Attachment #3



Division of Secretariat

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MEMORANDUM

TO:	Secretary Jundt and Kellie Beck
FROM:	Karla L. Engle
DATE:	May 8, 2024
RE:	Quiet Title Action – Disclaimer of Interest in Real Property

In the early 1980s, the Division of Railroads for State of South Dakota, acting by and through its Department of Transportation (SDDOT), owned a rail line extending from Dell Rapids to Sioux Falls. SDDOT received a request from Gene Williams and his son, Michael G. Williams, to convey some excess property near Renner to Renner Grain, Inc. On August 29, 1983, the Secretary of Transportation executed a Quit Claim Deed conveying the following excess property to Renner Grain, Inc.:

William's Tract 1 in the SW1/4 of the SW ¼ of Section 9 – T102N – R49W, Minnehaha County, South Dakota.

It is expressly understood that the Grantor reserves all rights to all deposits of coal, ores, metals, and other minerals, asphaltum, oil, gas and other like substance, together with the right to prospect for, mine and remove the same upon rendering compensation to the owner or lessee for all damages that may be caused by such prospecting or removal.

For some unknown reason, the deed was not recorded with the Register of Deeds. Neither SDDOT nor the Williams family has the original deed, although SDDOT has a copy of the deed. Since execution of the deed in 1983, SDDOT has not used, occupied, maintained, or otherwise exerted any rights over the above-described property, except the mining rights expressly reserved in the deed. When SDDOT conveyed the Dell Rapids to Sioux Falls railroad line to L.G. Everist by deed dated October 25, 1983, SDDOT excepted out the above-described property. This exception in the L.G. Everist deed is consistent with how SDDOT handles previously sold excess parcels when a railroad line is subsequently sold. Other than the SDDOT's reservation of mining rights, which is required by law, SDDOT has no need for the above-described property.

Recently, SDDOT received a request from legal counsel for Michael G. Williams to issue a corrective deed identifying Michael G. Williams as the grantee, rather than Renner Grain, Inc. Apparently, due to some miscommunication between the Williamses and their prior attorney, the corporate documents to form Renner Grain, Inc. were never executed and filed. Michael Williams has asserted he has been occupying and using the property since the conveyance of the above-described property in 1983, and he has provided documentation that he has been paying real property taxes on the property. SDDOT has no reason to doubt these assertions.

Due to questions about the legality of issuing a corrective deed to one of the two individuals involved in the original transaction over forty years ago, SDDOT declined to grant the request for a corrective deed. As an alternative, SDDOT proposed to ask the Railroad Board about the possibility of executing a disclaimer of interest in the above-described property, subject to the reservation of mining rights referenced in the deed of August 29, 1983. Such a disclaimer would address SDDOT's lack of ownership interest in the property, without requiring SDDOT to weigh in on the separate issue of the current owner of the property.

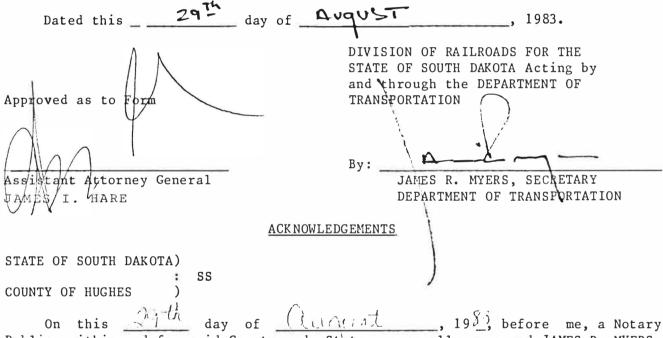
I am attaching copies of the August 29, 1983 deed to Renner Grain, Inc., the plat of the above-described property, and the deed to L.G. Everist. I will be happy to address any questions you may have about this matter.

QUITCLAIM DEED

DIVISION OF RAILROADS, FOR THE STATE OF SOUTH DAKOTA, Grantor, of Hughes County, State of South Dakota, for and in consideration of One Thousand Three Hundred (1,300) Dollars and other valuable consideration CONVEYS AND QUITCLAIMS to Renner Grain, Inc. of Rt. 10, Box 127, Sioux Falls, South Dakota 57101, all interest in the following described real estate:

William's Tract 1 in the $SW^{\frac{1}{4}}$ of the $SW^{\frac{1}{4}}$ of Section 9 - T102N-R49W, Minnehaha County, South Dakota.

