



Main Office  
6587 US HWY 75  
WHEATON, MINNESOTA 56296  
Main Office: 1-800-258-4744

Date: January 23, 2019

To: Jerry Cope, Chairman

South Dakota Railroad Board

700 E Broadway

Pierre, SD 57501

From: Philip Deal, CEO

Wheaton-Dumont Coop Elevator

RE: STC Grant Application

Sisseton-Milbank Railroad Modernization Project – Phase 1

Lake Farley Bridge Replacement

*New development*

Dear Mr. Cope:

Wheaton-Dumont Coop Elevator (WDCE) owns and operates two grain elevators located in Sisseton, SD. Those facilities are currently served directly by the Sisseton-Milbank Railroad and their parent company, the Twin Cities and Western Railroad. We understand that the Sisseton-Milbank Railroad is proposing to rehabilitate the rail line in two distinct phases: Phase 1 would be a replacement of the Lake Farley Bridge and Phase 2 would be a complete rehabilitation of the rest of the line.

WDCE relies heavily on the Sisseton-Milbank Railroad to provide competitive and reliable rail-freight service to our facilities. On average, we ship more than 700 carloads of grain (primarily spring wheat and small grains) per year with some years being as high as 1,000 carloads. In total, we ship somewhere between 2.8 and 4.0 million bushels of grain by rail each year. We also receive more than 1,000 tons of dry fertilizer by rail per year.

We understand that the Lake Farley Bridge is in very poor condition. The Lake Farley Bridge Replacement Project is critical because if that bridge would fail, we would lose all rail service to our facility. All of that volume would then have to be handled by putting more trucks on the road. Ultimately, those increased grain-handling costs would be borne by area farmers and the increased road maintenance costs would be borne by the State's taxpayers.

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Ashby 218-747-2948 • Britton 605-448-2261 • Browns Valley 320-695-2327 • Campbell 218-630-5344 • Clinton 320-325-5404 • Dumont 320-563-8020 • Dumont Ag 320-563-8822  
Graceville 320-748-7289 • Hankinson 701-242-7543 • LaMars 701-474-5976 • Mantador 701-242-7022 • Nassau 320-668-2323 • New Effington Ag 605-637-5241  
Sisseton Feed Store 605-698-3491 • Sisseton North 605-698-3221 • Sisseton South 605-698-3251 • Tenney 218-630-5556 • Wheaton 320-563-1130 • Wheaton Ag 320-563-8181

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A FARMER-OWNED INSTITUTION WORKING FOR THE BEST INTERESTS OF THE COMMUNITY

In addition to the grain we ship by rail, WDCE also transfers 3.0 million bushels of grain per year (primarily corn and soybeans) to a shuttle-train loading terminal located 37 miles away. That means loaded trucks travelling more than 120,000 miles per year and total truck miles of more than 240,000 miles. That truck traffic could be eliminated if WDCE could load shuttle-trains at our facility in Sisseton.

That's where Phase 2 comes in as the Sisseton-Milbank Railroad is also considering upgrading the entire line to allow for the shipment of shuttle trains.

If the line is upgraded to allow for the shipment of shuttle trains, WDCE will construct a new shuttle terminal just south of Highway 10 near Sisseton. Since the Twin-Cities and Western Railroad interchanges with several Class 1 Railroads, it is possible then that the Sisseton location could be served by multiple Class 1 Railroads. This improvement would enhance basis levels for grain and increase the draw territory for the facility. Our initial study indicates that the facility's grain handle would more than double to 8 million bushels per year and ultimately grow past 12 million bushels per year on average. Once completed, the project would significantly boost the economic activity in the region by simultaneously increasing the value of grain and decreasing the cost of handling/transporting grain.

We cannot get to Phase 2 without a successful Phase 1. Please consider this communication our letter in support of Phase 1, the Lake Farley Bridge Replacement, and our commitment to build a shuttle terminal near Sisseton if Phase 2 proceeds in the future.

Please contact me if you have any questions or need further information.

