



**ITASCA COUNTY  
REGIONAL RAILROAD AUTHORITY**

Itasca County Courthouse  
123 NE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
(218) 327-2847



Tuesday, April 13, 2021

2:00 PM

Itasca County Boardroom

**FINAL**

**REGULAR SESSION MINUTES**

**I. CALL TO ORDER**

Chair Ives called the meeting to order at 2:00 PM.

| Attendee Name  | Title       | Status  | Arrived |
|----------------|-------------|---------|---------|
| Davin Tinquist | District #1 | Present | 2:00 PM |
| Terry Snyder   | District #2 | Present | 2:00 PM |
| Leo Trunt      | District #3 | Present | 2:00 PM |
| Burl Ives      | District #4 | Present | 2:00 PM |
| Ben DeNucci    | District #5 | Present | 2:00 PM |

**II. ADDITIONS/CORRECTIONS TO THE AGENDA**

**Motion To:** Approve the agenda, as presented.

|                  |                                                                 |
|------------------|-----------------------------------------------------------------|
| <b>RESULT:</b>   | <b>APPROVED (5 TO 0)</b>                                        |
| <b>MOVER:</b>    | Commissioner Terry Snyder                                       |
| <b>SECONDER:</b> | Commissioner Davin Tinquist                                     |
| <b>AYES:</b>     | Davin Tinquist, Terry Snyder, Leo Trunt, Burl Ives, Ben DeNucci |

**III. APPROVE OF MINUTES**

**Motion To:** Approve the minutes of the Tuesday, January 12, 2021 Regional Railroad Authority meeting.

|                  |                                                                 |
|------------------|-----------------------------------------------------------------|
| <b>RESULT:</b>   | <b>APPROVED (5 TO 0)</b>                                        |
| <b>MOVER:</b>    | Commissioner Leo Trunt                                          |
| <b>SECONDER:</b> | Commissioner Ben DeNucci                                        |
| <b>AYES:</b>     | Davin Tinquist, Terry Snyder, Leo Trunt, Burl Ives, Ben DeNucci |

**IV. DISCUSSION / INFORMATIONAL**

**1. Short Line Operations Overview**

Dave McKenzie provided an informational overview of rail line operations needed for the ICRRA tracks to Mesabi Metallica.

|                |                                        |
|----------------|----------------------------------------|
| <b>RESULT:</b> | <b>INFORMATIONAL - NO ACTION TAKEN</b> |
|----------------|----------------------------------------|

**2. Project Update**

No project update provided.

|                |                                        |
|----------------|----------------------------------------|
| <b>RESULT:</b> | <b>INFORMATIONAL - NO ACTION TAKEN</b> |
|----------------|----------------------------------------|

**V. ADJOURN**

Chair Ives adjourned the meeting at 2:26 PM.

**ATTEST**



Amanda Schultz  
Deputy Clerk of the County Board



Burl Ives  
Chair, Regional Railroad Authority



April 13, 2021

Chair:

**PULL:** None

**ADDITIONS:** None

**CHANGES:** None

**INFORMATIONAL:**

1. Item #4.1 – Additional Information

Amanda



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Tuesday, January 12, 2021

2:00 PM

Itasca County Boardroom

**DRAFT**

**REGULAR SESSION MINUTES**

**I. CALL TO ORDER**

Chair DeNucci called the meeting to order at 2:00 PM.

| Attendee Name  | Title       | Status  | Arrived |
|----------------|-------------|---------|---------|
| Davin Tinquist | District #1 | Present | 2:00 PM |
| Terry Snyder   | District #2 | Present | 2:00 PM |
| Leo Trunt      | District #3 | Present | 2:00 PM |
| Burl Ives      | District #4 | Present | 2:00 PM |
| Ben DeNucci    | District #5 | Present | 2:00 PM |

**II. ELECTION OF OFFICERS**

Chair DeNucci called for nominations for Chair of the Itasca County Regional Railroad Authority for the year 2021.

