30,000.00	\$ 30,000.00
7	Track Construction	Tr-Mi	11.37	\$ 100,000.00	\$ 1,137,000.00
8	Timber Crossing Reconstruction	Tr-Ft	272	\$ 250.00	\$ 68,000.00
9	Concrete Crossing Reconstruction	Tr-Ft	180	\$ 800.00	\$ 144,000.00
10	Traffic Control	LS	1	\$ 5,000.00	\$ 5,000.00
11	Rail Train Unloading	LS	1	\$ 5,000.00	\$ 5,000.00
12	Bonding	LS	1	\$ 10,000.00	\$ 10,000.00
13	Railroad Protective Insurance	LS	1	\$ 5,000.00	\$ 5,000.00
Total Labor:					\$ 5,480,750.00

Total Construction: \$ 14,486,160.00

Contingency: \$ 1,448,000.00

Engineering: \$ 75,000.00

Total Project Cost: \$ 16,009,160.00

Salvage Rail & OTM

Item	Description	Unit	Quantity	Unit Price	Total
1	Salvage 65lb Rail & OTM	LF	105,000	\$ 5.00	\$ 525,000.00

9/25/2023

Materials

Item	Description	Unit	Quantity	Unit Price	Total
1	115lb Relay Rail	Tons	2,330	\$ 1,700.00	\$ 3,961,000.00
2	Tie Plates	Each	74,000	\$ 17.00	\$ 1,258,000.00
3	Anchors (115 Lb)	Each	74,000	\$ 2.50	\$ 185,000.00
4	Rail Spikes	Each	185,000	\$ 0.75	\$ 138,750.00
5	6"x8"x8'-6" Grade 3 Ties	Each	37,000	\$ 70.00	\$ 2,590,000.00
6	7"x9"x10'-0" Grade Ties	Each	420	\$ 95.00	\$ 39,900.00
7	Timber Crossing Planks	Tr-Ft	272	\$ 200.00	\$ 54,400.00
8	12" Crossing Lags	Each	940	\$ 4.00	\$ 3,760.00
9	Concrete Crossing Panels	Tr-Ft	189	\$ 400.00	\$ 75,600.00
Total Materials:					\$ 8,306,410.00

Labor Only

Item	Description	Unit	Quantity	Unit Price	Total
1	Mobilization	LS	1	\$ 200,000.00	\$ 200,000.00
2	Tree Clearing	LS	1	\$ 750,000.00	\$ 750,000.00
3	Brush Cutting	Tr-Mi	11.37	\$ 125,000.00	\$ 1,421,250.00
4	Track Removal	Tr-Mi	11.37	\$ 75,000.00	\$ 852,750.00
5	Undercutting	Tr-Mi	11.37	\$ 75,000.00	\$ 852,750.00
6	Replace Culverts	LS	1	\$ 30,000.00	\$ 30,000.00
7	Track Construction	Tr-Mi	11.37	\$ 100,000.00	\$ 1,137,000.00
8	Timber Crossing Reconstruction	Tr-Ft	272	\$ 250.00	\$ 68,000.00
9	Concrete Crossing Reconstruction	Tr-Ft	180	\$ 800.00	\$ 144,000.00
10	Traffic Control	LS	1	\$ 5,000.00	\$ 5,000.00
11	Rail Train Unloading	LS	1	\$ 5,000.00	\$ 5,000.00
12	Bonding	LS	1	\$ 10,000.00	\$ 10,000.00
13	Railroad Protective Insurance	LS	1	\$ 5,000.00	\$ 5,000.00
Total Labor:					\$ 5,480,750.00

Total Construction: \$ 13,787,160.00

Contingency: \$ 1,378,000.00

Engineering: \$ 75,000.00

Total Project Cost: \$ 15,240,160.00**Salvage Rail & OTM**

Item	Description	Unit	Quantity	Unit Price	Total
1	Salvage 65lb Rail & OTM	LF	105,000	\$ 5.00	\$ 525,000.00

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APPLICANT INFORMATION

- a. Entity: **Rapid City, Pierre & Eastern Railroad, Inc.**
- b. Point of Contact: **Ross Lane**
- c. Address Line 1: **246 Founders Park Drive**
- d. Address Line 2: **Suite 202**
- e. City: **Rapid City**
- f. State: **SD**
- g. Zip Code: **57701**
- h. Phone Number: **406-223-3643**
- i. Email: **ross.lane@gwrr.com**

PROJECT LOCATION

- a. Please describe the geographic location of the project. If the project covers one or more line segment(s), describe the geographic or mile post limits of the project in relation to these line segment(s).

Work on the Upper Black Hills Corridor Upgrade Project (“the Project”) would take place on the northern portion of the RCP&E Black Hills Subdivision, between Rapid City and the end of the line at Colony, WY (MP 106.25 to 173.36). Main rail replacement work would be completed in segments throughout the Project limits. In total, 21.25 miles of rail would be replaced within the Project limits. Bridge strengthening work would likewise be completed throughout the Project limits.

Importantly, RCP&E is not requesting any South Dakota funding support to complete work on the Wyoming portion of the Project. The Wyoming portion of the Project (approximately 8.7 percent of the total project cost) will be funded entirely by RCP&E. The project is not located on the State-owned rail network.

- b. Is the project located on the state-owned rail network? Yes ☐ No ☒

PROJECT DESCRIPTION

- a. Please describe, in general terms, the purpose and need of the project and summarize the work to be performed.

Successful completion of the Project will allow the railroad to increase weight capacity and accommodate a fully loaded, modern 286k railcar across the entire Upper Black Hills Subdivision. The Project is currently ranked 3rd on the Short-Term Project Prioritization Ranking in Appendix C of the South Dakota Rail Investment Guide. In addition to accommodating heavier freight cars, completion of the Project is expected to eliminate joint maintenance, reduce broken rail derailments, and increase the overall speed of the railroad within the Project limits.

The railroad is only currently able to accommodate a 263k loaded freight car on the Upper Black Hills Subdivision. Once completed, along with work yet to be finished on the PRC Subdivision, the vast majority of the RCP&E will be able to accommodate a 286k railcar. The Project work will include the installation of rail repurposed from the RCP&E RAISE project, railroad bridge upgrades, bridge

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replacement, new crossing surfaces, and turnouts. Importantly, completion of the Project is also intended to result in fewer derailments caused by broken rails and offer customers a more reliable and predictable railroad.

The Project will provide current and future rail shippers on the line the ability to ship and receive fully loaded 286k freight cars, allowing them to be competitive in their markets and expand their businesses. Providing the option to ship 286k freight cars ensures customers along the corridor have access to the broader freight rail network, and in turn, both domestic and international markets. Likewise, it allows the railroad to market the line and region more broadly with the goal of increasing economic growth and development across the state. Additionally, because rail shippers along the corridor would have better access to the national freight rail network, they would be better positioned to expand and grow, in turn facilitating economic development and job growth in western South Dakota.

Following a successful 2021 RAISE grant application, coupled with significant investment from both the state of South Dakota, and the RCP&E, a new rail installation project on the PRC Subdivision will be underway in 2024. RCP&E and SDDOT expect that over the next twelve months, preliminary engineering, environmental review, and grant agreements will be completed. Once the new rail is acquired and installed on the PRC Subdivision, work can begin on the proposed Upper Black Hills Project.

Of the 36.6 miles of 112 lb. rail to be replaced on the PRC Subdivision, 27 miles will be set aside. RCP&E is proposing to transport the rail to Rapid City, where it will be inspected, bolt ends cropped off (source of the predominate wear and number of defects), flash-butt welded and then re-laid, ultimately replacing the final 21.25 miles of existing older and lighter sectional rail within the Project area. Cropping and welding of sectional rail has been employed successfully for years by Class I railroads to extend the service life of this type of rail. Reusing rail to upgrade the Rapid City to Colony line allows the Project to be completed with greater cost efficiency and at much lower cost than would otherwise be possible.

To accommodate 286k capacity on the Black Hills Subdivision, RCP&E must also complete strengthening, upgrades, and replacement on 38 total structures within the project limits. All bridge and structure work will be completed in South Dakota.

Due to inflationary pressure on materials, labor, and the extensive bridge work needed to upgrade the line to 286k, the total cost of the Project is estimated above prior calculations.

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PROJECT FUNDING

- a. Is the Applicant seeking a loan from the State Railroad Trust Fund? Yes ☐ No ☒
- i. Is Applicant seeking a grant or a loan? Grant ☒ Loan ☐
- b. Requested Funding

Funding Partner	Funding Program	Amount (in US Dollars)	Proposed Share Percentage
South Dakota Portion			
Federal	STC Grant	\$14,062,328.00	70 Percent
State	N/A	N/A	N/A
Applicant	RCP&E Capital	\$6,026,712.00	30 Percent
Total South Dakota Portion		\$20,089,040.00	100 Percent
Wyoming Portion			
Federal	N/A	N/A	N/A
State	N/A	N/A	N/A
Applicant	RCP&E Capital	\$1,921,293.00	100 Percent
Total Wyoming Portion		\$1,921,293.00	100 Percent
Total Project Cost			
Total RCP&E STC Request		\$14,062,328.00	

- c. Percentage share of private funding contributing to project:

RCP&E will match 30 percent of the total requested South Dakota Project costs, or \$6,026,712 of the total \$20,089,040 South Dakota Project cost. In total, RCP&E is requesting \$14,062,328 in STC funds.

On the Wyoming side of the Project, RCP&E will fund 100 percent of the Project portion, or \$1,921,293 and is requesting no STC funds.

The total project, including work completed in Wyoming, is \$22,010,333.

ANTICIPATED BENEFITS

- a. Is this project intended to create or support new economic development opportunities? Yes ☒ No ☐
- i. If yes, please describe
- Numerous railroad dependent customers currently count on the transportation provided by the RCP&E between Colony, WY and Rapid City, SD, and are not currently able to ship a fully loaded 286k railcar. Completion of the Project is

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intended to support new economic development, allow current railroad customers to expand their businesses and shipments, and attract new rail customers to the Project area.

The RCP&E sales, marketing, and industrial development teams are continually working to locate new customers along the railroad. Completion of the Project will allow the line to be marketed to customers who require a 286k capacity. Additionally, customers looking to locate or expand their businesses at Belle Fourche Industrial and Rail Park will have access to a more economically competitive railroad that can accommodate heavier rail cars.

- b. Will this project generate additional freight carloads on the affected segment?

Yes ☒ No ☐

ii. If yes, please describe

In 2022, outbound volume on the Upper Black Hills Subdivision totaled over 11,000 carloads. Essential to continued current customer growth and new customer attraction is the ability to operate a safe, reliable, and efficient railroad that can accommodate a 286k railcar. Completion of the Project will help RCP&E do just that. One current railroad customer is looking to significantly expand their railroad shipments from Sturgis to Rapid City (up to 4,000 carloads annually). Completion of the Project is necessary for their continued success.

Additionally, new industrial development along the line is also possible once the Project is completed. As the bentonite railcar fleet continues to age, the cars will someday need to be replaced with newer cars. A railroad that can accommodate newer 286k railcars will be necessary for this anticipated fleet replacement.

- c. Is this project intended to reduce slow order miles? Yes ☒ No ☐

iii. If yes, please describe

Depending on the most recent track inspection and detection results, slow orders do exist on the Black Hills Subdivision. As of September 29, slow orders limiting track speed to 10 mph are in place at MP 143 to 143.25 and MP 158 to 160.25, making up a very minor percentage of the total RCP&E route miles. Slow orders are repaired as soon as possible, but new track related defects can accumulate over time, resulting in more slow orders. Completion of the Project will allow the railroad to remove existing slow orders, and the railroad expects that completion of the Project will result in fewer slow orders in the future.

- d. Is this project intended to upgrade track to a higher FRA track classification? (i.e.

