

SOUTH DAKOTA TRANSPORTATION COMMISSION MEETING MINUTES

Thursday, January 29, 2025 at 9:00 a.m. CDT

Becker-Hansen Building/Commission Room - 700 East Broadway Avenue, Pierre, South Dakota

COMMIONER PRESENT: Lynn Jensen
Vice Chairman Austin Simons
Ron Rosenboom
Mike Vehle
Larry Nelson (joined at 9:33 a.m.)
Chris Frick

**COMMIONER PRESENT
VIA CONFERENCE CALL:** Don Roby, Chair
Rick Vallery (joined at 9:03 a.m.)

DOT STAFF PRESENT: Mike Behm, Craig Smith, Kellie Beck, Karla Engle, Mark Leiferman, Joanne Hight, John Keyes, Christina Bennett, Becky Hoffman, Rachel Soulek, and Kari Kroll

**DOT STAFF PRESENT
VIA CONFERENCE CALL:** Joel Jundt, Mark Peterson, Travis Dressen

**OTHERS PRESENT
VIA CONFERENCE CALL:** Jason Reaves – South Dakota Chapter/American Concrete Pavement Association; Chad Abel – City of Lemmon; and Craig Mizera – HDR, Inc.

Chairman Roby called the meeting of the South Dakota Transportation Commission (the “Commission”) to order at 9:00 a.m. CT. A roll call was taken and a quorum was present (Roby, Jensen, Simons, Rosenboom, Vehle, and Frick).

Roby turned the gavel over to Vice-chairman Austin Simons to lead the meeting.

Simons opened the floor to the Commission members to disclose potential conflicts of interest and to present requests for waiver pursuant to South Dakota Codified Law (SDCL) chapters 3 – 23.

Commissioner Ron Rosenboom reminded the Commission of a previously disclosed and waived conflict of interest regarding matters involving the City of Lemmon. He indicated his intention to recuse himself from consideration of the City of Lemmon’s request to modify its State Infrastructure Bank (SIB).

No other members of the Commission disclosed a conflict or requested a waiver.

Commissioner Rick Vallery joined the meeting at 9:03 a.m.

Austin opened the floor to the election of Commission officers. Commissioner Lynn Jensen nominated Vice-chairman Austin Simons for Chairman.

A MOTION WAS MADE by Vehle and seconded by Rosenboom to cease nominations. All present voted aye by roll call vote. The motion carried.

All present except Simons voted in favor of Simons' election as Chair, which will take effect at the next Commission meeting.

Commissioner Mike Vehle nominated Commissioner Chris Frick for Vice-chairman. No other nominations were offered.

All present except Frick voted in favor of Frick's election as Vice-chair, which will take effect at the next Commission meeting.

Simons asked for a motion to approve the December 18, 2025, Commission meeting minutes.

A MOTION WAS MADE by Rosenboom and seconded by Jensen to approve the December 18, 2025, Commission meeting minutes. All present voted aye by roll call vote. The motion carried.

Simons opened the floor to public input.

No members of the public addressed the Commission or offered any input.

Secretary Jundt presented the following items to the Commission in his Secretary's Report:

- **Federal:** The current Continuing Resolution (CR) for the federal FY26 appropriation funding is set to expire on January 30, 2026. The House has passed all appropriation bills. The Senate still has several to consider. If all bills are not passed and approved by the President by Friday, January 30, 2026, Congress will either pass another CR or there will be another federal government shutdown.
- **Agency Bills before the South Dakota Legislature:** Three of the four agency bills have passed the Senate and will head to the House for consideration. The only bill that didn't get passed was SB70 which was to combine the Aeronautics Commission, State Railroad Board, and Transportation Commission into a single body. The South Dakota Pilots Association was the most vocal opponent to the bill.
- **Mr. Smith:** Darrell Smith and his daughter addressed the Commission regarding a land issue at the December meeting. Jundt shared that the Department of Transportation (the "Department")

has kept communication open with Mr. Smith and will continue to work to find common ground and resolve the issues of concern.

- **Lemmon SIB Loan Request:** He reminded the Commission of the tabling of the SIB loan increase from the City of Lemmon and asked the Commission to consider removing that item from the table when that agenda item is considered.

Craig Smith, Division Director of Operations, noted he had two items on the agenda. The second item, which was consideration of proposed price changes in the schedule for miscellaneous items, was withdrawn due to delays by the federal government. Once the federal government completes its work, the Division of Operations will be prepared to submit this item for Commission consideration.

