

Department of Transportation Division of Finance and Management Office of Air, Rail & Transit

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TO: South Dakota Railroad Board

FROM: Jack Dokken, Office of Air, Rail & Transit

DATE: June 7, 2021

SUBJECT: DMVW Grant Termination

The Dakota Missouri Valley and Western Railroad (DMVW) is requesting to terminate their 2020 Special Transportation Circumstance (STC) grant. Since the application was awarded to DMVW, there have been changes to the track needs and estimates. DMVW needs to reevaluate the condition of the track after the flooding and determine if the currently proposed location and project goals are the highest priorities. The grant also needs to be adjusted to reflect current material costs and include consultant fees needed to design and complete the environmental requirements of the project.

The DMVW is planning to re-apply for the 2021 STC grant funds when the application period becomes open.

The SDDOT recommends approval of the grant termination. The Federal funds associated with this project will become available for the 2021 STC grant application round.



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May 21, 2021

Jack Dokken, Misty Siedschlaw, Perry Griffith Air, Rail & Transit 700 E. Broadway Ave Pierre, SD 57501

Dear Jack, Misty & Perry,

This letter is in regards to the "DMVW RR SD Plan" grant application. In lieu of the current cost considerations required for continued pursuit of the grant funding, we have decided that we need to reevaluate the project to more accurately account for the costs. It is our intension to de-obligate the 2020 STC grant and reapply for the 2021 STC grant. DMVW would like to keep the SD State Grant alive to use for the 2021 STC Grant Project. DMVW would also like to possibly request an increase in the SD State Grant to use for the 2021 STC Project.

Therefore, the DMVW Railroad is discontinuing any work with regards to this project for the 2020 STC and the federal grant funds can be returned to the FRA.

Sincerely.

General Manager

DMVW Railroad