

**RESOLUTION TO THE SURFACE TRANSPORTATION
BOARD OF THE PETITION OF THE STATE OF SOUTH DAKOTA
FINANCE DOCKET NO. 35081**

WHEREAS, Pennington County is located on the western edge of the State of South Dakota and is the economic center of Western South Dakota and includes vast agricultural areas on its prairies and forests in the central Black Hills; and

WHEREAS, Pennington County includes Rapid City, the second largest city in South Dakota which is a wholesale, retail, and commercial center with business and agricultural needs for rail services upon which it depends; and

WHEREAS, the County has many grain producers, a cement manufacturer, saw mills, wholesalers and distributors which depend upon rail services to deliver their materials and products and to receive shipments from outside the State of South Dakota; and

WHEREAS, the Canadian Pacific Railroad owns and operates the only west to east statewide railroad service which provides service to Rapid City and Pennington County, South Dakota, with connections to Eastern South Dakota and beyond to the central and eastern United States, especially the major grain markets and commercial manufacturing centers; and

WHEREAS, the CP also owns and operates the railroad line from Colony, Wyoming to Rapid City, South Dakota, which provides rail service to ship bentonite from the mines at Colony, Wyoming east across South Dakota to eastern markets; and

WHEREAS, many businesses, both agricultural and commercial, depend upon reliable rail services to serve their needs in Pennington County; and

WHEREAS, the maintenance and improvement of the CP line from Rapid City, South Dakota to Tracy, Minnesota is vital to its continued operation; and

WHEREAS, the Honorable Dennis Daugaard, Governor of the State of South Dakota, has petitioned the Surface Transportation Board to require the CP to demonstrate compliance with the commitments which it may for capital improvements and safety compliance on that railroad trackage in South Dakota at the time of the purchase thereof from the Dakota Minnesota and Eastern (DME) Railroad; and

WHEREAS, the portion of the CP railroad line from Rapid City to Ft. Pierre, South Dakota, which is part of the CP line is a vital connection to Eastern South Dakota and markets beyond which line must be maintained as it is so important to Pennington County and the Black Hills region of South Dakota; and

WHEREAS, when the CP acquired the DME railroad in South Dakota, it made commitments to expend capital sums to improve the railroad lines; and

WHEREAS, such maintenance is vital to the continuation of rail service to Western South Dakota in Pennington County.

NOW, THEREFORE, the Pennington County Commission does hereby adopt, in its entirety, the Petition of the State of South Dakota endorsing the same with the unqualified support to the prayer for relief set forth therein; and

Does direct its administrator to prepare and furnish a certified copy of this Resolution for submission to the Surface Transportation Board of the United States in such proceeding now known as Canadian Pacific Railway Company, et al. - Control - Dakota, Minnesota & Eastern Railroad Corp., et al, Finance Docket No. 35081.

Adopted by a _____ vote this _____ day of August, 2013.

PENNINGTON COUNTY
COMMISSION

Lyndell Petersen, Chairman

ATTEST:

Julie Pearson, County Auditor