

Minnesota Valley Regional Rail Authority
Minutes – February 19, 2025 – 9:30 A.M.
Sibley County Government Center, Gaylord, MN.

Members Present: Commissioners Steve Saxton, Bob Van Hee, Jon Robinson, Ron Antony, John Fahey, Chuck Steffl – Shipper.
Guests: Dave McKenzie – Bollig Engineering, Greg Graham, Lucas Geadelmann, – TCW, Duane Fredrickson, Bob Poppoff, Gary Scharfencamp
Staff: MVRRA Staff - Kenzie Taylor, Don Lannoye

1. **Chair Steve Saxton** called the meeting to order at 9:30 a.m.
2. **There was 1 addition** to the agenda. Duane Fredrickson would like to speak to the board. A motion was made by Commissioner Antony, 2nd by Commissioner Fahey and carried to approve the newly set agenda.
3. **Minutes.** The minutes of the January 15, 2025 meeting were presented. Motion to approve the minutes by Commissioner Robinson, 2nd by Shipper Steffl. Motion passes.
4. **New Business**
 - a. **Duane Fredrickson/CCOM:** discussed a topic that had previously been addressed at the December 18th meeting, where it was decided that the lease format currently in place would be used for two new locations of billboards in Gaylord. Duane sought clarification to ensure the lease agreement followed the same terms, setbacks, and conditions as those used in previous locations, such as Green Isle and Arlington. His concern was avoiding delays, as the ground was still frozen, making construction easier compared to when thawed conditions could create difficulties. The board reiterated that all agreements will be processed through Rail Pros, as per their established procedure. While Duane hoped to expedite the process, the board emphasized the importance of treating all applicants consistently by sticking to Rail Pros' application and approval process. It was noted that previous attempts to bypass this system had led to complications, reinforcing the decision to continue using Rail Pros for lease approvals. Ultimately, the board decided that once the lease agreement was finalized and approved through the proper channels, the board chair could authorize the project to proceed without requiring another formal meeting. This ensures that construction can move forward while maintaining oversight and adherence to standard procedures.
 - b. **City of Franklin:** The City of Franklin is planning improvements to a memorial along Highway 19, including concrete work for a curb, sidewalk, and patio. They need to determine the required clearance from the railroad. The board noted that the necessary setback varies by location and must be verified through historical property records. The general clearance requirement is 25 feet from the center of the nearest track, but the exact property boundaries must be confirmed. Dave will review old maps to determine ownership. Contact information will be exchanged to facilitate further coordination.
 - c. **Excel Energy:** Xcel Energy is requesting written permission to use an existing railroad crossing for temporary access related to a substation project. The board agreed there were no objections, as the crossing is already in place. It was noted that most wouldn't typically request permission for such use, but the company wanted formal approval. The board determined a letter granting permission will be sent.
 - d. **Omega Application:** An application from Xcel Energy (Northern States Power) was submitted through Omega. There is no fee since it falls under an existing master agreement. The application is for an aerial transverse wireline crossing consisting of three wirelines at Mile Post 51.21. A motion was made by Commissioner Antony, 2nd by Shipper Steffl. Motion passes.
5. **Rehab Committee:** An RFP was issued for the bridge study, and three consultant proposals were received from CDI, TKDA, and SEH. The selection was based on qualifications rather than cost, with rankings considering project management experience, expertise, and past work with the rail authority. After discussion, the board leaned toward CDI due to their responsiveness, ability to meet tight deadlines,

and strong track record with previous projects, such as the Minnesota River and Sulphur Lake bridges. A motion to award the contract to CDI, with an additional motion authorizing signatures on the agreement by Commissioner Fahey, 2nd by Commissioner Robinson. Motion passes. The next steps involve notifying the other consultants and proceeding with phase one, with phase two (final design and bid preparation) to be negotiated later.

6. **Don Lannoye:** discussed rules for remote meetings. If a board member wishes to attend remotely, all participants must be able to see and hear each other, requiring a screen setup at the meeting site. At least one person must be physically present at the official meeting location. Roll call voting is mandatory for remote participation. Remote participants also must be in a publicly accessible location, which must be posted at least three days in advance. The board reviewed changes to the bylaws, including a new section, which establishes standing committees for rehab, budget, and legislative matters. Additional committees may be created as needed. A discussion took place regarding the possibility of providing a per diem or stipend for the board chair. The board is awaiting clarification from the auditors before making a final decision. The board will wait for further guidance before setting an official amount.

7. **Administrative Report:**

a. **MCIT Appraisal:** The MCIT is in phase three of its five-year building appraisal process. As part of this, the Morton shop building is scheduled for appraisal on February 24th. Greg has confirmed that everything is set for the appraisal to proceed.

b. **CRISI Grant:** The NEPA process is progressing, with coordination letters sent to tribal communities. So far, the only response received has been a request for the full cultural resources report. Engineering work on the endangered species review has begun. CDI is developing the preliminary design and evaluating multiple options to determine the least intrusive solution. The team hopes the FRA will approve the proposed route. Quarterly reimbursements are being processed, with the next one—around \$20,000–\$25,000—scheduled after the March meeting. Additionally, the finalized agreement for the IJA match grant has been received. A meeting will be scheduled to determine the reimbursement process, as this type of grant is new to their system.

8. **Financial Report:**

a. **Kenzie:** presented the monthly payables for approval along with the Budget vs Actual as of 2/17/2025, the balance sheet as of 2/17/2025, the MAGIC Fund account register and the ICS account register. A motion was made by Shipper Steffl, 2nd by Commissioner Robinson, and carried to approve the financials.

9. **Operator Report:**

a. **Greg Graham** informed the board that cold weather inspections have been ongoing, and crews are preparing equipment for spring. Tree and brush clearing will resume next week for better crossing visibility. A bridge inspection was conducted, and while material delays suggest work won't start until April, everything is set to proceed. An incident occurred in Winthrop when a grain bin collapsed onto the tracks, tipping 33 tank cars. Fortunately, all tank cars were empty. Cleanup efforts lasted several days. Cleanup crews managed to clear the site, though some track repairs and tamping will be needed in spring, further updates will follow.

b. **Jace Whitcomb:** In January, MPLI moved 811 carloads vs a budget of 776, up 35 carloads. MPL had a good month moving grain out of Redwood Falls. Ethanol plant moved five ethanol trains and three DDG sweep trains, MPLI saw a strong month of inbound fertilizers that was received between CRC in Fairfax and UFC in Winthrop. We have had a few inquiries on storage that we are trying to land, nothing definite yet.

10. **Mike Beard:** Nothing to report

11. **2025 Meeting Dates** will be posted on our website and are included on the agenda for board members to add to their calendars.

12. **Adjournment** – Meeting was adjourned at 10:42 a.m.

Date: 3-19-25 Signature: Steve Danton