It is expressly understood that the Grantor reserves all rights to all deposits of coal, ores, metals, and other minerals, asphaltum, oil, gas and other like substance, together with the right to prospect for, mine and remove the same upon rendering compensation to the owner or lessee for all damages that may be caused by such prospecting or removal.

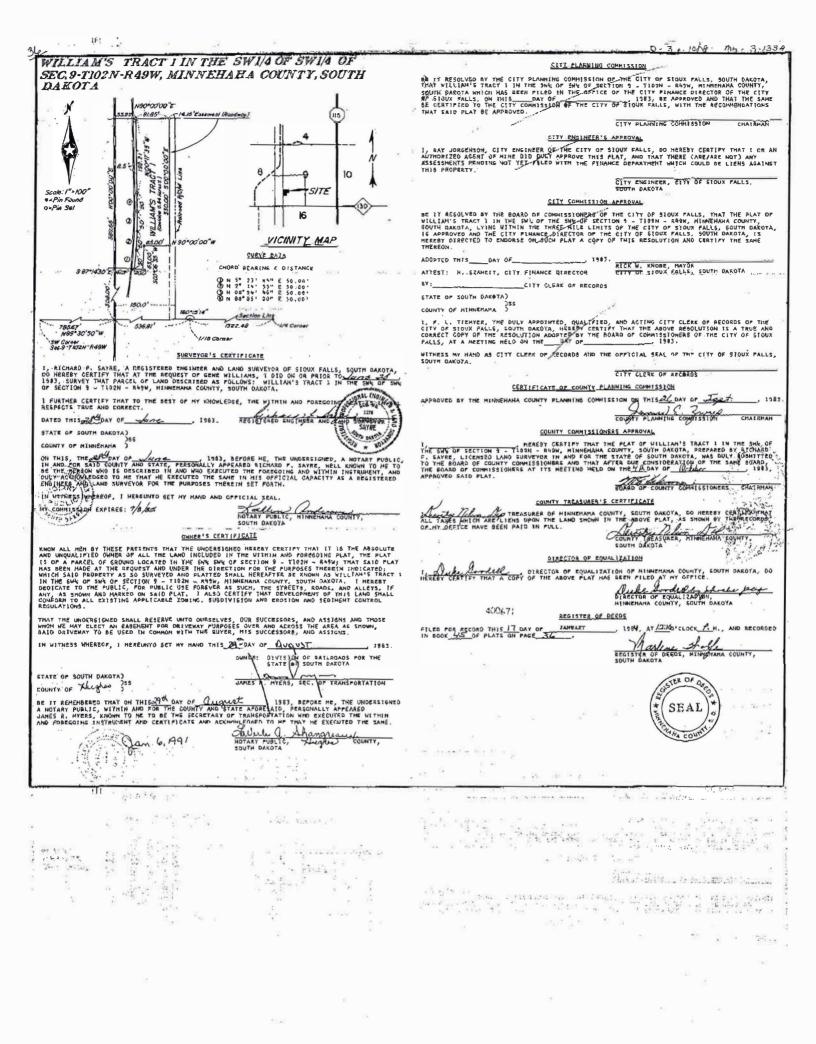


Public within and for said County and State, personally appeared JAMES R. MYERS, SECRETARY, DEPARTMENT OF TRANSPORTATION, known to me to be the person who is described in and who executed the within and foregoing instrument and acknowledged to me that he executed the same freely.

Fallera A. Shampaul

My Commission Expires:

(Jan. 6, 1991



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EDOK 362 PAGE 826

QUITCLAIM DEED

DIVISION OF RAILROADS, FOR THE STATE OF SOUTH DAKOTA, Grantor, of Hughes County, State of Bouth Dakota, for and in consideration of Five Hundred Eighty Five Thousand Dollars (\$585,000) and other valuable consideration CONVEYS AND QUITCLAIMS to L.G. Everist, Inc., of 313 S. Phillips, Sioux Falls, South Dakota, subject to any and all exceptions and reservations hereinafter set forth, all interest in the following described real estate including (except where otherwise noted) all of Grantor's operating right-of-way, abutting extra width properties, trackage including industrial sidings, buildings, bridges, culverts, right-of-way fences and all other fixtures attached thereto comprising the line of railroad between Sioux Falls and Trent, South Dakota, more particularly described as follows:

Commencing at the Moody and Minnehaha County line in Gov. Lot 2, Section 2, Township 104 North, Range 49 West of the 5th P.M., also known as Milepost 92.83, and additionally known as Railroad Engineer's Survey Station Number 5854+58, and extending in a Southerly direction a distance of approximately 18.73 miles in and through the County of Minnehaha and terminating at the South line of the SW4 of the SW4 of Section 28, Township 102 North, Range 49 West of the 5th P.M., also known as Milepost 74.1, and additionally known as Railroad Engineer's Survey Station Number 6807+96, containing a gross area of 243.99 acres, less, all of which is more particularly described on more or Right-of-Way and Track maps designated V.S.D.17/3 through 8, inclusive, and on Station maps V.S.D.17/S-4 (Dell Rapids); and V.S.D.17/S-5 (Baltic) all of which are included herein and made a part hereof by reference, and as was conveyed to the South Dakota Railroad Authority by the Trustee of the property of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company by a deed dated November 13, 1980. (Trent to Sioux Falls Line)

ALSO

EXEMPT TRANSFER FEE in 0

Commencing at a point approximately 333 feet North of the South line of the SW4 of the SE4 of Section 12, Township 105 North, Range 49 West of the 5th P.M., also known as Milepost 97.4, and additionally known as Railroad Engineer's Survey Station Number 5617+58, and further known as the South line of Second Street in Trent and extending in a Southerly direction a distance of approximately 4.57 miles in and through the County of Moody and terminating at the Moody and Minnehaha County line in the SW4 of the SE4 of Section 35, Township 105 North, range 49 West of the 5th P.M., also known as Milepost 92.83 and additionally known as Railroad Engineer's Survey Station Number 5854+58, containing a gross area of 60.64 acres, more or less, all of which is more particularly described on Right-of-Way and Track maps designated V.S.D.17/2 through inclusive, and on Station map V.S.D.17/S-2 (Trent), all of which are B, inclusive, and on Station map V.S.D.17/S-2 (Trent), all of which are included herein and made a part hereof by reference, and as was conveyed to the South Dakota Railroad Authority by the Trustee of the property of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company by a deed dated November 13, 1980. (Trent to Sioux Falls Line)

EXCEPTING therefrom all of the following described property:

Weelborg's Tract 1 in the SW¹4 of the SW¹4 of Section 9, T102N, R49W, Minnehaha County, South Dakota, containing a gross area of .17 acres, more or less, and reserving unto the owner of Weelborg's Tract 1, his assigns and heirs, the access to said property over the existing 14.16 foot roadway.

BOOK 362 PAGE 827

McGowan's Tract 1 in the SW4 of the SW4 of Section 9, T102N, R49W, Minnehaha County, South Dakota, containing a gross area of .38 acres, more or less and reserving unto the owner of McGowan's Tract 1, his assigns or heirs, access to said property over the existing 14.16 foot roadway.

ALSO

William's Tract 1 in the SW4 of the SW4 of Section 9, T102N, R49W, Minnehaha County, South Dakota, containing a gross area of .64 acres, more or less, and reserving unto the owner of William's Tract 1, his assigns or heirs, access to said property over the existing access road.

ALSO

Tracts 2 through 5 of Railway Addition to the City of Baltic, Minnehaha County, South Dakota, containing a gross area of 3.9 acres, more or less.

ALSO

Tract 1 of Railway Addition to the City of Baltic, Minnehaha County, South Dakota, containing a gross area of .69 acres, more or less.

ALSO

Tract 6 of Railway Addition to the City of Baltic, Minnehaha County, South Dakota, containing a gross area of .21 acres, more or less, and reserving unto the owner of Tract 6 of Railway additions, his assigns or heirs, access to said property over the existing 20 foot access road.

ALSO

Tract 7 of Railway Addition to the City of Baltic, Minnehaha County, South Dakota containing a gross area of .74 acres, more or less.

ALSO

Dell Rapids Co-op Grain Tract 1 being a portion of Lots 1 thru 6 of Block 21 of Original Dell Rapids, City of Dell Rapids, Minnehaha County, South Dakota containing a gross area of .33 acres, more or less.