Class 1 to Class 2) Yes ☒ No ☐

iv. If yes, please describe

The railroad operates primarily at 25 mph (Class 2) or slower currently. In areas with slow orders, this speed is reduced further to 10 mph (Class 1). Once the Project is completed, RCP&E intends to operate at speeds up to 40 mph (Class 3).

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- e. Is this project intended to upgrade track or structures to allow 286,000-lb maximum gross weight carloads? Yes ☒ No ☐
 - v. If yes, please describe
Upgrading the Subdivision to handle the 286k maximum car is the primary purpose of the Project. All work within the Project is meant to accomplish greater railroad velocity, improve safety, and increase weight capacity. Rail replacement and bridge upgrades will be the primary means to upgrade the line to handle 286k.
- f. Is this project intended to divert freight from truck to rail? Yes ☐ No ☒
 - vi. If yes, please describe
The primary purpose of the Project is not meant to divert freight from truck to rail, however it is designed to prevent current rail traffic from being converted to truck. Additionally, as the line is upgraded, RCP&E will continue to market to customers throughout the corridor, including those entities who currently utilize trucks to transport their goods. By offering customers the ability to ship 286k freight cars, they are afforded even better economic efficiencies over truck shipments. This could result in the prevention of a modal shift from truck to rail as customers expand their businesses.
- g. Is this project intended to yield highway-rail grade crossing or pedestrian safety benefits? Yes ☒ No ☐
 - vii. If yes, please describe
As part of the proposed scope of work, RCP&E will rehabilitate 376 track feet of at-grade rail crossings within the Project limits. Because overall train speed on the Subdivision will increase after the Project is completed, trains will clear at-grade crossings more quickly, providing quality of life improvements for affected residents.
- h. Is this project intended to support an ongoing state-of-good-repair or preserve an existing rail corridor for continued or future use? Yes ☒ No ☐
 - viii. If yes, please describe
Improving the corridor to handle 286k from the current 263k will yield significant benefits as it relates to the continued and future use of the rail corridor. These benefits include resiliency of the railroad and reliability in the form of reduced track caused derailments, in turn ultimately benefiting customers. In addition to the track and bridge work, three new turnouts will be installed on the mainline, improving the state of good repair.

PROJECT READINESS

- a. If seeking federal funding for construction, what is the status of Preliminary Engineering (PE) for this project at this time?
Preliminary Engineering (PE) has not yet been completed. However, once funding for the project is secured, RCP&E would complete PE as part of the initial deliverables for

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the Project. Engineering of the Project has been completed at the 30 percent level. Preliminary cost estimates on materials and labor were completed as well.

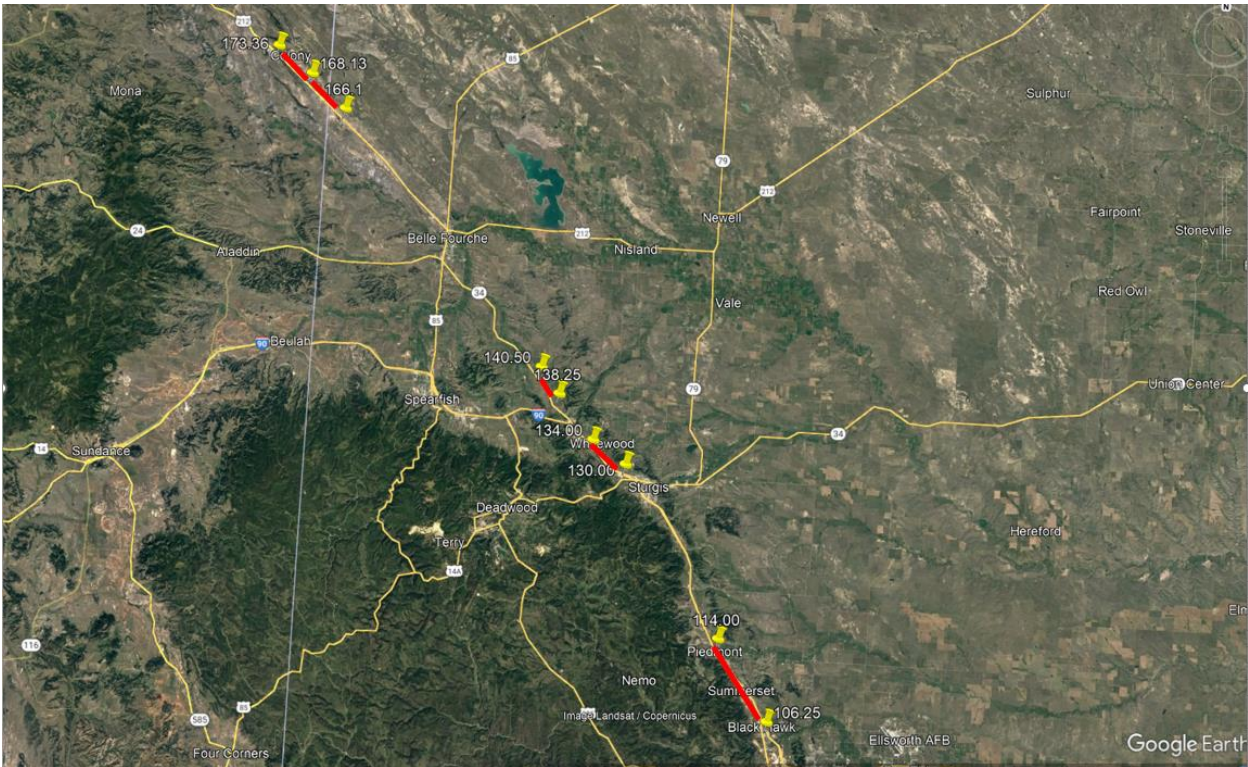
- b. If seeking federal funding for construction, what is the status of National Environmental Policy Act (NEPA) documentation for this project at this time?
RCP&E expects that because the scope of work for the Project is replacing and upgrading existing track and structures, a Categorical Exclusion (CE) for NEPA would be obtained. The environmental review process would be completed once funding for the project has been secured. Based on prior federal grant experience, RCP&E would expect to gain a CE NEPA decision in less than nine months from date of award.
- c. Please indicate if this project has been documented in any of the following planning documents:
- i. South Dakota State Rail Plan Yes ☒ No ☐
 - ii. South Dakota State Freight Plan Yes ☐ No ☒
 - iii. South Dakota Long Range Transportation Plan Yes ☐ No ☒
 - iv. Local/Regional Planning Documents (Please Describe) Yes ☐ No ☒
Click or tap here to enter text.

RCP&E Upper Black Hills Corridor Upgrade Project: Appendix A

Project Map #1:



Project Map #2:



Typical 90lb Rail Examples:



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APPLICANT INFORMATION

- a. Entity: **Belle Fourche Economic Development Corporation**
- b. Point of Contact: **Hollie Stadler**
- c. Address Line 1: **BFEDC**
- d. Address Line 2: **PO Box 344**
- e. City: **Belle Fourche**
- f. State: **SD**
- g. Zip Code: **57717**
- h. Phone Number: **605-892-5065**
- i. Email: **director@bellefourchedevcorp.com**

PROJECT LOCATION

- a. Please describe the geographic location of the project. If the project covers one or more line segment(s), describe the geographic or mile post limits of the project in relation to these line segment(s).

The project will be in the Belle Fourche Industrial and Rail Park located just west of the intersection of US85 and US212.
- b. Is the project located on the state-owned rail network? Yes ☐ No ☒

PROJECT DESCRIPTION

- a. Please describe, in general terms, the purpose and need of the project and summarize the work to be performed.

BFEDC would like to present three options for the SD Railroad Boards consideration.

Option 1. BFEDC has had inquiries regarding the suitability of the facility for the loading and unloading of railcars. In addition, the ability to store railcar freight for short periods of time has been an area of interest. This project will increase the rail traffic into the park and increase rail traffic for the RCP&E. Potential customers have expressed concern about security at the site – the project would add security cameras and lighting in this area. New Generation Feeds wants to bring in ingredients by rail for their feed supplements. Construction companies have expressed interest in bringing in material by rail. Albany Farms continues to grow (they now have 100 employees) and plans to bring in SD wheat by rail. This track will allow them to receive that wheat by rail.

The project consists of 110 feet of track realignment of the existing track, 2,960 ft of new track construction, install one new turnout, install security cameras and light fixtures for safety and security and gravel 4.62 acres for two separate gravel laydown areas. The tracks will be far enough apart to unload railcars directly onto trucks on both sides of each track. In addition, if temporary storage is needed the material from the railcars can be stored in the laydown area. Also, if material is to be loaded onto railcars it can be staged on the laydown area prior to loading onto railcars.

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The operational flexibility afforded by the dual tracks and the laydown areas will make the facility attractive to potential rail park customers.

Option 2. If Option 1 is selected for funding, the Rail Park will be at capacity in terms of rail development. Option 2 is Option 1 plus an effort to evaluate and select a location to develop another rail served industrial park.

Option 3. The rail park is already busy and spotting and moving cars within the rail park has started to become an issue for the railroad as they don't always have the time to do so. In addition to our industrial park customers, RCPE uses the sidings for other customers and operational flexibility – so far this year over 2900 cars for various customers of RCPE have been on the siding. Option 3 is Option 2 plus the purchase of a track mobile.

- a. Is the Applicant seeking a loan from the State Railroad Trust Fund? Yes ☐ No ☒
 - i. Is Applicant seeking a grant or a loan? Grant ☒ Loan ☐
- b. Requested Funding

Option 1

Funding Partner	Funding Program	Amount (in US Dollars)	Proposed Share Percentage
Federal	STC	\$1,467,440	80
State	0	0	0
Applicant	Local Funds	\$366,860	20
Total Project Cost		\$1,834,300	100%

Option 2

Funding Partner	Funding Program	Amount (in US Dollars)	Proposed Share Percentage
Federal	STC	\$1,559,440	80
State	0	0	0
Applicant	Local Funds	\$389,860	20
Total Project Cost		\$1,949,300	100%

Option 3

Funding Partner	Funding Program	Amount (in US Dollars)	Proposed Share Percentage
Federal	STC	\$1,879,440	80
State	0	0	0
Applicant	Local Funds	\$469,860	20
Total Project Cost		\$2,349,300	100%

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- c. Percentage share of private funding contributing to project:

20

ANTICIPATED BENEFITS

- a. Is this project intended to create or support new economic development opportunities? Yes ☒ No ☐

- i. We have inquiries from companies that want to bring in construction materials by rail for projects in western SD. Please see the support letter from Cameron Ashley as one example. We are unable to unload them in our facility. The companies would have had to truck the material in at a higher cost. We do not know if the companies making the (past) inquiries ultimately got the jobs they were bidding on or not. New Generation Supplements is a local company that uses an ingredient that cannot be locally sourced. They wish to bring in this ingredient by rail but have not had a place to unload the rail cars. This project would give them an opportunity to maintain and possibly expand their business. As noted in their letter they anticipate the volume to be 200 rail cars per year. Albany Farms (the Ramen Noodle facility) continues to ramp up and will ultimately need a place to unload wheat for a flour mill and plastic goods for their products.

The new track construction will support jobs to unload the trains and load trucks, it will make the building materials more competitive in the local market – providing more competition on price, the New Generation feed ingredient will support an existing employee base and possibly add employees to manufacture that product. As Albany farms continues to grow, with the help of this project to enable wheat to be brought in by rail, their work force will continue to expand well beyond the 100 employees they have now.

The BFEDC will need to hire one person to operate and maintain the trackmobile. Estimated (non-project construction) job creation and retention is 20 (not counting Albany Farms, given the less certain timing).

- b. Will this project generate additional freight carloads on the affected segment?