Smith then presented the following informational Construction Change Orders (CCO) to the Commission.

CCOs completed in December contain a decrease of \$658,555.78. Over the past 12 months, the total change to the original contract amounts has increased by 1.79%.

The following projects have a CCO with a change of more than \$100,000 or a change of more than 25.0% to the contract.

ABERDEEN REGION

1. Project: NH 0012(281)233, Edmunds County, PCN 06PV
Location: US12 from Bowdle to Roscoe
Contractor: Anderson Western, Inc.
Type of Work: Cold milling, asphalt concrete resurfacing, pipe work

Original Contract Amount:	\$	5,386,859.21
\$ Change on CCO No. 2F:	\$	(397,632.58)
% Change on CCO No. 2F:		7.4%
Net Change to Date:	\$	(386,418.18)

Explanation of Change on CCO No. 2F: This decrease is the result of SDDOT adjusting contract quantities to match as built quantities considered normal for a resurfacing job and removing items that were unnecessary. In addition, SDDOT applied quality and smoothness disincentives and fuel cost adjustments in accordance with the contract.

2. Project: NH 0014(242)363, Kingsbury County, PCN 079E
Location: US14 from Iroquois to De Smet, De Smet to 2.4 miles west of Lake Preston
Contractor: Central Specialties, Inc.
Type of Work: Rubilize PCC pavement, asphalt concrete surfacing, pipe work, approach slabs, polymer chip seal, weigh-in motion, modify intersection

Original Contract Amount: \$ 16,118,821.11
\$ Change on CCO No. 2: \$ (111,469.46)
% Change on CCO No. 2: 0.7%
Net Change to Date: \$ (71,496.96)

Explanation of Change on CCO No. 2: This decrease is the result of SDDOT removing three 300-foot sections that will not require full depth reclamation as indicated in the plans.

3. Project: NH-CR 0012(311)343, Day & Roberts County, PCN 08XQ
Location: US12 from Webster east to I-29
Contractor: Asphalt Paving & Materials Company
Type of Work: Cold milling, asphalt concrete resurfacing of shoulders

Original Contract Amount: \$ 3,996,658.14
\$ Change on CCO No. 3: \$ (254,687.92)
% Change on CCO No. 3: 6.4%
Net Change to Date: \$ (238,307.37)

Explanation of Change on CCO No. 3: This decrease is the result of SDDOT adjusting contract quantities to match as built quantities. Base course for the backfilling of estimated dig outs was not required and the plans estimated target asphalt binder content was 3.5% but the contractor furnished and SDDOT reviewed and approved target was 2.5%.

4. Project: NH-CR 0012(311)343, Day & Roberts County, PCN 08XQ
Location: US12 from Webster east to I-29
Contractor: Asphalt Paving & Materials Company
Type of Work: Cold milling, asphalt concrete resurfacing of shoulders

Original Contract Amount: \$ 3,996,658.14
\$ Change on CCO No. 5: \$ (140,927.94)
% Change on CCO No. 5: 3.5%
Net Change to Date: \$ (370,106.61)

Explanation of Change on CCO No. 5: This decrease is the result of SDDOT adjusting contract quantities of pavement markings to match the as built quantities. Through site variations, areas of pavement markings were unnecessary and removed from the project.

5. Project: P-PH 0025(76)132, Clark County, PCN 04KU
Location: SD25 from north of the northern junction of SD28 north 6.3 miles
Contractor: Midland Contracting, Inc.
Type of Work: Grading, interim surfacing

Original Contract Amount:	\$	6,968,265.55
\$ Change on CCO No. 6:	\$	(307,081.29)
% Change on CCO No. 6:		4.4%
Net Change to Date:	\$	(377,919.69)

Explanation of Change on CCO No. 6: This decrease is the result of SDDOT adjusting contract quantities to match as built quantities and removing items deemed unnecessary to the project.

MITCHELL REGION

6. Project: IM-B-CR 2292(101)3, Minnehaha County, PCN 05HN
Location: I-229 Exit 4 (Cliff Avenue)
Contractor: T & R Contracting, Inc.
Type of Work: Grading, PCC surfacing, structures

Original Contract Amount:	\$	48,026,131.12
\$ Change on CCO No. 7:	\$	232,862.07
% Change on CCO No. 7:		0.5%
Net Change to Date:	\$	679,972.06

Explanation of Change on CCO No. 7: This increase is the result of SDDOT adjusting the associated quantities of shoulder widths, pavement slopes, shoulder thickness, and joint layouts to improve constructability and safety on the project.

