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Governor Kristi Noem
Office of the Governor
500 East Capitol Avenue
Pierre, S.D. 57501

Re: State Owned Right of Way

Dear Governor Noem:

Please find enclosed with this correspondence a copy of the letter to the editor on the use of the right-of-way owned by the state. The State of South Dakota is in the enviable position of being able to provide a corridor for development in multiple areas and very few states stand in this position.

It would be a benefit to the state if the railroad was finished all the way to Rapid City especially because of the increase in products from farming south of interstate 90 but to limit that right-of-way to only rail use would be short sighted.

Please note that the state-owned right-of-way comes very close right north of Jackson and Oglala Lakota County so if the state wished they could be involved in the economic development of those tribal areas.

Thank you for your attention, best regards.

Yours truly,


Michael B. DeMersseman

GGS/ned
Enclosure

South Dakota Railroad Board of the Department of Transportation

The railroad right of ways owned by the State of South Dakota could be a great asset in the economic development of the State if we do it with forward vision.

During the first Janklow administration railroad right of ways were purchased by the state. Governor Janklow knew that if rail service was abandoned the net return to our farmers would be reduced because of the increase in transportation costs. Even with federal assistance State ownership has not always been smooth or profitable.

In August the S.D. Railroad Board of the Department of Transportation published a request for proposals, RFP for the sale of the different railroad properties and right of ways owned by the State with proposals of interest to be filed in November.

The State owned right of ways could be one of the greatest assets South Dakota has for development whether done by the State or by purchasers of the assets because they have potential for uses other than rail service. Looking at them in their historical role of only railroad service would be short-sighted. If lost, the multi-use potential of these contiguous right of ways could not be replaced because of cost and time limitations and complexity of dispersed ownership.

One particular interest for west river development is the Milwaukee Road right of way from Mitchell across almost two thirds of the State to Rapid City, by way of the river crossing at Chamberlain.

In the late 1990s legislation was proposed to return the right of way to the land holdings abutting the right of way. Some of the ranchers objected to the Milwaukee right of way use for Rails to Trails and the bicyclers "in the polka dot shorts" starting fires along the road bed. The attempt was killed in the State affairs committee.

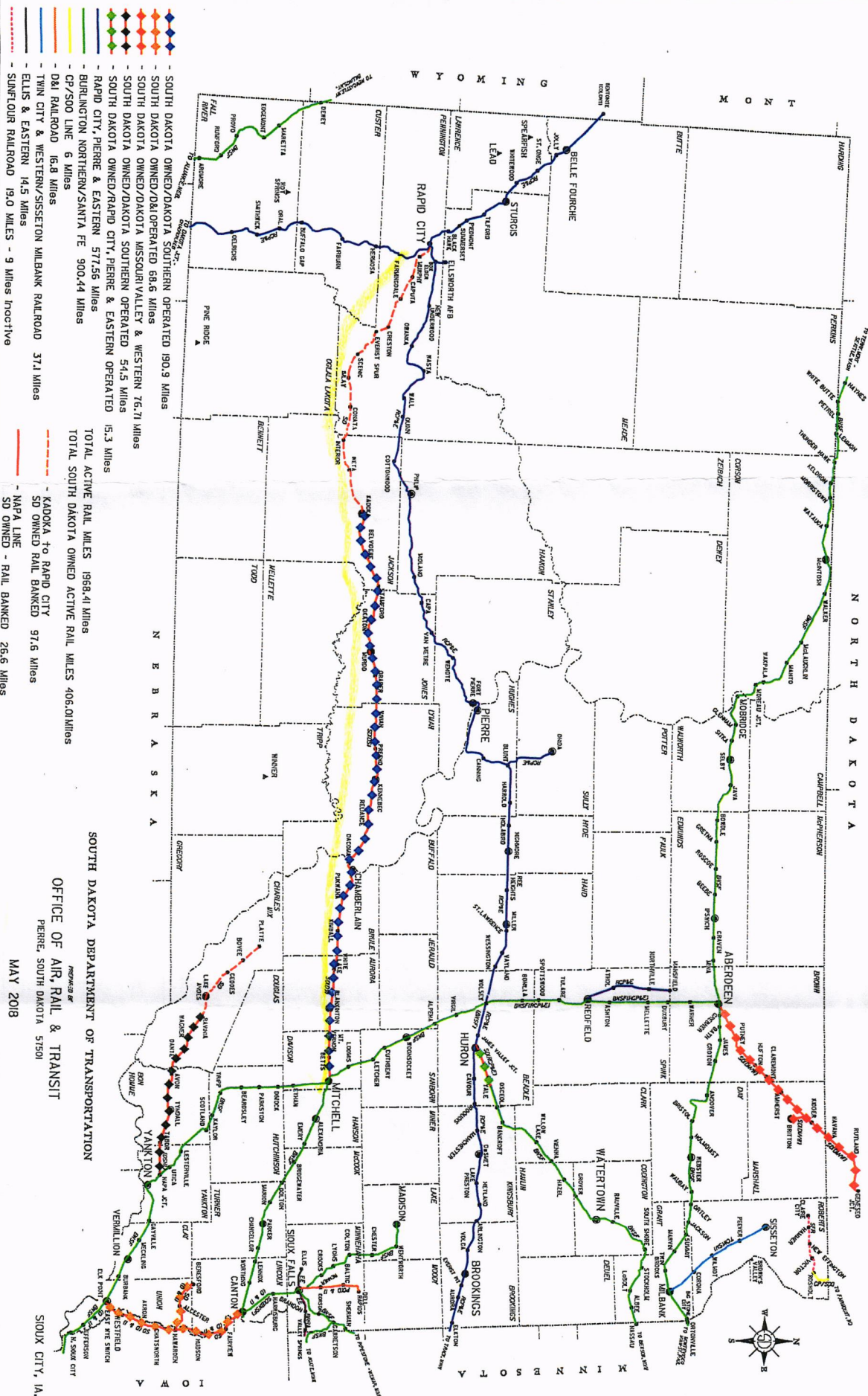
It is understandable the property owners would want to control the land but the loss of the corridor for future use would be a great mistake. That use may be a natural gas line, oil line, water line, fiber optics line or an electric energy

transmission line to send the output of new renewable energy projects located in the state to markets, or future use not now anticipated.

The Railroad Board should continue assisting the farmers of the State with improved transportation and better options for selling their products, but the board should not miss an opportunity to work with concept experts and developers to create good and actionable future options for the people and businesses of the State.

Other right of way options are being developed on privately owned lines in Iowa, Illinois and Indiana. For example, the Soo Line right of way is being prepared for underground high-volume direct current power transmission lines to move Iowa wind energy to markets in Chicago and eastward. The time for developing our own concepts for the future starts now.

OFFICIAL SOUTH DAKOTA RAIL MAP



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