Commissioners Trunt and Tinquist nominated Commissioner Burl Ives. Commissioner Ives accepted the nomination.

After calling for more nominations, Chair DeNucci announced Commissioner Ives as Chair of the Itasca County Regional Railroad Authority for the year 2021.

The gavel was turned over to the new 2021 Chair, Commissioner Ives.

Chair Ives called for nominations for Vice-Chair of the Itasca County Regional Railroad Authority for the year 2021.

Commissioner Tinquist nominated Commissioner Terry Snyder. Commissioner Snyder accepted the nomination.

After calling for more nominations, Chair Ives called for the question.

**Motion To:** Cast a unanimous ballot for Commissioner Snyder as Vice-Chair of the Itasca County Regional Railroad Authority for the year 2021.

|                  |                                                                 |
|------------------|-----------------------------------------------------------------|
| <b>RESULT:</b>   | <b>APPROVED (5 TO 0)</b>                                        |
| <b>MOVER:</b>    | Commissioner Davin Tinquist                                     |
| <b>SECONDER:</b> | Commissioner Ben DeNucci                                        |
| <b>AYES:</b>     | Davin Tinquist, Terry Snyder, Leo Trunt, Burl Ives, Ben DeNucci |

**III. ADDITIONS/CORRECTIONS TO THE AGENDA**

**Motion To:** Approve the agenda, as presented.

|                  |                                                                 |
|------------------|-----------------------------------------------------------------|
| <b>RESULT:</b>   | <b>APPROVED (5 TO 0)</b>                                        |
| <b>MOVER:</b>    | Commissioner Terry Snyder                                       |
| <b>SECONDER:</b> | Commissioner Ben DeNucci                                        |
| <b>AYES:</b>     | Davin Tinquist, Terry Snyder, Leo Trunt, Burl Ives, Ben DeNucci |

**IV. APPROVE OF MINUTES**

**Motion To:** Approve the minutes of the November 10, 2020 Regional Railroad Authority meeting.

|                  |                                                                 |
|------------------|-----------------------------------------------------------------|
| <b>RESULT:</b>   | <b>APPROVED (5 TO 0)</b>                                        |
| <b>MOVER:</b>    | Commissioner Leo Trunt                                          |
| <b>SECONDER:</b> | Commissioner Davin Tinquist                                     |
| <b>AYES:</b>     | Davin Tinquist, Terry Snyder, Leo Trunt, Burl Ives, Ben DeNucci |

**V. DISCUSSION / INFORMATIONAL****1. Amendment 2 to the Car Storage Agreement with Progress Rail Leasing**

**Motion To:** Pending approval by the State of Minnesota, authorize the execution by ICRRA Chair and Clerk of amendment number 2 to the Car Storage Agreement with Progress Rail Leasing to extend the agreement to December 31, 2021.

|                  |                                                                 |
|------------------|-----------------------------------------------------------------|
| <b>RESULT:</b>   | <b>APPROVED (5 TO 0)</b>                                        |
| <b>MOVER:</b>    | Commissioner Ben DeNucci                                        |
| <b>SECONDER:</b> | Commissioner Terry Snyder                                       |
| <b>AYES:</b>     | Davin Tinquist, Terry Snyder, Leo Trunt, Burl Ives, Ben DeNucci |

**2. Rail Budget Update**

County Engineer Karin Grandia provided information to the Regional Railroad Authority with a budget update, including information regarding rail expenses through December 2020.

|                |                                        |
|----------------|----------------------------------------|
| <b>RESULT:</b> | <b>INFORMATIONAL - NO ACTION TAKEN</b> |
|----------------|----------------------------------------|

**3. Project Update**

County Attorney Matti Adam reported that the civil lawsuit by the County to recover funds expended through the grants has been settled and approved by the Court, and that the County Auditor/Treasurer has confirmed receipt of the payment in the amount of \$225,000 to replenish the Railroad Authority fund.

|                |                                        |
|----------------|----------------------------------------|
| <b>RESULT:</b> | <b>INFORMATIONAL - NO ACTION TAKEN</b> |
|----------------|----------------------------------------|

**VI. ADJOURN**

Chair Ives adjourned the meeting at 2:24 PM.