Yes ☒ No ☐

- ii. If yes, please describe

Based upon the inquiries that we have had, and the support letters, we anticipate an additional 220 cars per year for the first couple of years and growth after that. Albany Farms is not included in this estimate – if Albany Farms ships wheat by rail it would add another 2000 cars per year.

- c. Is this project intended to reduce slow order miles? Yes ☐ No ☒

- iii. If yes, please describe

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- d. Is this project intended to upgrade track to a higher FRA track classification? (i.e. Class 1 to Class 2) Yes ☐ No ☒

iv. If yes, please describe

Click or tap here to enter text.

- e. Is this project intended to upgrade track or structures to allow 286,000-lb maximum gross weight carloads? Yes ☐ No ☒

v. If yes, please describe

Click or tap here to enter text.

- f. Is this project intended to divert freight from truck to rail? Yes ☒ No ☐

vi. If yes, please describe

Yes, because freight shippers will use the Belle Fourche laydown/transload instead of one further away that would require additional truck miles. The ingredients for the feed supplement will come from over 800 miles away. If trucked to Belle Fourche that move would add 1.3 million truck miles per year. The building materials have a variety of sources, but assuming the origin is 300 miles, shipping by rail would result in 33,600 less truck miles per year.

Albany Farms is still planning on bringing in wheat from the Pierre/Onida/Midland area. Should this happen an additional 2000 cars per year will be utilizing the facility – resulting in a reduction of 2,400,000 truck miles per year all on SD roads.

Total truck mile reduction will be about 3.7 million miles per year when Albany farms starts shipping wheat in for their flour mill.

- g. Is this project intended to yield highway-rail grade crossing or pedestrian safety benefits? Yes ☐ No ☒

vii. If yes, please describe

Click or tap here to enter text.

- h. Is this project intended to support an ongoing state-of-good-repair or preserve an existing rail corridor for continued or future use? Yes ☐ No ☒

viii. If yes, please describe

Click or tap here to enter text.

PROJECT READINESS

- a. If seeking federal funding for construction, what is the status of Preliminary Engineering (PE) for this project at this time?
Some Preliminary Engineering has been done – layout and preliminary quantities and cost estimate. We anticipate requesting pre-award authority for PE.
- b. If seeking federal funding for construction, what is the status of National Environmental Policy Act (NEPA) documentation for this project at this time?

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

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NEPA has not started. However, previous projects have had NEPA documentation at the Industrial Park. While the project location was not evaluated, much of the background work has already been completed once and will require only updating. We anticipate requesting pre-award authority for NEPA work.

- c. Please indicate if this project has been documented in any of the following planning documents:

- i. South Dakota State Rail Plan Yes ☒ No ☐
- ii. South Dakota State Freight Plan Yes ☐ No ☒
- iii. South Dakota Long Range Transportation Plan Yes ☒ No ☐
- iv. Local/Regional Planning Documents (Please Describe) Yes ☐ No ☒

Click or tap here to enter text.

Belle Fourche Delevopment Corp.
Proposed Future Track Expansion
Preliminary Opinion of Probable Cost

Attachment #2
9/24/2023

Labor Only					
Item	Description	Unit	Quantity	Unit Price	Total
1	Mobilization	LS	1	\$ 100,000.00	\$ 100,000.00
2	Relign Track	Tr-Ft	110	\$ 20.00	\$ 2,200.00
3	Grading	Tr-Ft	1,494	\$ 150.00	\$ 224,100.00
4	New Track Construction	Tr-Ft	1,494	\$ 225.00	\$ 336,150.00
5	Remove & Salvage Bumping Post	Each	1	\$ 500.00	\$ 500.00
6	Install Salvaged Bumping Post	Each	1	\$ 500.00	\$ 500.00
7	Furnish & Install Bumping Post	Each	1	\$ 5,000.00	\$ 5,000.00
8	#9 Turnout, Furnish & Install	Each	1	\$ 85,000.00	\$ 85,000.00
9	Furnish & Install Timber Crossing	Tr-Ft	24	\$ 275.00	\$ 6,600.00
10	Clearence Point Sign	Each	1	\$ 250.00	\$ 250.00
11	Gravel for Laydown	LS	1	\$ 300,000.00	\$ 300,000.00
12	Security Camera	LS	1	\$ 30,000.00	\$ 30,000.00
13	Light Pole	LS	1	\$ 300,000.00	\$ 300,000.00
14	Railroad Protective Insurance	LS	1	\$ 5,000.00	\$ 5,000.00

Subtotal: \$ 1,395,300.00

15% Contingency: \$ 209,000.00

Preliminary Engineering: \$ 25,000.00

Final Design Engineering: \$ 75,000.00

Environmental: \$ 30,000.00

Construction Admin: \$ 100,000.00

Total Cost: \$ 1,834,300.00





Current rail siding

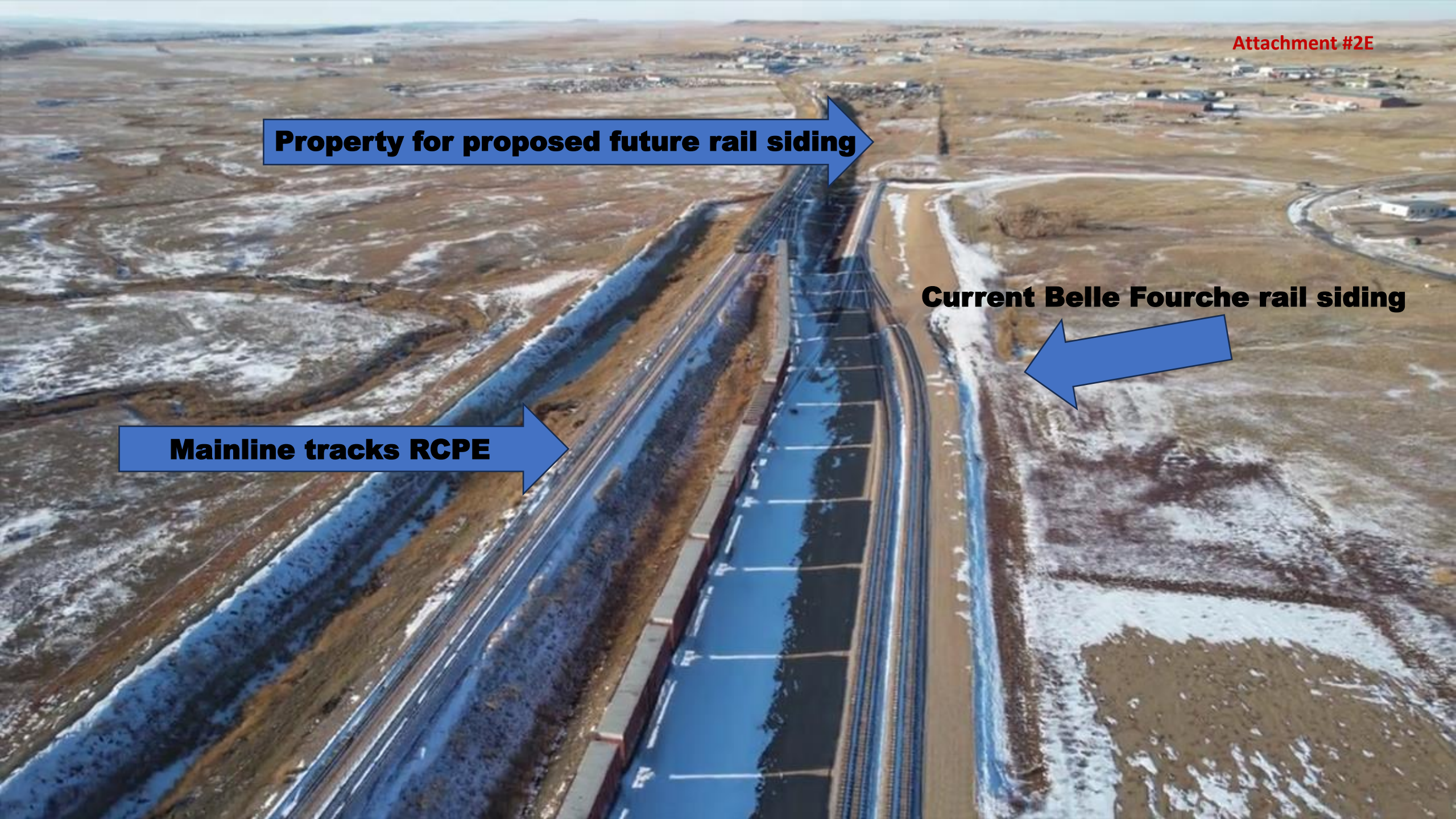
Mainline tracks RCPE

Land for proposed rail siding

Property for proposed future rail siding

Current Belle Fourche rail siding

Mainline tracks RCPE



Property for proposed future rail siding

Attachment #2E

Current Belle Fourche rail siding



Property for proposed future rail siding





Property for proposed future rail siding

Property for proposed future rail siding



Property for proposed future rail siding



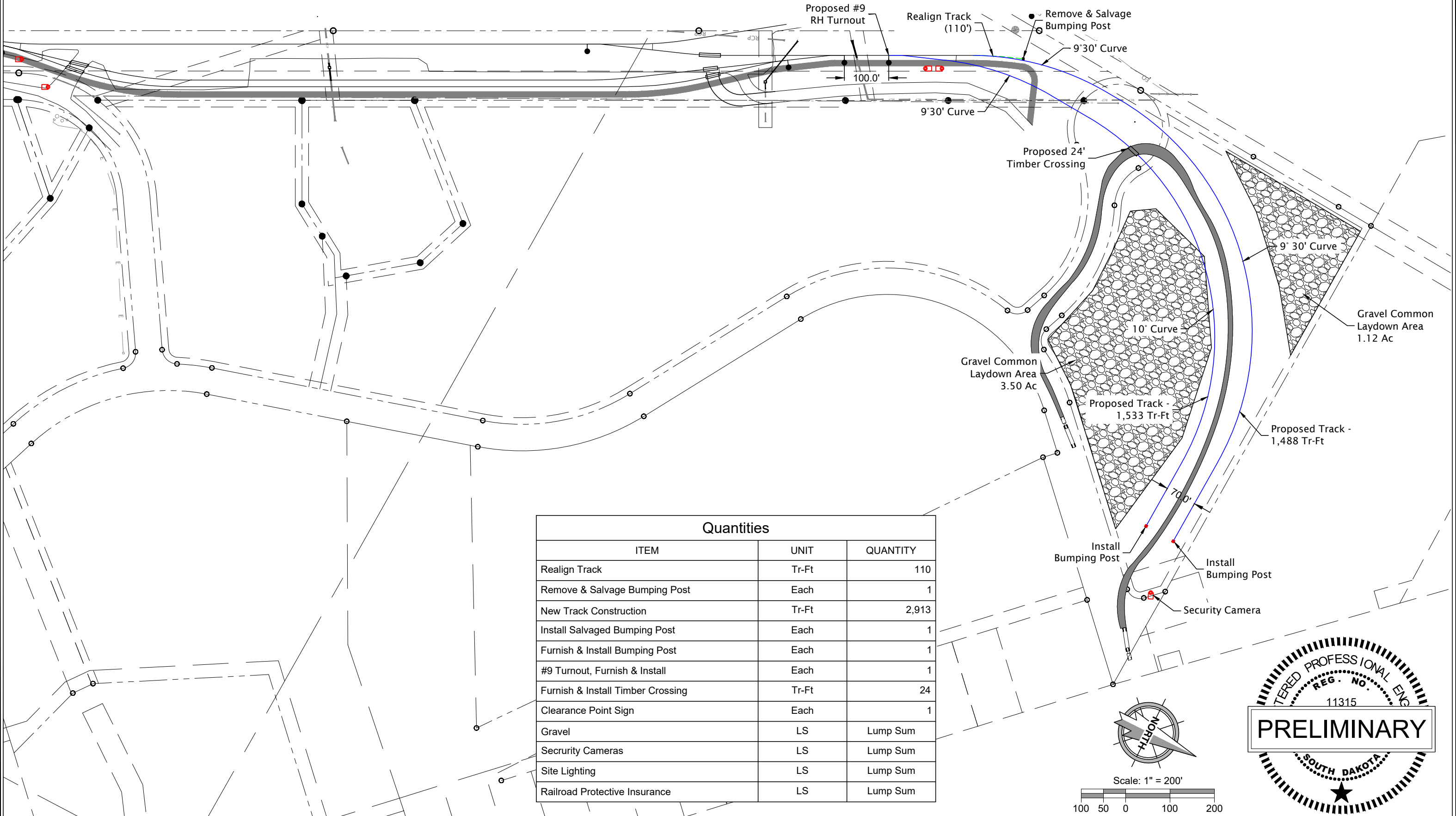
Property for proposed future rail siding





