

U.S Department of Transportation
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Washington, DC 20590
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News

FRA 14-20

Monday, September 28, 2020 Contact: FRA Public Affairs

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U.S. Transportation Secretary Elaine L. Chao Announces Over \$5.6 Million for Rail Capital Projects in South Dakota

WASHINGTON – The U.S. Department of Transportation's Federal Railroad Administration (FRA) has selected five projects in two states to receive more than \$6.9 million in Special Transportation Circumstances (STC) Grants made available by the Consolidated Appropriations Acts of 2019 and 2020. This includes \$5,670,000 in directed grant funding for three projects in South Dakota. The STC Grants are for state-specific rail capital projects.

"This more than \$5.6 million federal investment will upgrade rail infrastructure and enhance rail safety in communities across South Dakota," said U.S. Transportation Secretary Elaine L. Chao.

The following projects were selected in South Dakota:

South Dakota — Dakota, Missouri Valley & Western Rail Improvement Up to \$1,870,000

South Dakota Department of Transportation

The proposed rural freight rail capital project consists of several track improvements between mile post 115.5 and 74.6 located approximately between Britton and Aberdeen, South Dakota, including replacing approximately 20,450 ties, removing and replacing old anchors, adding ballast, and making repairs to two railroad bridges. These improvements will make the state-owned track safer and more efficient for lessee Dakota, Missouri Valley & Western Railroad.

South Dakota — Midland Rail Improvement Project Up to \$2,240,000

South Dakota Department of Transportation

This proposed rural freight rail capital project will replace approximately four miles of main line Rapid City Pierre & Eastern rail between milepost 530 and milepost 534, between Fort Pierre and Rapid City passing through Midland, South Dakota. Current rail is lightweight, obsolete and approaching 100 years old. Replacing the rail will improve track geometry and reduce internal defects and breakage thereby reducing derailment risk.

South Dakota — Mitchell-Rapid City Meet and Pass Siding Up to \$1,560,000

South Dakota Department of Transportation

This proposed rural Brule County freight rail capital project will construct a new, approximately 10,000-foot rail siding east of Highway 45 near the Gavilon grain elevator on the Dakota Southern Railway mainline east of Kimball, South Dakota. The siding increases capacity and decreases delays. The siding will be located on property half of which is currently owned by the state. The other half of the project right-of-way will be acquired with funding outside of this grant. The grantee will clarify how this acquisition will be accomplished prior to grant obligation.

"We're pleased to support the South Dakota Department of Transportation's work to improve the state's rail system and look forward to seeing these changes," said FRA Administrator Ronald L. Batory. "A healthy rail system is vital to a strong U.S. economy, and grants allow FRA to contribute to sustaining and improving this important transportation network."

The Fixing America's Surface Transportation (FAST) Act authorized the STC Grants, which provide directed grant funding appropriated for the Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program and the Restoration and Enhancement (R&E) Grant Program for rail capital projects. The projects are specific to certain states that lack intercity passenger rail service or are not connected to the national rail system.

Federal funding awarded for STC Grants must not exceed 80 percent of the total project cost. The required 20 percent non-Federal share may comprise public sector—state or local—or private sector funding, or both.

The Notice of Funding Opportunity (NOFO) soliciting applications for this round of STC Grants was published in the *Federal Register* on May 8, 2020. The NOFO made available more than \$5,670,000 for South Dakota and \$1,242,600 for Alaska.

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