



DEPARTMENT OF TRANSPORTATION

Letter of Intent Response

**Joint Committee on Appropriations
November 2025**

Rehabilitation of the Rapid City, Pierre and Eastern Railroad

In the 2021 Legislative Session, SB93 appropriated \$20,000,000 in general funds to the Railroad Trust fund, dedicated to help supplement the costs associated with the rehabilitation of the **Rapid City, Pierre and Eastern Railroad** (RCP&E) line from Fort Pierre to Rapid City, SD. This funding was contingent upon a federal grant being received to be combined with the appropriated State funds and committed matching funds from RCP&E. In November of 2021, SDDOT was awarded a federal grant through the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant opportunity in which RCP&E will be a sub-recipient.

Per the Letter of Intent dated April 23, 2021 and issued by the Joint Committee on Appropriations, SDDOT is to provide a biennial report, beginning November 1, 2022, and will continue reporting until all funds appropriated from SB93 have been spent.

2021 RAISE Project Summary and Update:

The primary objective of this project is to modernize the existing rail infrastructure, enabling RCP&E to accommodate freight rail car weight according to current industry standards while simultaneously enhancing train speeds across the 160-mile RCP&E subdivision. The scope of work includes replacing approximately 87.7 miles of aging rail with new 136 lb. continuous welded rail, upgrading approximately 112 timber bridge & 9 steel bridge structures, replacing approximately 80,000 mainline railroad ties, replacing 11 mainline turnouts, upgrading 122 grade crossings, and implementing safety enhancements along the entire segment. The 87.7 miles of rail installation has been completed, 74,000 ties installed, 4 mainline turnouts have been replaced, 40 grade crossing have been upgraded, & 64 timber bridges have been upgraded to date.

Timeline

- March 2021: SB93 awarded \$20,000,000 in general funds.
- July 12, 2021: SDDOT submitted the RAISE grant application to the Federal Railroad Administration (FRA).
- November 2021: Received announcement from FRA regarding the grant award.
- January 7, 2022: Grant kick-off meeting was convened.
- March 28, 2022: RCP&E requested pre-award authority for Preliminary Engineering (PE) and National Environmental Policy Act (NEPA) work which was subsequently approved as eligible expenses by FRA on July 14, 2022.
- March 31, 2023: RCP&E hired Civil Design Inc. to complete the PE and NEPA documentation.
- May 15, 2023: SDDOT submitted a Pre-Award Authority request letter to FRA for authority to purchase track steel.
- July 30, 2023: The draft of NEPA documentation was submitted to FRA for approval.
- August 23, 2023: FRA granted approval for the purchase of track steel.
- November 7, 2023: SDDOT submitted a Pre-Award Authority request letter to FRA for authority to purchase track steel.
- January 22, 2024: FRA approved NEPA documentation.
- February 12, 2024: FRA granted approval for the purchase of track steel.
- May 8, 2024 FRA approved preliminary design documents.
- September 6, 2024; FRA executed funding agreement.
- September 18, 2024: The final design for the installation of rail and remaining rail & OTM was submitted to FRA for approval.
- September 24, 2024: A Detailed Work Plan was submitted to FRA for approval.
- October 16, 2024; Reimbursement request for material purchases was submitted to FRA for payment.

- October 22, 2024: SDDOT processed pay request #1
- October 29, 2024: SDDOT processed pay request #2
- November 18, 2024: RCP&E submitted final design for timber bridges
- November 27, 2024: FRA approved final design for rail installation and materials
- December 17 & 18, 2024: rail installation and materials pre-bid meeting was held
- January 7, 2025: SDDOT processed pay request #3
- January 10, 2025: bid opening for installation and materials
- January 21, 2025: FRA approved final design for timber bridges
- January 22, 2025: SDDOT processed pay request #4
- March 5, 2025: pre-construction meeting for installation of rail was held
- March 26, 2025: timber bridge bid opening
- April 1, 2025: rail contractor RJ Corman mobilized
- April 14, 2025: SDDOT processed pay request #5
- May 14, 2025: SDDOT processed pay request #6
- June 5, 2025: FRA approved wayside detectors final design
- June 11, 2025: timber bridge pre-construction meeting was held with winning bidder Continental Company
- July 29, 2025: SDDOT processed pay request #7
- August 8, 2025: 1st milestone inspection (MP486-MP496) completed
- August 8, 2025: FRA approved steel/concrete bridge final design
- August 29, 2025: 2nd milestone inspection (MP496-MP512.8) completed
- September 7, 2025: SDDOT process pay request #8
- September 21, 2025: rail installation complete
- September 23, 2025: Concrete/Steel bridge bid opening

Anticipated milestones in the next 12 months include finish installing the remaining 6,000 ties, 7 mainline turnouts, and upgrade the remaining 80 grade crossings, 58 timber bridges and 9 steel and concrete bridges.

<u>Total Project Funding</u>		<u>Remaining Balance</u>
• RAISE grant (federal)	\$22,000,000	\$ 6,720,722
• State grant (SB93)	\$20,000,000	\$ 6,109,747
• RCP&E match	<u>\$42,000,000</u>	<u>\$12,830,469</u>
	\$84,000,000	

RAISE Grant Deadlines/Facts

- Grant funds are required to be expended by September 30, 2029.
- Any costs exceeding the grant award will be borne by RCP&E.
- RCP&E is responsible for meeting all grant activity requirements and deadlines.
- Anticipated completion date is the fall of 2027, however, due to good weather, solid project management and contractor availability, its very possible the project could be completed Fall of 2026.

We remain committed to the successful completion of this vital infrastructure project, which promises to significantly benefit the transportation network in our region.



11-12-24 Rail Train unloading



7-25-25 rail relay crew near MP 496.5



8/28/25 Tie replacement in Phillip



9-17-25 Asphalt paving and rail relay through Lacrosse Street in Rapid City