Proposed Future Track Expansion

Attachment #2E



Quantities		
ITEM	UNIT	QUANTITY
Realign Track	Tr-Ft	110
Remove & Salvage Bumping Post	Each	1
New Track Construction	Tr-Ft	2,913
Install Salvaged Bumping Post	Each	1
Furnish & Install Bumping Post	Each	1
#9 Turnout, Furnish & Install	Each	1
Furnish & Install Timber Crossing	Tr-Ft	24
Clearance Point Sign	Each	1
Gravel	LS	Lump Sum
Security Cameras	LS	Lump Sum
Site Lighting	LS	Lump Sum
Railroad Protective Insurance	LS	Lump Sum



Belle Fourche Dev. Corp

CAD Filename:

Track Expansion

CDI Project No.

Drawn By:

JDS

Checked By:

JJC

Scale:

1" = 200'

Date:

9/25/2023



609 Main Ave S
Brookings, SD
605-696-3200

Sheet No:

of No:



September 27, 2023

South Dakota State Railroad Board
700 E. Broadway Avenue
Pierre, SD 57501

Dear South Dakota State Railroad Board Commissioners,

I am writing this as a letter of support for the proposed rail expansion in the Belle Fourche Industrial & Rail Park located in Belle Fourche, South Dakota. Our local rail siding here is in process with a grant application to further develop the siding and grow the business for our region. The proposed expansion, through this grant, would allow for our business to have a local site to rail to vs trucking from out of state. The access to the railcars and space to offload supports us bringing in several rail cars a year of siding, gypsum, and roofing, and alleviating the load on our highway system with 2-3 times the truck traffic.

We are having to transport our needed product by truck from other states. Rail has become more appealing as we consider the cost savings and volume, we are able to transport by rail vs truck.

We appreciate your consideration and are hopeful for the board's approval for Belle Fourche to proceed with the grant application.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Duane Nielsen', is written over a light blue horizontal line.

Duane Nielsen
Cameron Ashley Building Products
Distribution Center Manager
5001 API Rd
Black Hawk, SD. 57718
605-787-6751

September 28, 2023

South Dakota State Railroad Board
700 E. Broadway Avenue
Pierre, SD 57501


Dear South Dakota State Railroad Board Commissioners,

I am writing this as a letter of support for the proposed rail expansion in the Belle Fourche Industrial & Rail Park located in Belle Fourche, South Dakota. Our local rail siding here is in process with a grant application to further develop the siding and grow the business for our region. The proposed expansion, through this grant, could allow for our business to grow by transporting in a by-product to our feed supplement vs trucking from out of state. The access to the railcars and space to offload could support us bringing in over 200 rail cars a year and alleviate the load on our highway system with 2-3 times the truck traffic.

With our closest source closing down, we are having to transport our needed product by truck from further away in other states. Rail has become more appealing as we consider the cost savings and volume, we are able to transport by rail vs truck.

We appreciate your consideration and are hopeful for the board's approval for Belle Fourche to proceed with the grant application.

Sincerely,



Zach Westberg
Vice President of Operations
New Generation Supplements

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

Please fill out this form then attach it to an email to jack.dokken@state.sd.us

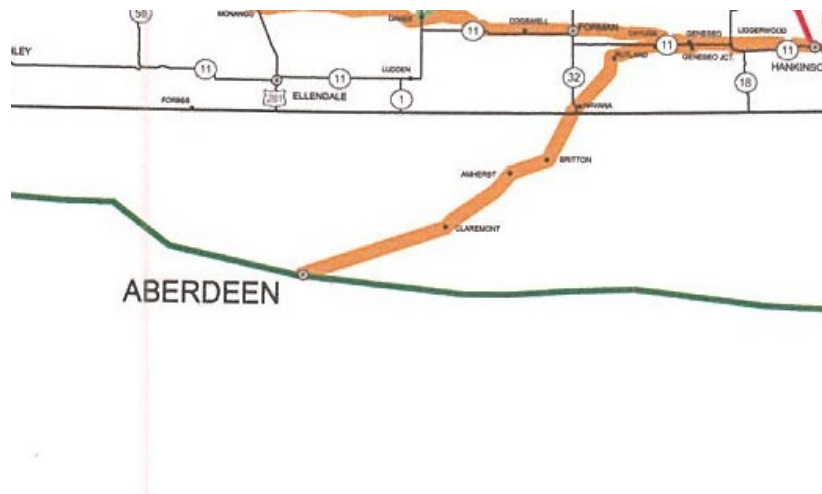
APPLICANT INFORMATION

- Entity: Dakota, Missouri Valley & Western Railroad Inc.
- Point of Contact: Mark Trottier
- Address Line 1: 3501 E Rosser Ave
- Address Line 2: Click or tap here to enter text.
- City: Bismarck
- State: North Dakota
- Zip Code: 58501
- Phone Number: 701-223-9282
- Email: mtrottier@dmvrr.com

PROJECT LOCATION

- Please describe the geographic location of the project. If the project covers one or more-line segment(s), describe the geographic or mile post limits of the project in relation to these line segment(s).

The project location will be on the Aberdeen Subdivision of the DMVW Railroad that runs between Geneseo, ND and Aberdeen SD. The specific mile post of the project will be MP 115.4-74.2 and the line segment between Jarret Junction & Britton, SD (4.4 Miles). DMVW Railroad Inc. is the operator of the line subleased by Marshal County Rail Authority who leases from the State of South Dakota.



- Is the project located on the state-owned rail network? Yes ☒ No ☐

PROJECT DESCRIPTION

- Please describe, in general terms, the purpose and need of the project and summarize the work to be performed.

The purpose and need of the project are to upgrade the line to better serve customers and keep the leased line in the best possible condition.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

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By improving the railroad with this project, the railroad will become more resilient and more likely to remain open for traffic during wet times of the year.

The railroad is plagued with soft subgrade and poor tie condition. The soft subgrade has resulted in derailments in May 2018 and April 2020. The benefit of this project is to reduce the chances of derailments and eliminate slow orders on the railroad. The project will allow the railroad to be more resilient in the face of possible climate change related weather changes. If this project is not completed, the railroad will continue to have derailments and costs associated.

The process used to identify the specific needs for this project has come from many years of experience with reoccurring soft subgrade issues. The needs identified by the experience of DMVW management knowing what will help solve the challenges the railroad faces.

This project would entail replacing 4 switches at MP 27.52, MP 28.40, MP 28.45, and MP28.25. It would include installing 22,800 ties, 45,600 tons of ballast, skew tie correction and surfacing between MP 115.4-74.2 and between Jarret Junction to Britton, SD. It would also include replacing anchors between MP 115.4-83.5 and Jarret Junction to Britton, SD.

PROJECT FUNDING

- a. Is the Applicant seeking a loan from the State Railroad Trust Fund? Yes ☐ No ☒
- i. Is Applicant seeking a grant or a loan? Grant ☒ Loan ☐
- b. Requested Funding

Funding Partner	Funding Program	Amount (in US Dollars)	Proposed Share Percentage
Federal	STC Grant	9,007,855.40	80%
State	State Funds	1,688,972.89	15%
Applicant	DMVW Railroad Inc.	562,990.96	5%
Other (Please Describe)	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Other (Please Describe)	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Total Project Cost		11,259,819.25	100%

- c. Percentage share of private funding contributing to project:
5% would be covered by the Dakota Missouri Valley & Western Railroad Inc.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

Please fill out this form then attach it to an email to jack.dokken@state.sd.us

ANTICIPATED BENEFITS

- a. Is this project intended to create or support new economic development opportunities? Yes ☒ No ☐
- i. If yes, please describe
DMVW is constantly looking for new development opportunities and if awarded this project it will create safer and more reliable track condition allowing us to more aggressively pursue new opportunities.
- b. Will this project generate additional freight carloads on the affected segment? Yes ☒ No ☐
- ii. If yes, please describe
Long term it will increase carloads because of the line being in in better condition with the addition of new ties, ballast, and anchors. DMVW is currently working with several businesses on products that will have destinations on the Britton Line and other locations that DMVW serves. This could easily equal 250-500 additional carloads.
- c. Is this project intended to reduce slow order miles? Yes ☒ No ☐
- iii. If yes, please describe
By improving the railroad with this project, the railroad will become more resilient and more likely to remain open for traffic during wet times of the year.
- There are currently no slow orders in effect but all of the line is reduced to 10 MPH. During the Spring there are multiple areas throughout the line that slow orders occur.
- This project should help reduce the amount of slow orders in the spring.
- d. Is this project intended to upgrade track to a higher FRA track classification? (i.e. Class 1 to Class 2) Yes ☐ No ☒
- iv. If yes, please describe
N/A
- e. Is this project intended to upgrade track or structures to allow 286,000-lb maximum gross weight carloads? Yes ☐ No ☒
- v. If yes, please describe
N/A
- f. Is this project intended to divert freight from truck to rail? Yes ☒ No ☐
- vi. If yes, please describe
The project would greatly reduce the amount of truck traffic by allowing DMVW to move more carloads, especially in the spring. In a very wet spring we have had to reduce the amount of trains because of the overall track conditions, and a project would help alleviate the problem. Our joint project with AGP has taken 3,983 trucks off the road YTD 2023 and the project upgrades would grow that business even further.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

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- g. Is this project intended to yield highway-rail grade crossing or pedestrian safety benefits? Yes ☐ No ☒

vii. If yes, please describe
N/A

- h. Is this project intended to support an ongoing state-of-good-repair or preserve an existing rail corridor for continued or future use? Yes ☒ No ☐

viii. If yes, please describe

The state acquired the 4.4 Jarrett Jct. to Britton with the rest of the assets of the Milwaukee Road in the early 1980's. In the early 2000's the BNSF had embargoed the line due to flooding and poor subsurface conditions. Portions of the line were very soft due to high surface water and burrowing animals. The state purchased the line in 2002. Over the years the state and the regional railroad authority improved bridges, raised track in low areas, placed rip rap, placed ballast, replaced ties, reconfigured Jarrett Jct., and replaced rail in an effort to bring the rail up to modern standards for weight, speed and reliability. The railroad still needs additional work. To operate trains over the soft subgrade good ties and additional ballast are needed.

Maintaining and upgrading infrastructure is vital to keeping this valuable shipping lane open. There has been a lot of private investments made by companies and individuals that rely on efficient and safe rail service.

PROJECT READINESS

- a. If seeking federal funding for construction, what is the status of Preliminary Engineering (PE) for this project at this time?

An Engineering firm has been made aware of the project but no work has begun but is expected to being early 2024. It will be requested to complete this task using pre-award authority.

- b. If seeking federal funding for construction, what is the status of National Environmental Policy Act (NEPA) documentation for this project at this time?