Sincerely,



Philip Deal

CEO, WDCE

Cc: Darin Bergquist, Misty Siedschlaw



**South Dakota  
Corn Growers Association**

4712 S. Technopolis Drive  
Sioux Falls, SD 57106  
Phone (605) 334-0100; Fax (605) 334-0505



**South Dakota  
Corn Utilization Council**

February 5, 2019

To whom it may concern:

The South Dakota Corn Growers Association and South Dakota Corn Utilization Council are pleased to provide this letter in support of a proposed project to rebuild the Sisseton Milbank Railroad (SMRR) line between Milbank and Sisseton.

Nearly 40 percent of South Dakota's corn and more than 70 percent of its soybeans are exported, so rail lines and other infrastructure are critical to our state's farmers. BNSF is our state's primary rail service provider and this rail line connects to BNSF at Milbank. Through trackage rights across BNSF, the SMRR could also host unit trains from Canadian Pacific and Union Pacific to and from St. Paul, Minn.

The SMRR line current supports carloads of ag commodities, and that type of traffic is likely to increase if the line is rebuilt. The line isn't currently able to support unit grain trains because of poor track and bridge conditions. After a rebuild, it could support 286,000-pound cars and 6-axle locomotives. The line also would have streamlined connections to barges in St. Paul, providing connections to markets we currently can't access. These improvements and new outlets would be a huge transportation asset to South Dakota agriculture.

On behalf of our two organizations, we believe reconstruction of this rail line would be invaluable for the agriculture industry and for South Dakota, in general. We wholeheartedly support this project.

Sincerely,

Lisa Richardson  
Executive Director

Doug Noem  
SDCGA Vice President

Ryan Wagner  
SDCUC President



5000 South Broadband Lane, Suite 100, Sioux Falls, SD 57108

February 11, 2019

To whom it may concern,


The South Dakota Soybean Association and the South Dakota Soybean Research and Promotion Council would like to share our enthusiastic support for the Sisseton Milbank Railroad Modernization Project. As the productivity of South Dakota grows, so does our need for fast and efficient transportation of the goods we produce and the inputs necessary to increase our productivity.

This project will play an important role in meeting those needs and advancing the future economies of farm families and businesses in Northeast South Dakota. Upgrading the track and bridges from Sisseton to Milbank will allow, for the first time, unit train capability to the BNSF track. It will also provide the opportunity to ship produce to the Mississippi River for barge travel and the option of shipping unit trains of grain from Northeast South Dakota south directly to the gulf.

Seventy to eighty percent of South Dakota's annual soybean crop and close to forty percent of the annual corn crop are transported out of state. As farmers become more productive, we need to improve all aspects of our transportation system including rail and bridges. The viability of all communities depends upon it. A modern rail system adds value to grains by allowing larger shipments and greater access to markets in a shorter amount of time.

Please join us in advancing the Sisseton Milbank Railroad Modernization Project and the future of South Dakota's economy.

Sincerely,



Jeff Thompson, President



Craig Converse, Chairman

SD Soybean Association

SD Soybean Research and Promotion Council

generation  
**SOY**



**1001 E. 4<sup>th</sup> Avenue  
Milbank, SD 57252**

December 17, 2018

To whom it may concern:

This letter is in support of the rebuilding of the Sisseton Milbank railroad. We are an agricultural based community, as such providing alternate routes for farmers to bring their crops to market is good for the economy of the region. Efficient rail service can raise the price of outbound commodities such as grain, and lower the price of inbound commodities.

Rural communities are at a disadvantage when we look at larger companies, due to lack of access. Rebuilding the line would open up opportunity from Sisseton to Milbank. Both of these communities are located in the north eastern corner of the region and rely heavily on truck traffic as a means of bringing in goods and shipping them out. Frequently requests are received from the GOED (Governor's office of Economic Development) for entities looking to locate close to if not next to rail line.

Rebuilding the line would greatly impact the economy of the region and give the area a competitive boost. It is hard to quantify the impact, we believe the effect on the region would be measurable. We look forward to being part of this project.