ALSO

Dell Rapids Co-op Grain Tract 2 being a portion of Lots 1, 2, 3 and 7 through 12 and that portion of the Alley vacated in Block 20 of Original Dell Rapids, City of Dell Rapids, Minnehaha County, South Dakota containing a gross area of .67 acres, more or less.

ALSO

Dell Rapids Co-op Grain Tract 3 being a portion of Lots 3 through 6 of Block 3 of Original Dell Rapids, City of Dell Rapids, Minnehaha County, South Dakota containing a gross area of .12 acres, more or less.

ALSO

Dell Rapids Co-op Grain Tract 4 being a portion of Lots 9 through 12 of Block 19 and a portion of Lot 4 of Block 4 and the vacated portion of Second Street between Blocks 4 and 19 of Original Dell Rapids, City of Dell Rapids, Minnehaha County, South Dakota containing a gross area of .05 acres, more or less.

ALSO

Railroad Tract 2 in Block K of Original Dell Rapids, City of Dell Rapids, Minnehaha County, South Dakota containing a gross area of .04 acres, more or less.

ALSO

Railroad Parcel 1 of Tract 1 of County Auditor's Subdivision of the SW4 of Section 10, T104N, R49W, 5th PM, City of Dell Rapids, Minnehaha County, South Dakota containing a gross area of .08 acres, more or less.

ALSO

Mobil Tract 1 being a portion of Lots 10, 11 and 12 of Block 20 of Original Dell Rapids, City of Dell Rapids, Minnehaha County, South Dakota containing a gross area of .1 acres, more or less.

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Dearduff Tract 1 in the North ½ of Block K of Original Dell Rapids, City of Dell Rapids, Minnehaha County, South Dakota containing a gross area of .13 acres, more or less.

ALSO

Dearduff Tract 2 in the South ½ of Block 23 of Original Dell Rapids, being a portion of Lots 30 thru 36, City of Dell Rapids, Minnehaha County, South Dakota containing a gross area of .1 acres, more or less.

ALSO

Dell Rapids Lumber Tract 1 in the South ¹/₂ of Block 23 of Original Dell Rapids being a portion of Lots 27, 28 and 29, City of Dell Rapids, Minnehaha County, South Dakota containing a gross area of .02 acres, more or less.

ALSO

Weelborg's Tract 1 in the W¹₂ of Section 36, T105N, R49W, Moody County, South Dakota containing a gross area of 2 acres, more or less.

ALSO

Lot 1 of Block 1 and Lot 1 of Block 2 Cargill Addition to the City of Trent being a part of the NE¹₂, Sec 13, T105N, R49W, City of Trent, Moody County, South Dakota containing a grass area of 8.05 acres, more or leas.

ECOK 362 PROP 828

It is expressly understood that the Grantor reserves all rights to all deposits of coal, ores, metals, and other minerals, asphaltum, oil, gas and other like substance, together with the right to prospect for, mine and remove the same upon rendering compensation to the owner or lessee for all damages that may be caused by such prospecting or removal.

This conveyance is subject to all existing leases, special assessments, right-ofway, easements, licenses and permits, whether or not of record, and to all exceptions and reservations of record.

25 th day of OCTOBER Dated this . 1983. DIVISION OF RAILROADS FOR THE STATE OF SOUTH DAKOTA Acting by and through the DEPARTMENT OF Approved as to Form TRANSPORTATION Bv: JAMES R. MYERS, SACRETARY Hate DEPARTMENT OF TRANSPORTATION Assasfant Attorney General ACKNOWLEDGEMENTS STATE OF SOUTH DAKOTA) SS COUNTY OF HUGHES , 1912, before me, a Notary On this day of Public within and for said County and State, personally appeared JAMES R. MYERS, SECRETARY, DEPARTMENT OF TRANSPORTATION, known to me to be the person who is described in and who executed the within and foregoing instrument and acknowledged to me that he executed the same freeky. 0 NOTARY PUBLIC in Commission; Expires: HA CC STATE OF SOUTH DAKOTA, MINNEHAHA COUNTY, SS 19 82 al 1:20 o'clock 99 Recorded this) day of HOY Fage 826-829 In Book 362 of_ MARLENE WOLFE Register of Deeds. By Lice (MACLocal Deputy 5.0M

BOOK 362 PAGE 82