An Engineering firm has been made aware of the project but no work has begun but is expected to being early 2024. It will be requested to complete this task using pre-award authority.

- c. Please indicate if this project has been documented in any of the following planning documents:

- i. South Dakota State Rail Plan Yes ☒ No ☐
- ii. South Dakota State Freight Plan Yes ☒ No ☐
- iii. South Dakota Long Range Transportation Plan Yes ☒ No ☐
- iv. Local/Regional Planning Documents (Please Describe) Yes ☐ No ☒
The project is listed in the 2022 South Dakota State Rail Plan, Chapter 4, 4.3.2.3 on Page 133.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

Please fill out this form then attach it to an email to jack.dokken@state.sd.us

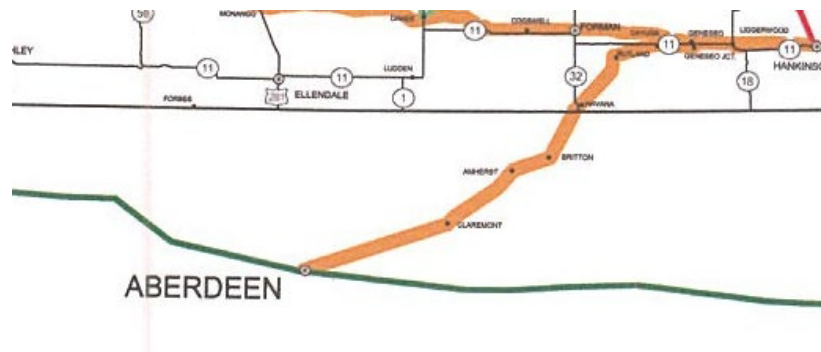
APPLICANT INFORMATION

- Entity: Dakota, Missouri Valley & Western Railroad Inc.
- Point of Contact: Mark Trottier
- Address Line 1: 3501 E Rosser Ave
- Address Line 2: Click or tap here to enter text.
- City: Bismarck
- State: North Dakota
- Zip Code: 58501
- Phone Number: 701-223-9282
- Email: mtrottier@dmvrr.com

PROJECT LOCATION

-
- Please describe the geographic location of the project. If the project covers one or more line segment(s), describe the geographic or mile post limits of the project in relation to these line segment(s).

The project location will be on the Aberdeen Subdivision of the DMVW Railroad that runs between Geneseo and Aberdeen. The specific mile post of the project will be MP 115.4-42.81 & the line segment between Jarret Junction & Britton, SD (4.4 Miles). DMVW Railroad Inc. is the operator of the line that is owned by the State of South Dakota.



- Is the project located on the state-owned rail network? Yes ☒ No ☐

PROJECT DESCRIPTION

- Please describe, in general terms, the purpose and need of the project and summarize the work to be performed.

The purpose and need of the project are to upgrade the line to better serve customers and keep the leased line in the best possible condition.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

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By improving the railroad with this project, the railroad will become more resilient and more likely to remain open for traffic during wet times of the year.

The railroad is plagued with soft subgrade and poor tie condition. The soft subgrade has resulted in derailments in May 2018 and April 2020. The benefit of this project is to reduce the chances of derailments and eliminate slow orders on the railroad. The project will allow the railroad to be more resilient in the face of possible climate change related weather changes. If this project is not completed, the railroad will continue to have derailments and costs associated.

The process used to identify the specific needs for this project has come from many years of experience with reoccurring soft subgrade issues. The needs identified by the experience of DMVW management knowing what will help solve the challenges the railroad faces.

This project would entail replacing 4 switches at MP 27.52, MP 28.40, MP 28.45, and MP28.25 and installing 4 new concrete crossings. It would include installing 38,500 ties, 77,000 tons of ballast, skew tie correction and surfacing between MP 115.4-42.81 and between Jarret Junction to Britton, SD. It would also include replacing anchors between MP 115.4-83.5, MP74.6 & MP42.81 and Jarret Junction to Britton, SD.

PROJECT FUNDING

- a. Is the Applicant seeking a loan from the State Railroad Trust Fund? Yes ☐ No ☒
- i. Is Applicant seeking a grant or a loan? Grant ☒ Loan ☐
- b. Requested Funding

Funding Partner	Funding Program	Amount (in US Dollars)	Proposed Share Percentage
Federal	STC Grant	14,311,241.40	80%
State	State Funds	2,504,467.25	14%
Applicant	DMVW Railroad Inc.	1,073,343.11	6%
Other (Please Describe)	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Other (Please Describe)	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Total Project Cost		17,889,051.75	100%

- c. Percentage share of private funding contributing to project:
6% would be covered by the Dakota Missouri Valley & Western Railroad Inc.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

Please fill out this form then attach it to an email to jack.dokken@state.sd.us

ANTICIPATED BENEFITS

- a. Is this project intended to create or support new economic development opportunities? Yes ☒ No ☐
- i. If yes, please describe
DMVW is constantly looking for new development opportunities and if awarded this project it will create safer and more reliable track condition allowing us to more aggressively pursue new opportunities.
- b. Will this project generate additional freight carloads on the affected segment? Yes ☒ No ☐
- ii. If yes, please describe
Long term it will increase carloads because of the line being in in better condition with the addition of new ties, ballast, and anchors. DMVW is currently working with several businesses on products that will have destinations on the Britton Line and other locations that DMVW serves. This could easily equal 250-500 additional carloads.
- c. Is this project intended to reduce slow order miles? Yes ☒ No ☐
- iii. If yes, please describe
By improving the railroad with this project, the railroad will become more resilient and more likely to remain open for traffic during wet times of the year.
- There are currently no slow orders in effect but all of the line is reduced to 10 MPH. During the Spring there are multiple areas throughout the line that slow orders occur.
- This project should help reduce the amount of slow orders in the spring.
- d. Is this project intended to upgrade track to a higher FRA track classification? (i.e. Class 1 to Class 2) Yes ☐ No ☒
- iv. If yes, please describe
N/A
- e. Is this project intended to upgrade track or structures to allow 286,000-lb maximum gross weight carloads? Yes ☐ No ☒
- v. If yes, please describe
N/A
- f. Is this project intended to divert freight from truck to rail? Yes ☒ No ☐
- vi. If yes, please describe
The project would greatly reduce the amount of truck traffic by allowing DMVW to move more carloads, especially in the spring. In a very wet spring we have had to reduce the amount of trains because of the overall track conditions, and a project would help alleviate the problem. Our joint project with AGP has taken 3,983 trucks off the road YTD 2023 and the project upgrades would grow that business even further.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

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- g. Is this project intended to yield highway-rail grade crossing or pedestrian safety benefits? Yes ☐ No ☒

vii. If yes, please describe
N/A

- h. Is this project intended to support an ongoing state-of-good-repair or preserve an existing rail corridor for continued or future use? Yes ☒ No ☐

viii. If yes, please describe

The state acquired the 4.4 Jarrett Jct. to Britton with the rest of the assets of the Milwaukee Road in the early 1980's. In the early 2000's the BNSF had embargoed the line due to flooding and poor subsurface conditions. Portions of the line were very soft due to high surface water and burrowing animals. The state purchased the line in 2002. Over the years the state and the regional railroad authority improved bridges, raised track in low areas, placed rip rap, placed ballast, replaced ties, reconfigured Jarrett Jct., and replaced rail in an effort to bring the rail up to modern standards for weight, speed and reliability. The railroad still needs additional work. To operate trains over the soft subgrade good ties and additional ballast are needed.

Maintaining and upgrading infrastructure is vital to keeping this valuable shipping lane open. There has been a lot of private investments made by companies and individuals that rely on efficient and safe rail service.

PROJECT READINESS

- a. If seeking federal funding for construction, what is the status of Preliminary Engineering (PE) for this project at this time?

An Engineering firm has been made aware of the project but no work has begun but is expected to being early 2024. It will be requested to complete this task using pre-award authority.

- b. If seeking federal funding for construction, what is the status of National Environmental Policy Act (NEPA) documentation for this project at this time?

An Engineering firm has been made aware of the project but no work has begun but is expected to being early 2024. It will be requested to complete this task using pre-award authority.

- c. Please indicate if this project has been documented in any of the following planning documents:

- i. South Dakota State Rail Plan Yes ☒ No ☐
- ii. South Dakota State Freight Plan Yes ☒ No ☐
- iii. South Dakota Long Range Transportation Plan Yes ☒ No ☐
- iv. Local/Regional Planning Documents (Please Describe) Yes ☐ No ☒
The project is listed in the 2022 South Dakota State Rail Plan, Chapter 4, 4.3.2.3 on Page 133.

Project C

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

Please fill out this form then attach it to an email to jack.dokken@state.sd.us

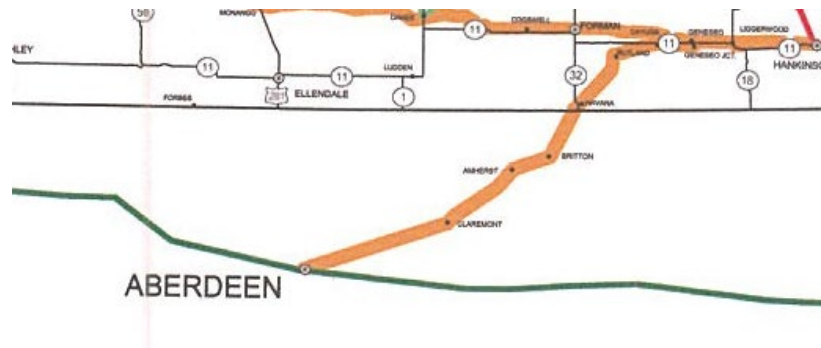
APPLICANT INFORMATION

- a. Entity: Dakota, Missouri Valley & Western Railroad Inc.
- b. Point of Contact: Mark Trottier
- c. Address Line 1: 3501 E Rosser Ave
- d. Address Line 2: Click or tap here to enter text.
- e. City: Bismarck
- f. State: North Dakota
- g. Zip Code: 58501
- h. Phone Number: 701-223-9282
- i. Email: mtrottier@dmvrr.com

PROJECT LOCATION

- a.
- b. Please describe the geographic location of the project. If the project covers one or more line segment(s), describe the geographic or mile post limits of the project in relation to these line segment(s).

The project location will be on the Aberdeen Subdivision of the DMVW Railroad that runs between Geneseo and Aberdeen. The specific mile post of the project will be MP 115.4-42.81 & the line segment between Jarret Junction & Britton, SD (4.4 Miles). DMVW Railroad Inc. is the operator of the line that is owned by the State of South Dakota.



- c. Is the project located on the state-owned rail network? Yes ☒ No ☐

PROJECT DESCRIPTION

- a. Please describe, in general terms, the purpose and need of the project and summarize the work to be performed.

The purpose and need of the project are to upgrade the line to better serve customers and keep the leased line in the best possible condition.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

Please fill out this form then attach it to an email to jack.dokken@state.sd.us

By improving the railroad with this project, the railroad will become more resilient and more likely to remain open for traffic during wet times of the year.

The railroad is plagued with soft subgrade and poor tie condition. The soft subgrade has resulted in derailments in May 2018 and April 2020. The benefit of this project is to reduce the chances of derailments and eliminate slow orders on the railroad. The project will allow the railroad to be more resilient in the face of possible climate change related weather changes. If this project is not completed, the railroad will continue to have derailments and costs associated.

The process used to identify the specific needs for this project has come from many years of experience with reoccurring soft subgrade issues. The needs identified by the experience of DMVW management knowing what will help solve the challenges the railroad faces.