Sincerely,

*Bobbie Bohlen*

**Executive Director**

GCDC is an equal opportunity provider and employer.

[GCDC@ITCMilbank.com](mailto:GCDC@ITCMilbank.com), 605/438/4232



## Sisseton-Wahpeton Oyate

LAKE TRAVERSE RESERVATION

### Office of the Tribal Chairwoman

P.O. Box 509 | 112554 BIA HWY 711

Agency Village, South Dakota 57262

Phone: (605) 698-3911

January 20, 2019

Civil Design Inc. Attn. Rusty Olson  
609 Main Ave. S.  
Brookings, SD. 57006

RE: 2019 BUILD Grant Application-Support Letter for Sisseton Milbank Railroad Rebuild Project. (Rural)

I am writing in support of the Better Utilizing Investments to Leverage Development (BUILD) Grant application being submitted by Civil Design Incorporated (CDI) for the Sisseton Milbank Railroad (SMRR) Modernization Project.

The SMRR runs north 37 miles from Milbank SD. north to Sisseton SD. Bringing goods by rail to the Northeast corner of SD and the Lake Traverse Reservation. We feel this modernization project will be a spur to the economic development of the Lake Traverse Reservation. Hauling agriculture products to and from the Lake Traverse Reservation at a larger quantity and faster rate. Also transporting our plastic pellets for the Sisseton-Wahpeton Oyate Bag factory which is a vital industry for the Tribes economic stability.

With the current railroad being outdated the SMRR is not able to transport propane along the Railway, once the modernization project is complete SMRR will be able to transport the propane gas to the Tribe, giving the Sisseton-Wahpeton Oyate Fuel Incorporated business vast opportunity for expansion and making the business better able to supply the propane gas to the northeast corner of SD. and the Lake Traverse Reservation.

Please accept The Sisseton-Wahpeton Oyate (SWO) of the Lake Traverse Reservations support for the very important **Sisseton Milbank Railroad (SMRR) Modernization Project.**

Sincerely,

Ella Robertson  
Chairwoman, Sisseton-Wahpeton Oyate of the Lake Traverse Reservation



1001 E 4<sup>th</sup> Ave. Suite 301  
Milbank, SD 57252  
(605) 432-9575

MILBANKSD.COM

Interested Parties,

Please view this letter as an endorsement of the proposed rehabilitation project on the Sisseton Milbank rail line by Civil Design Inc. The line is very important to the economy of our region and would be very beneficial. The improvements planned by Civil Design Inc. will benefit many communities along the corridor, and is long overdue.

Thank you for your consideration of their proposal.

Respectfully,

Mayor

City of Milbank

**ROBERTS COUNTY COMMISSIONERS**  
**411 2<sup>nd</sup> Avenue East**  
**Sisseton, South Dakota 57262**  
**605-698-7336**

January 15, 2019

Interested Parties,

We, as Roberts County Commissioners, are sending this letter as an endorsement of the proposed rehabilitation project on the Sisseton Milbank Railroad by Civil Design Inc. This project is very important to the economy of our region and would be very beneficial. The improvements planned by Civil Design Inc. will benefit many communities along the corridor.

Thank you for your consideration of the proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis Jensen", written in a cursive style.

Roberts County Commissioners  
Dennis Jensen-Chairman



# The City of Browns Valley

PO Box 334  
19 3rd Street South  
Browns Valley, MN 56219  
Phone: (320) 695-2110  
Fax: (320) 695-2127

December 17, 2018

To Whom It May Concern,

Please consider this letter as a vote of support for the proposed rehabilitation project on the Sisseton Milbank rail line by Civil Design Inc. The line is very important to both the agricultural and commercial economies of our region and would be very beneficial. The improvements planned for this project by Civil Design Inc. will benefit the communities along its corridor far into the future.

Thank you for your consideration of this proposal.

Respectfully,



Thomas A. Schmidt

Administrator

City of Browns Valley