**ATTEST**

\_\_\_\_\_  
Amanda Schultz  
Deputy Clerk of the County Board

\_\_\_\_\_  
Burl Ives  
Chair, Regional Railroad Authority



**ITASCA COUNTY  
REGIONAL RAILROAD AUTHORITY**

Itasca County Courthouse  
123 NE 4th Street  
Grand Rapids, MN 55744

**IV.1.**

Tuesday, April 13, 2021

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**REQUEST FOR BOARD ACTION: RBA-2021-1509**

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**DEPARTMENT:** Transportation

**TIME REQUESTED:** 10 Minutes

**PRESENTER:** Karin Grandia

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**AGENDA ITEM:**

Short Line Operations Overview

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**BOARD ACTION REQUESTED:**

Informational

**BACKGROUND:**

Dave McKenzie will be available via phone to provide overview of rail line operations needed for the ICRRRA tracks to Mesabi Metallics.

- When the Nashwauk project started 20 years ago, the goal of both the plant owners and Itasca County was to provide the most efficient railroad operation at the low cost to make the product more competitive. The design was driven by allowing access by two large railroads (BNSF and CN) to allow for competitive rates. CN (DMIR) has an existing agreement with BNSF that allows for them to operate on the BNSF track and originate traffic. This would be the only taconite plant that has two railroad access. In order to keep options open, ICRRRA obtained approval from the Federal government (the Surface Transportation Board) to operate this track as a railroad not just an industrial spur.
- In 2006, ICRRRA solicited proposals from qualified shortline operators to provide a turnkey operation to handle all switching, car hire and track maintenance issues with ICRRRA receiving a rent check. ICRRRA received 12 proposals and the list was narrow to 5 finalists and then two were selected to be interviewed. All of the 12 had shortline experience. (Minnesota Northern submitted a proposal but was not a finalist)
- Anacostia & Pacific Corp was selected as the best provider. ICRRRA and APCI had a letter of understanding but MSI/Essar kept changing the schedule and proposed operation that a formal agreement was delayed for a few years. When it was apparent that a steel mill was not going to be part of the plant, APCI made a corporate decision that there was not enough traffic for them to be the operator. Since then a shortline operator has been on hold until Essar provides details on their needs.
- The train operations for a steel mill are completely different from a taconite plant. A rail car loading operation for a steel mill requires a 24/7 hour operation with lots of switching of cars. A taconite plant is primarily a unit train operation where a train is loaded within a few hours with minimal switching. Additives such as limestone and bentonite may be needed for taconite but the quantity is about 10% of the taconite volume. The original plan was not to ship any taconite, only steel.
- Mesabi Metallics(MM) will be negotiating the long haul agreement with either the BNSF or CN. They each operate differently with different harbors, storage facilities and size of rail cars. BNSF has indicated a preference to use their own crews and power to load a taconite

train in about 2 hours. CN has not shared their operating plan. How the limestone and bentonite is delivered is still unknown. Negotiating an operating agreement with the BNSF and CN is a time consuming task and ideally only one railroad is selected. by MM.

- ICRRA is waiting until MM provides ICRRA with a schedule, needs and quantities so a shortline solicitation can be sent out.
- Over the last 5 years, at least 5 companies have approached ICRRA or me about operating the line. The answer is always be patience and a solicitation will be sent out.
- The State has approval for any lease agreement. A lease checklist will need to be completed.