This project would entail replacing 4 switches at MP 27.52, MP 28.40, MP 28.45, and MP28.25 and installing 4 new concrete crossing. It would include installing 38,500 ties, 77,000 tons of ballast, skew tie correction and surfacing between MP 115.4-42.81 and between Jarret Junction to Britton, SD. Replacing anchors between MP 115.4-83.5 & between the MP of 45.7-43.75, 48.1-47.34, 54.89-50.64, 63.05-55.07 of and Jarret Junction to Britton, SD. Installing 115-pound rail between MP 115.04-110.2 & Jarret Junction to Britton.

PROJECT FUNDING

- a. Is the Applicant seeking a loan from the State Railroad Trust Fund? Yes ☐ No ☒
- i. Is Applicant seeking a grant or a loan? Grant ☒ Loan ☐
- b. Requested Funding

Funding Partner	Funding Program	Amount (in US Dollars)	Proposed Share Percentage
Federal	STC Grant	20,578,327.40	80%
State	State Funds	3,343,978.20	13%
Applicant	DMVW Railroad Inc.	1,800,603.65	7%
Other (Please Describe)	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Other (Please Describe)	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Total Project Cost		25,722,909.25	100%

- c. Percentage share of private funding contributing to project:
7% would be covered by the Dakota Missouri Valley & Western Railroad Inc.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

Please fill out this form then attach it to an email to jack.dokken@state.sd.us

ANTICIPATED BENEFITS

- a. Is this project intended to create or support new economic development opportunities? Yes ☒ No ☐
- i. If yes, please describe
DMVW is constantly looking for new development opportunities and if awarded this project it will create safer and more reliable track condition allowing us to more aggressively pursue new opportunities.
- b. Will this project generate additional freight carloads on the affected segment? Yes ☒ No ☐
- ii. If yes, please describe
Long term it will increase carloads because of the line being in in better condition with the addition of new ties, ballast, and anchors and rail making it 286 capable. DMVW is currently working with several businesses on products that will have destinations on the Britton Line and other locations that DMVW serves. This could easily equal 250-500 additional carloads.
- c. Is this project intended to reduce slow order miles? Yes ☒ No ☐
- iii. If yes, please describe
By improving the railroad with this project, the railroad will become more resilient and more likely to remain open for traffic during wet times of the year.
- There are currently no slow orders in effect but all of the line is reduced to 10 MPH. During the Spring there are multiple areas throughout the line that slow orders occur.
- This project should help eliminate the amount of slow orders in the spring.
- d. Is this project intended to upgrade track to a higher FRA track classification? (i.e. Class 1 to Class 2) Yes ☐ No ☒
- iv. If yes, please describe
N/A
- e. Is this project intended to upgrade track or structures to allow 286,000-lb maximum gross weight carloads? Yes ☒ No ☐
- v. If yes, please describe
By putting the ties, ballast, anchors and heavier rail it would make the entire line 286 capable.
- f. Is this project intended to divert freight from truck to rail? Yes ☒ No ☐
- vi. If yes, please describe
The project would greatly reduce the amount of truck traffic by allowing DMVW to move more carloads, especially in the spring. In a very wet spring we have had to reduce the amount of trains because of the overall track conditions, and a project would help alleviate the problem. Our joint project with AGP has taken

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3,983 trucks off the road YTD 2023 and the project upgrades would grow that business even further.

- g. Is this project intended to yield highway-rail grade crossing or pedestrian safety benefits? Yes ☐ No ☒

vii. If yes, please describe
N/A

- h. Is this project intended to support an ongoing state-of-good-repair or preserve an existing rail corridor for continued or future use? Yes ☒ No ☐

viii. If yes, please describe

The state acquired the 4.4 Jarrett Jct. to Britton with the rest of the assets of the Milwaukee Road in the early 1980's. In the early 2000's the BNSF had embargoed the line due to flooding and poor subsurface conditions. Portions of the line were very soft due to high surface water and burrowing animals. The state purchased the line in 2002. Over the years the state and the regional railroad authority improved bridges, raised track in low areas, placed rip rap, placed ballast, replaced ties, reconfigured Jarrett Jct., and replaced rail in an effort to bring the rail up to modern standards for weight, speed and reliability. The railroad still needs additional work. To operate trains over the soft subgrade good ties and additional ballast are needed.

Maintaining and upgrading infrastructure is vital to keeping this valuable shipping lane open. There has been a lot of private investments made by companies and individuals that rely on efficient and safe rail service.

PROJECT READINESS

- a. If seeking federal funding for construction, what is the status of Preliminary Engineering (PE) for this project at this time?

An Engineering firm has been made aware of the project but no work has begun but is expected to being early 2024. It will be requested to complete this task using pre-award authority.

- b. If seeking federal funding for construction, what is the status of National Environmental Policy Act (NEPA) documentation for this project at this time?

An Engineering firm has been made aware of the project but no work has begun but is expected to being early 2024. It will be requested to complete this task using pre-award authority.

- c. Please indicate if this project has been documented in any of the following planning documents:

- i. South Dakota State Rail Plan Yes ☒ No ☐
- ii. South Dakota State Freight Plan Yes ☒ No ☐
- iii. South Dakota Long Range Transportation Plan Yes ☒ No ☐
- iv. Local/Regional Planning Documents (Please Describe) Yes ☐ No ☒

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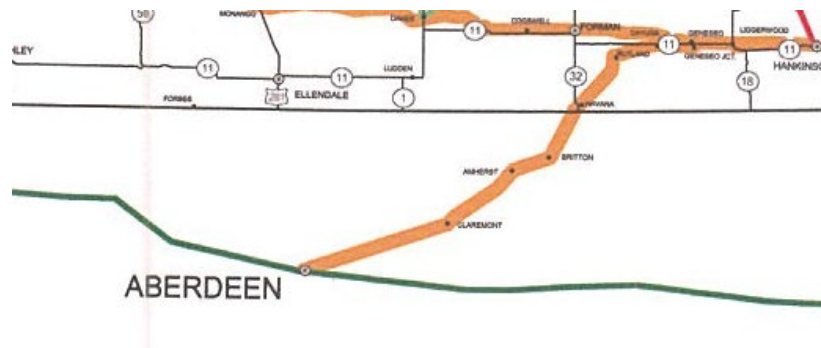
APPLICANT INFORMATION

- Entity: Dakota, Missouri Valley & Western Railroad Inc.
- Point of Contact: Mark Trottier
- Address Line 1: 3501 E Rosser Ave
- Address Line 2: Click or tap here to enter text.
- City: Bismarck
- State: North Dakota
- Zip Code: 58501
- Phone Number: 701-223-9282
- Email: mtrottier@dmvrr.com

PROJECT LOCATION

- Please describe the geographic location of the project. If the project covers one or more line segment(s), describe the geographic or mile post limits of the project in relation to these line segment(s).

The project location will be on the Aberdeen Subdivision of the DMVW Railroad that runs between Geneseo and Aberdeen. The specific mile post of the project will be MP 115.4-42.81 & the line segment between Jarret Junction & Britton, SD (4.4 Miles). DMVW Railroad Inc. is the operator of the line that is owned by the State of South Dakota.



- Is the project located on the state-owned rail network? Yes ☒ No ☐

PROJECT DESCRIPTION

- Please describe, in general terms, the purpose and need of the project and summarize the work to be performed.

The purpose and need of the project are to upgrade the line to better serve customers and keep the leased line in the best possible condition.

By improving the railroad with this project, the railroad will become more resilient and more likely to remain open for traffic during wet times of the year.

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The railroad is plagued with soft subgrade and poor tie condition. The soft subgrade has resulted in derailments in May 2018 and April 2020. The benefit of this project is to reduce the chances of derailments and eliminate slow orders on the railroad. The project will allow the railroad to be more resilient in the face of possible climate change related weather changes. If this project is not completed, the railroad will continue to have derailments and costs associated.

The process used to identify the specific needs for this project has come from many years of experience with reoccurring soft subgrade issues. The needs identified by the experience of DMVW management knowing what will help solve the challenges the railroad faces.

This project would entail replacing 4 switches at MP 27.52, MP 28.40, MP 28.45, and MP28.25 and installing 4 new concrete crossings. It would include installing 38,500 ties, 77,000 tons of ballast, skew tie correction and surfacing between MP 115.4-42.81 and between Jarret Junction to Britton, SD. Replacing anchors between MP 115.4-83.5 & between the MP of 45.7-43.75, 48.1-47.34, 54.89-50.64, 63.05-55.07 of and Jarret Junction to Britton, SD. Installing 115-pound rail between MP 115.04-110.2 & Jarret Junction to Britton, MP 63.05-55.07, MP 54.89-50.64 and MP 48.1-47.35.

PROJECT FUNDING

- a. Is the Applicant seeking a loan from the State Railroad Trust Fund? Yes ☐ No ☒
- i. Is Applicant seeking a grant or a loan? Grant ☒ Loan ☐
- b. Requested Funding

Funding Partner	Funding Program	Amount (in US Dollars)	Proposed Share Percentage
Federal	STC Grant	30,037,376.40	80%
State	State Funds	4,505,606.46	12%
Applicant	DMVW Railroad Inc.	3,003,737.64	8%
Other (Please Describe)	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Other (Please Describe)	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Total Project Cost		37,546,720.50	100%

- c. Percentage share of private funding contributing to project:
8% would be covered by the Dakota Missouri Valley & Western Railroad Inc.

ANTICIPATED BENEFITS

- a. Is this project intended to create or support new economic development opportunities? Yes ☒ No ☐

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

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i. If yes, please describe

DMVW is constantly looking for new development opportunities and if awarded this project it will create safer and more reliable track condition allowing us to more aggressively pursue new opportunities.

b. Will this project generate additional freight carloads on the affected segment?

Yes ☒ No ☐

ii. If yes, please describe

Long term it will increase carloads because of the line being in in better condition with the addition of new ties, ballast, and anchors and rail making it 286 capable. DMVW is currently working with several businesses on products that will have destinations on the Britton Line and other locations that DMVW serves. This could easily equal 250-500 additional carloads.

c. Is this project intended to reduce slow order miles? Yes ☒ No ☐

iii. If yes, please describe

By improving the railroad with this project, the railroad will become more resilient and more likely to remain open for traffic during wet times of the year.

There are currently no slow orders in effect but all of the line is reduced to 10 MPH. During the Spring there are multiple areas throughout the line that slow orders occur.

This project should help eliminate the amount of slow orders in the spring.

d. Is this project intended to upgrade track to a higher FRA track classification? (i.e.

Class 1 to Class 2) Yes ☐ No ☒

iv. If yes, please describe

N/A

e. Is this project intended to upgrade track or structures to allow 286,000-lb maximum gross weight carloads? Yes ☒ No ☐

v. If yes, please describe

By putting the ties, ballast, anchors and heavier rail it would make the entire line 286 capable.

f. Is this project intended to divert freight from truck to rail? Yes ☒ No ☐

vi. If yes, please describe

The project would greatly reduce the amount of truck traffic by allowing DMVW to move more carloads, especially in the spring. In a very wet spring we have had to reduce the amount of trains because of the overall track conditions, and a project would help alleviate the problem. Our joint project with AGP has taken 3,983 trucks off the road YTD 2023 and the project upgrades would grow that business even further.

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- g. Is this project intended to yield highway-rail grade crossing or pedestrian safety benefits? Yes ☐ No ☒

vii. If yes, please describe
N/A

- h. Is this project intended to support an ongoing state-of-good-repair or preserve an existing rail corridor for continued or future use? Yes ☒ No ☐

viii. If yes, please describe

The state acquired the 4.4 Jarrett Jct. to Britton with the rest of the assets of the Milwaukee Road in the early 1980's. In the early 2000's the BNSF had embargoed the line due to flooding and poor subsurface conditions. Portions of the line were very soft due to high surface water and burrowing animals. The state purchased the line in 2002. Over the years the state and the regional railroad authority improved bridges, raised track in low areas, placed rip rap, placed ballast, replaced ties, reconfigured Jarrett Jct., and replaced rail in an effort to bring the rail up to modern standards for weight, speed and reliability. The railroad still needs additional work. To operate trains over the soft subgrade good ties and additional ballast are needed.