7. Project: IM-EM-NH-TA 0909(46)406, Minnehaha County, PCN 4433
Location: I-90 Exit 406 (Brandon)
Contractor: T & R Contracting, Inc.
Type of Work: Interchange reconstruction, replace structure, lighting, PCC surfacing

Original Contract Amount:	\$	41,275,125.06
\$ Change on CCO No. 13:	\$	223,192.10
% Change on CCO No. 13:		0.5%
Net Change to Date:	\$	1,197,930.89

Explanation of Change on CCO No. 13: This increase is the result of SDDOT compensating the contractor for extra work for cold weather heating costs on Str. 50-275-165 required due to an excusable time delay on the project. Additional heating costs were incurred ensuring frost free surfaces during the production of Redi mix concrete and for protection from freezing during curing.

8. Project: PT 0905(117)261, Lyman County, PCN 080A
Location: I-90, 1 mile east of Oacoma
Contractor: Menning Excavation, Inc.
Type of Work: Partial pipe replacement, pipe cleanout

Original Contract Amount:	\$	932,669.86
\$ Change on CCO No. 1:	\$	125,000.00
% Change on CCO No. 1:		13.4%
Net Change to Date:	\$	125,000.00

Explanation of Change on CCO No. 1: This increase is the result of SDDOT compensating the contractor for an incentive payment for opening the road to two lane traffic before the interim completion date in accordance with the contract.

9. Project: P-PH 0052(08)332, Yankton County, PCN 05ET
Location: SD52 from the western junction of SD50 to Summit Street in Yankton
Contractor: Central Specialties, Inc.
Type of Work: Shoulder widening, asphalt concrete surfacing, bridge maintenance, permanent vehicle classification system

Original Contract Amount:	\$	15,017,076.93
\$ Change on CCO No. 5:	\$	(495,582.52)
% Change on CCO No. 5:		3.3%
Net Change to Date:	\$	(575,219.22)

Explanation of Change on CCO No. 5: This decrease is the result of SDDOT adjusting contract quantities to match as built quantities normal for a surfacing job.

PIERRE REGION

10. Project: P 0044(212)172, Mellette County, PCN 04X0
Location: SD44 from SD63 to the north junction of US83
Contractor: Bituminous Paving, Inc.
Type of Work: Full depth reclamation, asphalt concrete surfacing, gravel surfacing, modify intersection, pipe work

Original Contract Amount:	\$	21,444,089.86
\$ Change on CCO No. 15:	\$	(114,504.40)
% Change on CCO No. 15:		0.5%
Net Change to Date:	\$	1,035,454.17

Explanation of Change on CCO No. 15: This decrease is the result of SDDOT adjusting contract quantities to match as built quantities.

RAPID CITY REGION

There are no projects in this region that meet these criteria.

Becky Hoffman, Office of Project Development, presented to the Commission the following bid letting results:

January 21, 2026

Grading & Interim Surfacing

1	069D P-PT 0025(89)149 John Riley Construction, Inc. SD25 - Fm US212 N 9	Clark County \$7,535,591.12
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Cold Milling, Asphalt Concrete Resurfacing, Spot Grading, Structure (2-12x3 Precast RCBC), Lighting, Pipe Work

2	08GM, 09VC P 0044(233)406, IM 0292(99)59 CENTRAL SPECIALTIES, INC SD44 - Fm Lennox to I29; I29 - Exit 59 (Davis) Ramps	Lincoln County \$5,034,271.99
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Cold Milling, Asphalt Concrete Resurfacing, Pipe Work, Modify Intersection, Approach Slabs, Berm Repair, Lighting

3	06PR NH 0034(212)388 SPENCER QUARRIES INCORPORATED SD34 E & W - Fm the Beginning of the Divided Lanes in Madison to 462nd Ave	Lake County \$4,563,573.24
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Cold Milling & Asphalt Concrete Resurfacing

4	06Q9 P 0010(158)296 CENTRAL SPECIALTIES, INC SD10 - Fm E of the James River to W of Britton	Brown, Marshall County \$7,321,468.44
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A MOTION WAS MADE by Frick and seconded by Jensen to approve all January 21, 2026 bids presented by the Department. All present voted aye by roll call vote. The motion carried.

John Keyes, Program Manager for the Office of Right of Way, presented the following items for Commission consideration.

