

Department of Transportation

Office of Legal Counsel 700 East Broadway Avenue Pierre, South Dakota 57501-2586 605/773-3262 FAX: 605/773-4442

MEMORANDUM

To: South Dakota Railroad Authority

From: Karla Engle

Date: May 11, 2021

Re: Corrective Deed and Quit Claim Deed Request – Pennington County

The Mitchell to Rapid City ("MRC") railroad line was acquired by the South Dakota Railroad Authority ("SDRA") by deeds executed by the Trustee of the property of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company ("CMSP&P") in 1981. South Dakota Codified Law ("SDCL") 49-16B-43 required that once all debts on the MRC Line had been satisfied, the SDRA convey the MRC Line to the Division of Railroads within the South Dakota Department of Transportation ("DOT"). SDRA conveyed the MRC Line to the Division of Railroads in 1982. Effective July 1, 1996, SDCL 49-16B-43 was amended to require that conveyances from that date forward be made by the SDRA to the South Dakota Department of Transportation, rather than the Division of Railroads.

As part of the deed preparation for the MRC Line, DOT has discovered some minor errors or omissions in the deeds from SDRA to DOT in Pennington County. DOT is requesting that the SDRA authorize execution of one corrective deed and one quit claim deed to address these minor errors or omissions. The attached resolutions detail the items that need to be corrected through a corrective deed and a quit claim deed from SDRA to DOT. DOT believes these items should be addressed before the closing on the sale of the MRC Line.

RESOLUTION NO. 2021A-5

BE IT RESOLVED BY THE

SOUTH DAKOTA RAILROAD AUTHORITY

WHEREAS, the South Dakota Railroad Authority conveyed a segment of the Kadoka to Rapid City railroad line by Quit Claim Deed, dated May 27, 1982, and filed for record on June 3, 1982, in Book 18 of Page 1729 of Deeds in the Office of the Register of Deeds of Pennington County, South Dakota; and

WHEREAS, said deed contains an erroneous reference to Milepost 666.0, which should be corrected to Milepost 659.96; and

WHEREAS, said deed should be corrected to properly state the approximate distance said line extends through Pennington County; and

WHEREAS, said deed should be corrected to include a reference to those certain Rightof-Way and Track maps designated V.S.D. 20/S-42 (Imlay) and V.S.D. 20/S-45 (Scenic); and

WHEREAS, pursuant to 1996 S.D. Sess. L. ch. 20 §§ 4 and 11, the Division of Railroads for the State of South Dakota is now known as the State of South Dakota, acting by and through its Department of Transportation;

NOW THEREFORE, the South Dakota Railroad Authority hereby authorizes and directs Jerry Cope, acting in his capacity as the duly authorized Chairman of the Authority and not as an individual, pursuant to SDCL 49-16B-43, to forthwith and without charge, execute a Corrective Quit Claim Deed to the State of South Dakota, acting by and through its Department of Transportation (formerly known as the Division of Railroads for the State of South Dakota) to correct the errors noted above.

Dated this ____ day of May, 2021.

SOUTH DAKOTA RAILROAD AUTHORITY

By

Jerry Cope, Chairman

RESOLUTION NO. 2021A-6

BE IT RESOLVED BY THE

SOUTH DAKOTA RAILROAD AUTHORITY

WHEREAS, the Kadoka to Rapid City railroad line segment (the "Line") was authorized for purchase by the South Dakota Railroad Authority (the "Authority") pursuant to 1980 S.D. Session Laws Ch. 324, § 1; and

WHEREAS, the purchase and acquisition of the Line by the Authority was a project authorized pursuant to SDCL 49-16B-10 and SDCL 49-16B-13; and

WHEREAS, a segment of the Line that was acquired by the Authority is located in Pennington County, South Dakota, and is more particularly described as follows:

Commencing at a point of the West line of the NW1/4 of the NE1/4 of Section 1, Township 1 North, Range 7 East of the B.H.M., also known as Milepost 659.96 and additionally known as Railroad Engineer's Survey Station Number 3+40 in Rapid City, and extending in Westerly direction a distance of approximately 0.04 mile through Pennington County and terminating at the East line of Fourth St. in the NE1/4 of the NW ¼ of Section 1, Township 1 North, Range 7 East of the B.H.M., also known as Milepost 660.0, and additionally known as Railroad Engineer's Survey Station Number 0+90 in Rapid City, all of which is more particularly described on that certain right of way and track map designated V.S.D. 20/S-55b (Rapid City), which is attached hereto and made a part hereof by reference.

WHEREAS, the above-described real property has been paid for in full and the Authority has neither made nor caused to be made any mortgage, lien or other encumbrance which is secured by said real property; and

WHEREAS, SDCL 49-16B-43 states in relevant part: "To accomplish projects of the kind listed in § 49-16B-10, the authority shall convey property, without charge, to the Department of Transportation if and when all debts which have been secured by the income from the property have been paid."

NOW THEREFORE, the South Dakota Railroad Authority hereby authorizes and directs Jerry Cope, acting in his capacity as the duly authorized Chairman of the Authority and not as an individual, pursuant to SDCL 49-16B-43, to forthwith and without charge, execute a Quit Claim Deed conveying the above-described real property to the State of South Dakota, acting by and through its Department of Transportation.

Dated this ____ day of May, 2021.

SOUTH DAKOTA RAILROAD AUTHORITY

By___

Jerry Cope, Chairman