Maintaining and upgrading infrastructure is vital to keeping this valuable shipping lane open. There has been a lot of private investments made by companies and individuals that rely on efficient and safe rail service.

PROJECT READINESS

- a. If seeking federal funding for construction, what is the status of Preliminary Engineering (PE) for this project at this time?

An Engineering firm has been made aware of the project but no work has begun but is expected to being early 2024. It will be requested to complete this task using pre-award authority.

- b. If seeking federal funding for construction, what is the status of National Environmental Policy Act (NEPA) documentation for this project at this time?

An Engineering firm has been made aware of the project but no work has begun but is expected to being early 2024. It will be requested to complete this task using pre-award authority.

- c. Please indicate if this project has been documented in any of the following planning documents:

- i. South Dakota State Rail Plan Yes ☒ No ☐
- ii. South Dakota State Freight Plan Yes ☒ No ☐
- iii. South Dakota Long Range Transportation Plan Yes ☒ No ☐
- iv. Local/Regional Planning Documents (Please Describe) Yes ☐ No ☒
The project is listed in the 2022 South Dakota State Rail Plan, Chapter 4, 4.3.2.3 on Page 133.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

Please fill out this form then attach it to an email to jack.dokken@state.sd.us

APPLICANT INFORMATION

- a. Entity: City of Sioux Falls
- b. Point of Contact: Shannon Ausen
- c. Address Line 1: 231 North Dakota Avenue
- d. Address Line 2: City Center
- e. City: Sioux Falls
- f. State: South Dakota
- g. Zip Code: 57104
- h. Phone Number: 605-367-8607
- i. Email: sausen@SIOUXFALLS.org

PROJECT LOCATION

- a. Please describe the geographic location of the project. If the project covers one or more line segment(s), describe the geographic or mile post limits of the project in relation to these line segment(s).

The project is located at railroad milepost (MP) 7.1 on the BNSF Railway Madison Subdivision, approximately 7 miles northwest of downtown Sioux Falls, near Foundation Park.
- b. Is the project located on the state-owned rail network? Yes ☐ No ☒

PROJECT DESCRIPTION

- a. Please describe, in general terms, the purpose and need of the project and summarize the work to be performed.

The project would construct a new highway-rail grade separation overpass at 471st Avenue (N Marion Road – DOT# 097254J) over the BNSF Madison Subdivision main track near Sioux Falls. This road is being upgraded to serve as a truck route for trucks to access the nearby Foundation Park rail-served industrial and logistics site from Interstate 29 via Exit 86 (258th Street) to the north. The overpass would eliminate any traffic delays caused by train movements and also provide a safety benefit by eliminating the risk of crossing-related incidents. While there are no recorded accidents/incidents at the existing at-grade crossing, the crossing currently only has passive warning devices (crossbuck signs and yield signs). Additionally, the crossing is skewed relative to the roadway and there is dense vegetation along the east side of the roadway, making it difficult for southbound vehicle traffic to see approaching trains coming from either direction. It should be noted that traffic crossing this at-grade rail crossing will continue to increase with the expansion of Foundation Park.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

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PROJECT FUNDING

- a. Is the Applicant seeking a loan from the State Railroad Trust Fund? Yes ☐ No ☒
- i. Is Applicant seeking a grant or a loan? Grant ☐ Loan ☐
- b. Requested Funding

Funding Partner	Funding Program	Amount (in US Dollars)	Proposed Share Percentage
Federal	STC	\$12,000,000	80%
State	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Applicant	City of Sioux Falls	\$3,000,000	20%
Other (Please Describe)	BNSF Railway	TBD	TBD
Other (Please Describe)	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Total Project Cost		\$15,000,000	100%

- c. Percentage share of private funding contributing to project:

To be determined – BNSF Railway may provide a financial incentive for the roadway authority to eliminate the at-grade crossing on a case-by-case basis, which would go towards the 20% non-federal match.

ANTICIPATED BENEFITS

- a. Is this project intended to create or support new economic development opportunities? Yes ☒ No ☐
- i. If yes, please describe
This project is necessary to support traffic operations for a growing rail-served industrial park and BNSF Certified Site.
- b. Will this project generate additional freight carloads on the affected segment? Yes ☐ No ☒
- ii. If yes, please describe
Click or tap here to enter text.
- c. Is this project intended to reduce slow order miles? Yes ☐ No ☒
- iii. If yes, please describe
Click or tap here to enter text.
- d. Is this project intended to upgrade track to a higher FRA track classification? (i.e. Class 1 to Class 2) Yes ☐ No ☒
- iv. If yes, please describe
Click or tap here to enter text.
- e. Is this project intended to upgrade track or structures to allow 286,000-lb maximum gross weight carloads? Yes ☐ No ☒
- v. If yes, please describe

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

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Click or tap here to enter text.

- f. Is this project intended to divert freight from truck to rail? Yes ☐ No ☒

vi. If yes, please describe

Click or tap here to enter text.

- g. Is this project intended to yield highway-rail grade crossing or pedestrian safety benefits? Yes ☒ No ☐

vii. If yes, please describe

The project will eliminate an existing at-grade crossing through construction of a new highway-rail grade separation.

- h. Is this project intended to support an ongoing state-of-good-repair or preserve an existing rail corridor for continued or future use? Yes ☐ No ☒

viii. If yes, please describe

Click or tap here to enter text.

PROJECT READINESS

- a. If seeking federal funding for construction, what is the status of Preliminary Engineering (PE) for this project at this time?

The project is currently nearing a 30% level of design completion. Conceptual plans have been submitted to BNSF and BNSF provided comments.

- b. If seeking federal funding for construction, what is the status of National Environmental Policy Act (NEPA) documentation for this project at this time?

Pre-NEPA environmental reports have been completed for the project in anticipation of NEPA. NEPA Class of Action will be determined by FRA as lead agency; FRA has a Categorical Exclusion found at 23 CFR 771.116(c)17 for grade separation projects that are predominantly within existing right-of-way.

- c. Please indicate if this project has been documented in any of the following planning documents:

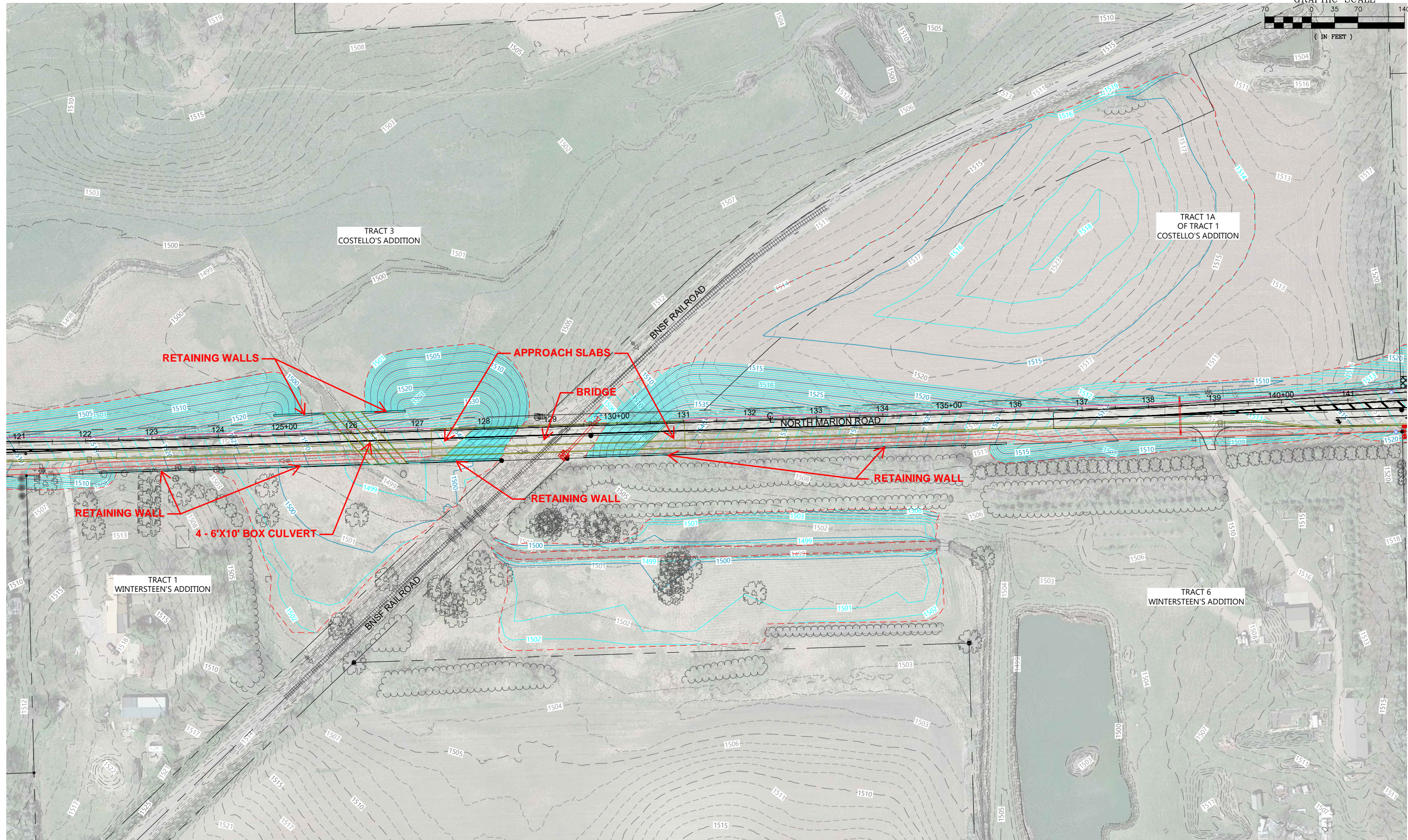
i. South Dakota State Rail Plan Yes ☒ No ☐

ii. South Dakota State Freight Plan Yes ☐ No ☒

iii. South Dakota Long Range Transportation Plan Yes ☐ No ☒

iv. Local/Regional Planning Documents (Please Describe) Yes ☒ No ☐

The expansion and upgrades planned for Marion Road are consistent with the Sioux Falls MPO Long Range Plan.



NORTH MARION ROAD
FOUNDATION COURT TO 258TH STREET
30% DESIGN DOCUMENTS

PHASE 3 OVERVIEW

DESIGNED BY: JJB	ACAD FILE: 22563 Section 1 OPT 5.dwg
DRAWN BY: GRA	DATE:
CHECKED BY: JJB	DATE:
REVISIONS:	DATE:
BY:	DATE:

CITY OF SIOUX FALLS
PUBLIC WORKS
Providing a Better Quality of Life for You!