1. Request Transportation Commission approval to transfer by resolution to the City of Hot Springs, Fall River County, South Dakota, the following property acquired for the Department right of way:

Lot H2 in Lot 9 and Outlot 9a in Block 5 of Original Town of Hot Springs, Fall River County, South Dakota. (contains 0.11 acre)

Lot H2 in Lot 10, Outlot 10a, Lot 11, Outlot 11a, Lot 12 and Outlot 12a in Block 18 of Petty's Addition to Hot Springs, Fall River County, South Dakota. (contains 0.29 acre)

This resolution will meet requirements of project NH 0018(184)39, PCN 03TH agreements between the Department and the City of Hot Springs. The property described above would be transferred to the City of Hot Springs and the City of Hot Springs would accept ownership, jurisdiction, operational and maintenance responsibilities of the property. The Department's Rapid City Region and Custer Area recommend the transfer.

A MOTION WAS MADE by Jensen and seconded by Frick to approve the transfer to the City of Hot Springs. All present voted aye by roll call vote. The motion carried.

RESOLUTION #2026-1.1 was adopted.

2. Request Transportation Commission approval to abandon by resolution the following property acquired for highway right of way:

Lot A in Lot H2 in the NE1/4 SE1/4 of Section 15, Township 92 North, Range 52 West of the 5th P.M., Clay County, South Dakota.

Lot A is located along Hwy 19 near the Hwy 50 intersection on the west side of Vermillion. The Department's Mitchell Region and Yankton Area advise the above property is no longer needed for highway purposes and recommend abandonment.

A MOTION WAS MADE by Frick and seconded by Rosenboom to approve the abandonment in Clay County. All present voted aye by roll call vote. The motion carried.

RESOLUTION #2026-1.2 was adopted.

Commissioner Larry Nelson joined the meeting at 9:33 a.m.

3. Request Transportation Commission approval to grant a 30-foot-wide 115V transmission line permanent utility easement to East River Electric of Madison, South Dakota, within the following the Department's property:

Lot BP in the NE1/4 of Section 2, Township 110 North, Range 55 West of the 5th P.M., Kingsbury County, South Dakota.

The property is located along Hwy 14 west of Lake Preston. East River Electric accepts liability and financial responsibility for the transmission line easement. All State and Federal guidelines will be followed during the construction. DOT Aberdeen Region and Huron Area recommend approval of the 115V transmission line permanent utility easement.

A MOTION WAS MADE by Vehle and seconded by Jensen to grant the permanent utility easement to East River Electric of Madison. All present voted aye by roll call vote. The motion carried.

RESOLUTION #2026-1.3 was adopted.

Mark Leiferman, Program Manager for the Office of Project Development, presented the following Statewide Transportation Improvement Program (STIP) revisions for the Commission's consideration:

FOR COMMISSION APPROVAL

(to add or delete a project in the 4-year construction STIP)

REV 26-010 This revision will delete a FY2026 Concrete Pavement Grinding project on Various Locations in the Mitchell Area in the Mitchell Region. (Sequence # 11, Page 45 in the 2026-2029 STIP Book).

FY 2026 Minus \$312,000

A MOTION WAS MADE by Jensen and seconded by Vallery to approve STIP REV 26-010. All present voted aye by roll call vote. The motion carried.

REV 26-011 This revision will split two reconstruction projects, US16/Promise Rd intersection (FY2026) and US16/US16B intersection (FY2027), into three separate projects.

Project 1 of 3 (FY2026) is the reconstruction of US16 and the frontage roads north of the future US16/US16B interchange and the grading of the interchange ramps with construction planned for 2026 & 2027;

Project 2 of 3 (FY2028) is the reconstruction of US16, including two bridges for the grade separation over US16B/Catron Blvd, frontage road south of the future US16/US16B interchange and the paving of the interchange ramps with construction planned for 2028 & 2029;

Project 3 of 3 (FY2030) is the reconstruction of US16B/Catron Blvd west to east of the future US16/US16B interchange, including the intersection of US16B/Catron Blvd/interchange ramps under the US16 bridges with construction planned for 2030 & 2031.

All projects are within the Rapid City Region. (Sequence #'s 630 & 649, Page's 147 & 149 in the 2026-2029 STIP Book).

