

SOUTH DAKOTA STATE RAILROAD BOARD MEETING MINUTES

Wednesday, April 17, 2024 at 11:00 a.m. CDT

Becker-Hansen Building/Commission Room – 700 East Broadway Avenue, Pierre, SD

MEMBERS PRESENT

VIA CONFERENCE CALL: Jeff Burket, Chairman
Jerry Cope
Steve Scharnweber
Scott Lockwood
Jack Nelson
Greg Carmon
Ralph Schmidt

DOT STAFF PRESENT: Joel Jundt, Karla Engle, Kellie Beck, Jack Dokken, Perry Griffith, Misty Siedschlaw, Katlyn Wieme, and Kari Kroll

OTHERS PRESENT

VIA CONFERENCE CALL: Chadd Thimesch – Ringneck & Western Railroad, LLC (RWRR); Adam York – RWRR; Sally Currier – RWRR; Matt Hoobler – WATCO; Mike Kellar – Rapid City, Pierre & Eastern Railroad, Inc. (RCPE); Mark Trottier – Dakota, Missouri Valley & Western Railroad Inc. (DMVW); Clint Saylor – DMVW; Heath Haden – Dakota Southern Railway Company; Dan Bilka – All Aboard; Dick Huff; and Alex Huff

Chairman Jeff Burket called the meeting of the South Dakota State Railroad Board (the “Board”) to order at 11:00 a.m. CDT. A roll call was taken, and a quorum was determined.

Board Member Jack Nelson joined the call at 11:01 a.m.

Burket opened the floor to the Board members to disclose potential conflicts of interest and to present requests for waiver pursuant to the South Dakota Codified Law (SDCL) chapter 3 – 23.

No conflicts of interest were disclosed, and no waivers were requested.

Burket opened the floor to nominations for the election of Board officers.

Burket turned the gavel over to Vice-chairman Jerry Cope for the election of the Chair.

Steve Scharnweber nominated Jeff Burket as Chair of the Board. There were no further nominations.

A vote was taken on the election of Burket as Chair. All present voted aye by roll call vote, except Burket who abstained. Burket was elected as Chair.

Cope turned the gavel over to Chairman Burket to continue the elections.

Burket asked for nominations for Vice-chair.

Scott Lockwood nominated Jerry Cope as Vice-chair of the Board. Greg Carmon nominated Steve Scharnweber as Vice-chairman of the Board.

Scharnweber declined the nomination and Carmon withdrew his nomination.

A vote was taken on the election of Cope as Vice-chair. All present voted aye by roll call vote, except Cope who abstained. Cope was elected as Vice-chair.

Burket asked for nominations for Secretary/Treasurer.

Jack Nelson nominated Greg Carmon as Secretary/Treasurer of the Board. Carmon declined the nomination and Nelson withdrew his nomination.

Scharnweber nominated Scott Lockwood as Secretary/Treasurer of the Board. There were no further nominations.

A vote was taken on the election of Lockwood as Secretary/Treasurer. All present voted aye by roll call vote, except Lockwood who abstained. Lockwood was elected as Secretary/Treasurer.

Burket asked for a motion to approve the special Board meeting minutes from October 10, 2023.

A MOTION WAS MADE by Carmon and seconded by Cope to approve the special Board meeting minutes from October 10, 2023. All present voted aye by roll call vote. The motion carried.

Burket asked for a motion to approve the Board meeting minutes from October 18, 2023.

A MOTION WAS MADE by Cope and seconded by Nelson to approve the Board meeting minutes from October 18, 2023. All present voted aye by roll call vote. The motion carried.

Burket opened the floor to public input.

No members of the public addressed the Board nor offered input.

Secretary Joel Jundt presented the Secretary's Report to the Board. He shared that Congress has passed all the necessary appropriations bills and funding is now set for all federal programs. He noted that the Notice of Funding Opportunity (NOFO) was released for the Consolidated Rail Infrastructure and Safety Improvement (CRISI) grants on March 29, 2024 with a deadline to submit by May 28, 2024 and that at this time he is unaware of any rail line planning to apply. There is \$2.4 billion available.

As part of the CRISI grant, the Department will be awarded Special Transportation Circumstance (STC) grant funds and is expecting the NOFO to be announced in early summer. Jack Dokken, Program Manager of the Office of Air, Rail, and Transit gave a status update to the Board on the current standing of the 2022-2023 applications that were heard in the fall. The projects the Board approved were submitted to the Federal Railroad Administration (FRA) in February. FRA's decisions on approval or denial of the projects are anticipated by the end of May.

Jundt next shared information about the FRA Long-Distance Service Study that would look at possible routes for passenger rail in South Dakota.

As part of the study group, Kellie Beck, Director of Finance and Management explained the purpose of the study and the details of locations being considered in South Dakota. She noted Congress required this study as part of the Infrastructure Investment and Jobs Act (aka IIJA) and FRA is meeting the requirements by forming regional studies to consider changes to existing routes. These studies will ultimately collaborate in the formation of a national long-term vision for long-distance passenger rail service as well as creating a capital project list that will identify funding needed to fully implement the vision.

Jundt shared that the FRA study numbers for the route through SD are lower than the other routes listed, so it may not prioritize as high as the other proposed routes. He also stated that the cost to provide passenger service would be significant.

Dan Bilka addressed the Board regarding the study.

Perry Griffith, Office of Air, Rail, and Transit shared the plan for the Board members to ride and observe the state-owned railroads. The observation tours were set for May 7 – 9, 2024 and the following Board members agreed to participate.

Napa-Platte Line	May 7	Scott Lockwood
Yale Line	May 8	Scott Lockwood, Ralph Schmidt, and Greg Carmon
Wolsey Interchange	May 8	Scott Lockwood, Ralph Schmidt, and Greg Carmon
Britton Line	May 9	Scott Lockwood, Steve Scharnweber, and Jerry Cope

Burket noted he had previous obligations this week and would not be able to participate.

Jack Dokken presented the 2024 Annual Railroad Maintenance Plans to the Board for consideration. He shared that each of the rail line users would present their plan.

Mark Trottier of Dakota, Missouri Valley & Western Railroad Inc. (DMVW) shared DMVW's plan for maintenance on the Britton Line for 2024.

A MOTION WAS MADE by Lockwood and seconded by Schmidt to approve the 2024 Annual Railroad Maintenance Plan by DMVW on the Britton Line. All present voted aye by roll call vote. The motion carried.

Heath Haden of Dakota Southern Railway Company (DSRC) shared DSRC's plan for maintenance on the Napa-Platte Line for 2024.

A MOTION WAS MADE by Scharnweber and seconded by Carmon to approve the 2024 Annual Railroad Maintenance Plan by DSRC on the Napa-Platte Line. All present voted aye by roll call vote. The motion carried.

Mike Kellar, Rapid City, Pierre & Eastern Railroad, Inc. (RCPE), shared its plan for maintenance on the Yale Line and the Wolsey Interchange for 2024.

A MOTION WAS MADE by Cope and seconded by Lockwood to approve the 2024 Annual Railroad Maintenance Plans by RCPE on the Yale Line and Wolsey Interchange. All present voted aye by roll call vote. The motion carried.

With no further business to come before the Board, Burket declared the meeting adjourned at 11:57 a.m. CT.