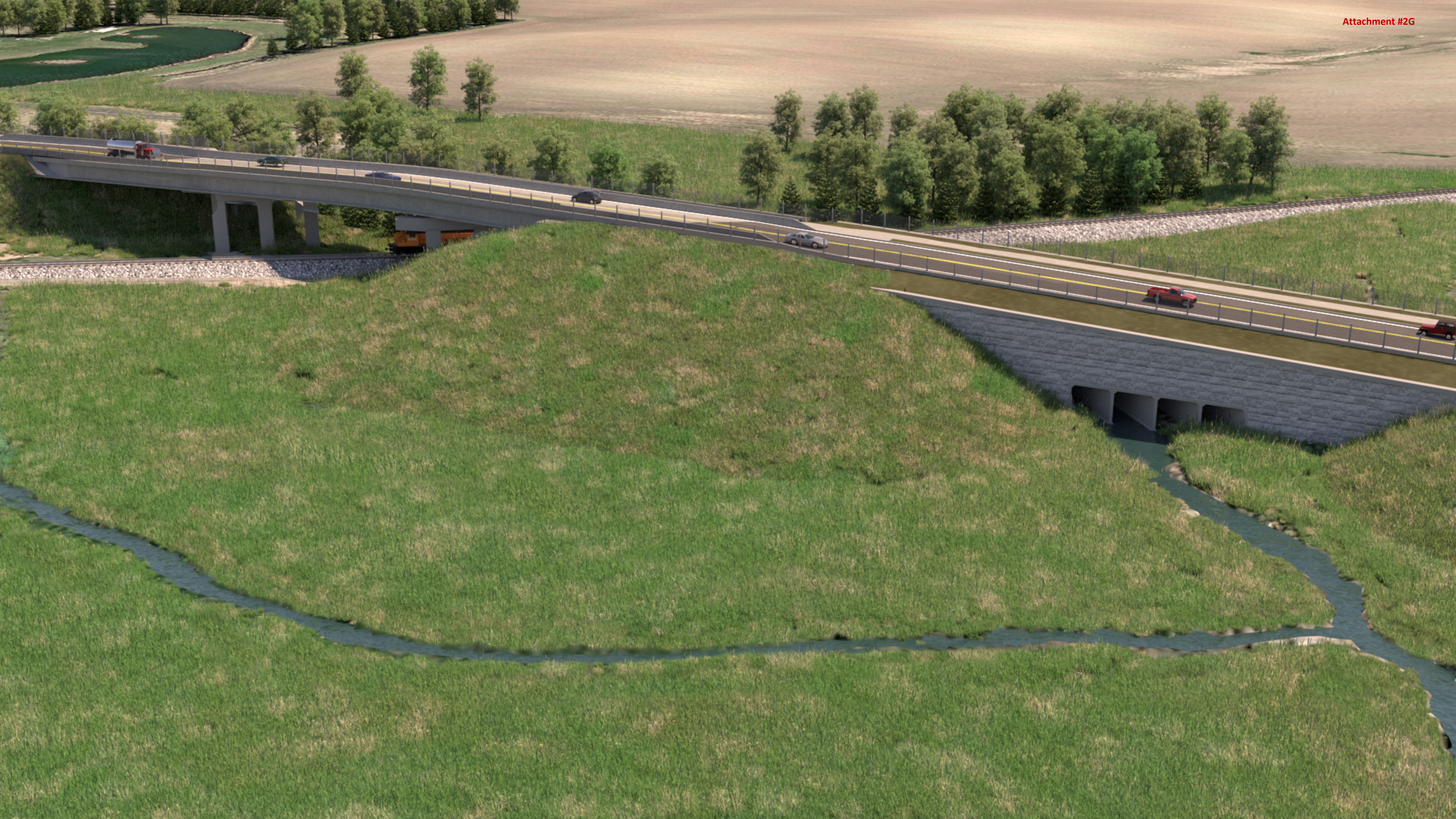
SHEET NO.

PH3

OPTION FIVE
1/2 URBAN SECTION
GRADE-SEPARATED RR CROSSING

Sayre
Associates





SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

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APPLICANT INFORMATION

- a. Entity: D & I Railroad Co
- b. Point of Contact: Scott Van Den Top
- c. Address Line 1: 350 S Main Ave., Suite 400
- d. Address Line 2: Click or tap here to enter text.
- e. City: Sioux Falls
- f. State: SD
- g. Zip Code: 57104
- h. Phone Number: 605-310-9500
- i. Email: savandentop@lgeverist.com

PROJECT LOCATION

- a. Please describe the geographic location of the project. If the project covers one or more line segment(s), describe the geographic or mile post limits of the project in relation to these line segment(s).

The proposed project is located on 2 separate track segments.

Project segment 1, which is primary because of the high level of hazmat carloads, will replace 5.80 miles of existing 100 lb/yd jointed rail with 115 lb/yd ribbon rail located in South Dakota on the D & I Sioux Valley Subdivision from MP 29.86 to MP 35.66. Landmarks for this segment are from SD Highway 46 grade crossing north to the Sioux River near Hudson, SD.

Project Segment 2 will replace 6.04 miles of existing 90 and 100 lb/yd jointed rail with 115 lb/yd ribbon rail located in South Dakota on the D & I Dell Rapids Subdivision from MP 81.65 to MP 87.69. Landmark location for this segment starts at approximately 3.5 miles south of Baltic, SD and continues north through Baltic and ends north of the Colton Highway grade crossing approximately .5 miles.

The 2 project segments combined would replace 11.84 miles of legacy rail.

- b. Is the project located on the state-owned rail network? Yes ☐ No ☒

PROJECT DESCRIPTION

- a. Please describe, in general terms, the purpose and need of the project and summarize the work to be performed.

The proposed project will replace worn out legacy jointed rail with modern 115#/yard continuously welded ribbon rail and required associated componentry. Crossties will be replaced as necessary. The track will be surfaced and groomed following the rail and tie replacement activities. The safety, efficiency, capacity, and reliability of present-day railroad operations on the line are affected by the timeworn main line rail nearing the end of its useful life. These impacts have caused temporary speed restrictions (slow orders) and dangerous broken rail to appear more frequently, despite recent concerted maintenance and capital investment by the D & I Railroad.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

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Safety improvements at 17 grade crossings are included in the project. Pending SD Railroad Board approval project construction and close out is anticipated to be accomplished by December 2025. D & I, its supporting engineering consultant, and SD DOT have shown to be a productive partnership with the completion of a grant project in 2022.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

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PROJECT FUNDING

- a. Is the Applicant seeking a loan from the State Railroad Trust Fund? Yes ☐ No ☒
- i. Is Applicant seeking a grant or a loan? Grant ☒ Loan ☐
- b. Requested Funding

Funding Partner	Funding Program	Amount (in US Dollars)	Proposed Share Percentage
Federal	STC Grant Program	\$9,957,245.60	80
State	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Applicant	D & I Railroad Co	\$2,489,311.40	20
Other (Please Describe)	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Other (Please Describe)	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
Total Project Cost		\$12,446,557.00	100%

- c. Percentage share of private funding contributing to project:
20%
See itemized estimate contained in the separately attached narrative.

ANTICIPATED BENEFITS

- a. Is this project intended to create or support new economic development opportunities? Yes ☒ No ☐
- i. If yes, please describe
The proposed railroad track upgrades ensure continued viability of the line for shipment growth of current shippers. An aggregate producer on the line is developing a site that will increase carloads by 2500 to 4000 cars per year. Additionally, a construction materials supplier is looking at the feasibility of a 500-800 car facility that will utilize the line. Lastly, ensuring the line is in a state of good repair is the foundation of attracting new business. Keeping the line safe and more efficient affords existing customers the reassurance to market in other sectors than what they were able to on the old legacy rail.
- b. Will this project generate additional freight carloads on the affected segment? Yes ☐ No ☒
- ii. If yes, please describe
Currently no additional carloads identified solely as a result of the proposed project, however, continued viability of this rail line presents ongoing opportunity of increasing carload volumes. The project segments support carloads on the entire rail line.

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

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- c. Is this project intended to reduce slow order miles? Yes ☒ No ☐
- iii. If yes, please describe
Bent rail ends resulting in track warp have required slow orders in the track segments stated in the project proposal. The project will eliminate 11.84 miles of slow order territory. The 11.84 miles represents 14% of the D & I mainline miles. A solid level of increased efficiency gain can be recognized by the project. The track warp in the slow order territories also brings along a higher level of derailment risk. Derailment cleanup costs can quickly approach and surpass \$100,000 per incident.
- d. Is this project intended to upgrade track to a higher FRA track classification? (i.e. Class 1 to Class 2) Yes ☐ No ☒
- iv. If yes, please describe
Track is currently maintained at Class 2 track safety standards.
- e. Is this project intended to upgrade track or structures to allow 286,000-lb maximum gross weight carloads? Yes ☐ No ☒
- v. If yes, please describe
All D & I mainline is currently capable of 286,000-lb carloads.
- f. Is this project intended to divert freight from truck to rail? Yes ☒ No ☐
- vi. If yes, please describe
The intent of rail infrastructure is always to divert highway traffic to rail. The increase in aggregate carloads stated above are scheduled to keep between 10,000 and 16,000 (1 million and 1.6 million annual miles) annual truckload cycles locally; SD 46, SD 11, SD 18, SD 115, I29, and local county routes are some impacted highways.
- g. Is this project intended to yield highway-rail grade crossing or pedestrian safety benefits? Yes ☒ No ☐
- vii. If yes, please describe
The chart below shows the rural crossings that will receive plank and hardware upgrades as part of the project. New plank and fasteners contribute to lessening the risk of a loose plank or fastener, either of which can be dangerous to motorists.

Phase 1 Crossing Improvements		
Mile Post	Street Name	DOT #
MP 30.18	298th St, Hudson SD	381577K
MP 31.25	297th St, Hudson SD	381578S
MP 31.28	Spur Ave, Hudson SD	381579Y
MP 33.43	295th St, Hudson SD	381582G
MP 33.84	Hudson Ave, Hudson SD	381583N
MP 34.54	294th St, Hudson SD	381584V
MP 34.79	Wheelock St, Hudson, SD	381585C
Phase 2 Crossing Improvements		
Mile Post	Street Name	DOT #

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MP 82.61	Norway	381693Y
MP 83.11	252 nd Street	381694F
MP 83.86	Farm Crossing	381699P
MP 84.10	251 st Street	381695M
MP 85.05	Private Crossing	381696U
MP 85.26	Private Crossing	381698H
MP 85.57	Private Crossing	381700G
MP 86.47	Private Crossing	381701N
MP 86.69	Private Crossing	381702V
MP 87.33	Private Crossing	381704J

- h. Is this project intended to support an ongoing state-of-good-repair or preserve an existing rail corridor for continued or future use? Yes ☒ No ☐

viii. If yes, please describe

The proposed project supports both a state-of-good repair and preserves an existing rail corridor for continued and future use by replacing old, worn-out high-risk rail with new rail to maintain current carload shipment volumes and support attraction of future carload growth. Rail relay projects place funds to work quickly because of the limited exposure presented from an environmental study requirement standpoint.

PROJECT READINESS

- a. If seeking federal funding for construction, what is the status of Preliminary Engineering (PE) for this project at this time?

A competent SD DOT approved engineering consultant has been partnered with in the project proposal development and will continue to be partnered with should this project be approved by the SD State Railroad Board. Onsite railroad infrastructure surveys have been accomplished for the purposes of developing this project scope and cost estimates. **Preliminary Engineering** is intended to be completed as part of the project upon grant award. It is anticipated that pre-award spending authority will be sought to expedite the start of the preliminary engineering. It should be noted that both Preliminary Engineering and NEPA requirements need to be completed before a Federal Grant Agreement can be executed.

- b. If seeking federal funding for construction, what is the status of National Environmental Policy Act (NEPA) documentation for this project at this time?

This project is categorically excluded under the categories of Maintenance of Existing Track (main line replacement) [64 Federal Register 28548(4)(c)]. Required NEPA activities can begin as soon as pre-award authority is executed. Field surveys needed as part of NEPA studies can only be done during the growing season, or in this case, spring of 2024 at the earliest.

- c. Please indicate if this project has been documented in any of the following planning documents:

- i. South Dakota State Rail Plan Yes ☒ No ☐

SOUTH DAKOTA RAIL INVESTMENT PROGRAM – INTAKE FORM

Please fill out this form then attach it to an email to jack.dokken@state.sd.us

- ii. South Dakota State Freight Plan Yes ☒ No ☐
- iii. South Dakota Long Range Transportation Plan Yes ☒ No ☐
- iv. Local/Regional Planning Documents (Please Describe) Yes ☐ No ☒
Click or tap here to enter text.