FY 2026 Plus \$25,044,000

Original = \$9,287,000; Updated \$34,331,000

FY 2027 Minus \$78,882,000
Original = \$78,882,000; Updated \$0

FY 2028 Plus \$40,699,000
Original = \$0; Updated \$40,699,000

FY2030 Plus \$27,388,000
Original = \$0; Updated \$27,388,000

A MOTION WAS MADE by Rosenboom and seconded by Frick to approve STIP REV 26-011. All present voted aye by roll call vote. The motion carried.

INFORMATIONAL REVISIONS FOR THE COMMISSION

(work type change, cost update, move fiscal years within the 4-year construction STIP)

REV 26-012 This revision removed federal funding from a FY2026 Mill, AC Resurfacing project on SD18P - Fm SD471 to the E US18 Jct in the Rapid City Region. (Sequence # 259, Page 87 in the 2026-2029 STIP Book).

FY 2026 No Change

REV 26-SC-006 This revision added an additional location on US14A and increased the cost of a FY2026 Rockfall Mitigation project on US14A 10 miles south of Spearfish in the Rapid City Region. (Sequence #451, Page 120 in the 2026-2029 STIP Book).

FY 2026 Plus \$2,081,000
Original = \$520,000; Updated = \$2,601,000

REV 26-SC-007 This revision untied a FY2026 Mill, AC Resurfacing project on SD1806 from north of SD1806 P to Kenel from Shared Use Path projects along SD1806P and SD1806 from Wakpala to the Wakpala school entrance within the Pierre Region. (Sequence # 170, Page 72 in the 2026-2029 STIP Book).

FY 2026 No Change

REV 26-SC-008 This revision untied a Mill & AC Resurfacing, Pipe Work project on SD1806 from US18 north to the end of the pavement from Mill & AC Resurfacing projects on US18 from west of SD43 to US281, US281 from the NE State line to US18 and SD43 from the NE State line to US18. The Mill & AC Resurfacing, Pipe Work project on SD1806 is now tied to a Slide Repair, RCBC project on SD1806 near the Whetstone Recreation Area. (Sequence #'s 291 & 294 on Page 93 in the 2026-2029 STIP Book).

FY 2026 No Change

Mike Behm, Director of Planning & Engineering, presented for Commission consideration a request from the City of Lemmon to modify its SIB loan. Rosenboom recused himself and left the Commission table to sit in the gallery.

A MOTION WAS MADE by Vallery and seconded by Vehle to remove from the table the request by the City of Lemmon to modify its SIB loan. All present voted aye by roll call vote. The motion carried.

Mike Behm explained the changes requested by the City of Lemmon, which consisted of an increase in the SIB Loan to a total of \$3,000,000, for the expansion of the project to include additional street improvements consisting of 2nd Street East from Main Avenue to 2nd Avenue East. Interest would be at the rate of 1.5% compounded annually and amortized over ten years, instead of seven years. Behm discussed the City's debt service ratio and suggested the loan might be secured by a bond. Jundt discussed the possibility of securing the loan by a debt service reserve account.

Chad Able, Finance Officer from the City of Lemmon, spoke on behalf of the City of Lemmon. He reminded the commission that after the City received approval for a SIB loan of \$1.5 million for a smaller project, the City received only one bid that was 30% higher than estimated costs. He explained that increasing the project size may result in better and more bids. He added that because of the proposed increase in the project limits, the City was requesting to increase the loan from \$1.5 million to \$3 million and to extend the repayment term from seven years to ten years. He acknowledged that the City had provided the financial information and documentation the Commission requested when the loan modifications were previously considered.

The Commission noted that the City of Lemmon does not receive STBGP allocations, so those allocations are not available to secure the loan. The Commission discussed options to secure repayment of the loan, including bonding, a line of credit, and a debt service reserve account.

A MOTION WAS MADE by Jensen and seconded by Nelson to amend the SIB loan agreement with the City of Lemmon to provide a loan up to the total amount of \$3,000,000 for the projects consisting of 1st Street East from Main Avenue to 1st Avenue; 1st Avenue East from 1st Street East to 2nd Street East; and 2nd Street East from Main Avenue to 2nd Avenue East, with interest at the rate of 1.5% compounded annually and amortized and repaid over 10 years in annual installments and subject to the City of Lemmon establishing a debt service reserve account acceptable to the Department and a letter of credit in the amount of \$500,000 acceptable to the Department's legal counsel. All present voted aye by roll call vote. The motion carried.

With no further business to come before the Commission, Vice-chairman Simons declared the meeting adjourned at 10:47 a.m. CT.