**SUPPORTING DOCUMENTATION:**

1. Exhibit A-Trackage Rights Agreement
2. LocationMap\_railcorridor\_Iatasca

**RESULT:**

**INFORMATIONAL - NO ACTION TAKEN**



0+00(W) = 1055+11(BNSF), MP 19.79 NO. 11 TURNOUT  
1+85(W) 14' CLEARANCE POINT END BNSF OWNERSHIP  
6+27(W) 50' RIGHT OF WAY LINE

39+72(W) = 24+05(E) NO. 11 TURNOUT  
40+85(W) NO. 11 TURNOUT INTERCHANGE TRACK

125+00 END ON  
INTERCHANGE LIMITS  
120+09(W) NO. 11  
TURNOUT INTERCHANGE  
TRACK

TO GUNN

EAST WYE

WEST WYE

0+00(E) = 1010+00(BNSF) MP 18.84 NO. 11 TURNOUT  
1+84(E) 14' CLEARANCE POINT, END BNSF OWNERSHIP  
4+66(E) 50' RIGHT OF WAY LINE

BNSF M/L (CASCO SUBDIVISION LS 237)

TO BROOKSTON

409+50 END ICRA TRACK  
NO. 11 TURNOUT  
390+09 NO. 9 TURNOUT  
STORAGE TRACK

345+32 NO. 9 TURNOUT  
STORAGE TRACK

#### LEGEND

- BNSF OWNED & MAINTAINED
- ICRRA OWNED & MAINTAINED ON BNSF PROPERTY
- INDUSTRY OWNED AND MAINTAINED TRACKS

ICRRA OWNED & MAINTAINED ON ICRRA PROPERTY:

- LEAD TRACK
- INTERCHANGE TRACKS
- STORAGE TRACKS



## ITASCA COUNTY REGIONAL RAILROAD AUTHORITY TACONITE - NASHWAUK, MN EXHIBIT A - TRACKAGE RIGHTS AGREEMENT

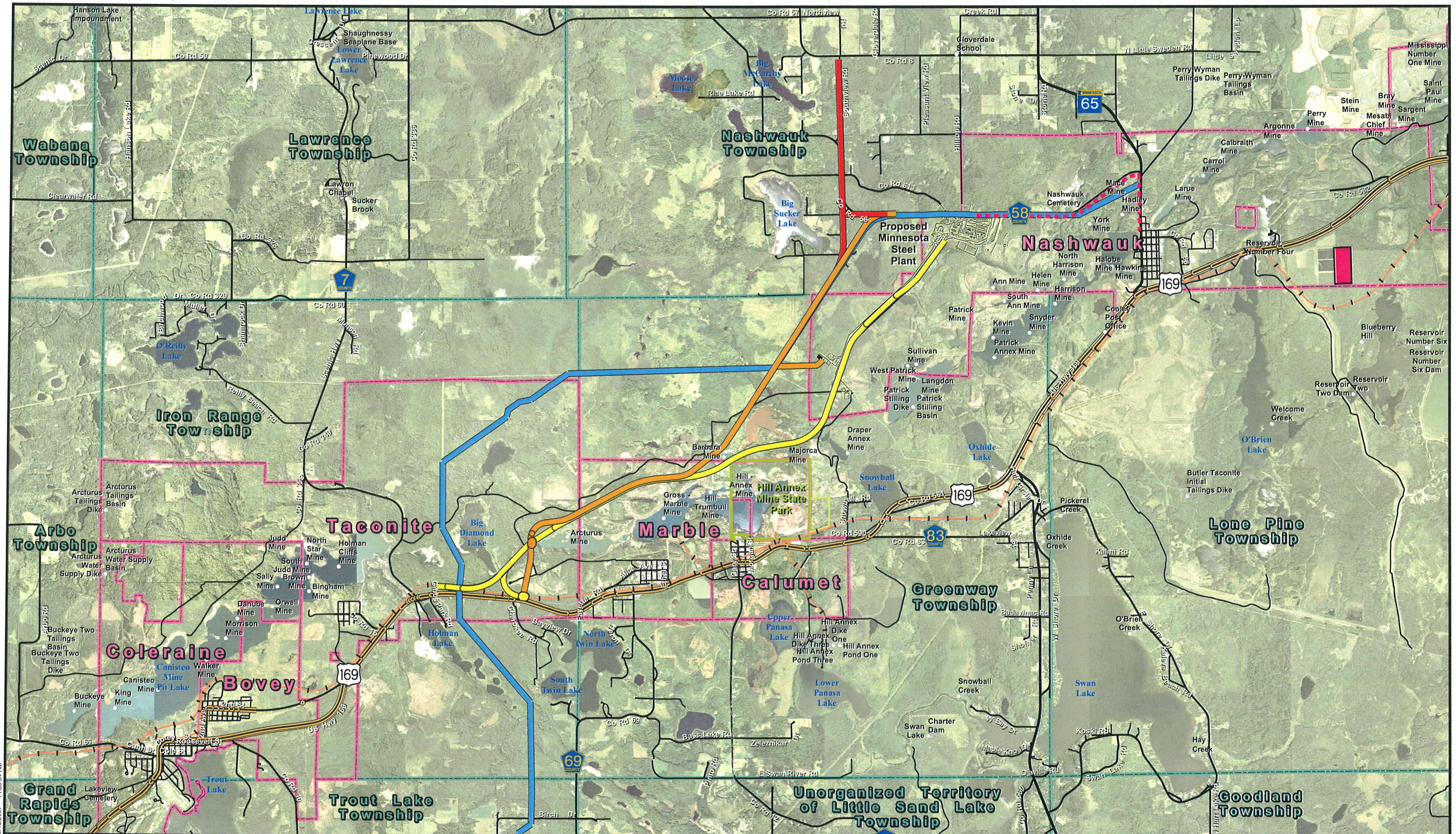
\$TIMES

\$DATE\$

\$MODEL\$

\$FILE\$

Map Document: (S:\E\Illas070100\GIS\Itasca County MN Steel Proposed Infrastructure Improvements 11x17 L.mxd)  
9/18/2007 11:53:54 AM



3535 VADNAIS CENTER DR.  
ST. PAUL, MN 55110  
PHONE: (651) 490-2000  
FAX: (651) 490-2150  
WATTS: 800-325-2055  
www.sehinc.com

Project Number  
AITASC0701.00

September 2007

#### Legend

- Old MN Steel Plant Layout
- Proposed Railroad
- Proposed Road Alignment - Option 1
- Proposed Road Alignment - Option 2

- Nashwauk PUC Proposed Gas Pipeline
- Proposed Sewer & Water
- Proposed WWTF Expansion
- Existing Railroads
- U.S. 169

#### Existing Roads (Jurisdiction)

- MN/DOT
- COUNTY
- TOWNSHIP
- MUNICIPAL
- PRIVATE

- COUNTY FOREST
- MN/DNR
- USFS
- UNKNOWN
- NODATA

- Geographic Names
- Municipal Boundaries
- Civil Township Boundaries
- State Park Statutory Boundary
- Additional Park Lease Area

Source: NAIP 2006, Mn/DOT, USGS, Itasca County, Barr, MN Steel, and SEH.  
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Itasca County  
MN Steel  
Public Infrastructure

MN Steel  
Proposed Infrastructure  
Improvements

Itasca County - South  
Coordinate System





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REGIONAL RAILROAD AUTHORITY**

Itasca County Courthouse  
123 NE 4th Street  
Grand Rapids, MN 55744

Tuesday, April 13, 2021

**IV.2.**

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**REQUEST FOR BOARD ACTION: RBA-2021-1333**

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**DEPARTMENT:** Administrative Services

**TIME REQUESTED:** 5 Minutes

**PRESENTER:** Brett Skyles, Matti Adam

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**AGENDA ITEM:**

Project Update

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**BOARD ACTION REQUESTED:**

None anticipated.

Informational update on any/all current issues involving projects.

**BACKGROUND:**

**SUPPORTING DOCUMENTATION:** None

**RESULT:**

**INFORMATIONAL - NO ACTION TAKEN**