

SOUTH DAKOTA TRANSPORTATION COMMISSION MEETING MINUTES

Thursday, May 25, 2023 at 9:00 a.m. CDT

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

COMMISSIONER PRESENT: Jaf Karim, Chairman
Lynn Jensen, Vice-chairman
Mike Vehle
Larry Nelson
Ron Rosenboom (left at 10:28 a.m.)
Don Roby

DOT STAFF PRESENT: Joel Jundt, Mike Behm, Craig Smith, Kellie Behm, Karla Engle, Mark Leiferman, Joanne Hight, Sam Weisgram, Becky Hoffman, Ryan Johnson, Andrew Dickenson, Sarah Moreno, Katlyn Wieme, and Kari Kroll

**DOT STAFF PRESENT
VIA CONFERENCE CALL:** Mark Peterson, Scott Rabern, Christina Bennett, and Joseph Sestak

OTHERS PRESENT: Toby Morris – Collier Securities; Brady Janzen – Riverview, LLP; Wallace Knock – Clark County Commission; Caleb Arceneaux – Liv Hospitality

**OTHERS PRESENT
VIA CONFERENCE CALL:** Kirk Fredrichs – Federal Highway Administration (FHWA)

Chairman Jaf Karim called the meeting of the South Dakota Transportation Commission (the “Commission”) to order at 9:00 a.m. CDT. A roll call was taken and a quorum was determined.

Karim 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.

No members of the Commission disclosed a conflict of interest nor requested a waiver.

Karim asked for a motion to approve the May 11, 2023 Commission meeting minutes.

A MOTION WAS MADE by Vehle and seconded by Jensen to approve the May 11, 2023 Commission meeting minutes. All present voted aye by voice vote. The motion carried.

Karim opened the floor to public input.

No members of the public addressed the Commission nor offered input.

Secretary Joel Jundt did not have a Secretary's Report

Jundt presented for Commission consideration right of way acquisition at the I-90 Service Road in Box Elder and the loan request from the City of Box Elder for design and construction of Hotel Way.

Toby Morris of Collier Securities presented the loan request on behalf of the City of Box Elder. Caleb Arceneaux of Liv Hospitality answered questions from the Commission.

A MOTION WAS MADE by Nelson and seconded by Jensen to authorize the allocation of \$2,600,000.00 to reimburse the City of Box Elder for the costs of design and construction of Hotel Way (DeGeest Drive) and to further authorize the expenditure of state highway funds for the State to acquire necessary right of way from the Board of Regents. The motion also authorizes a loan of \$1.5 million dollars to the City of Box Elder from the state highway fund for construction of Hotel Way (DeGeest Drive) under the following terms: The loan will be amortized over ten years and repaid with a final balloon payment on or before December 1, 2031. Simple interest will accrue at the rate of 1.5% per year. If the City of Box Elder fails to timely repay the loan, Department of Transportation (the "Department") may apply the City of Box Elder's Surface Transportation Block Grant program (STBGP) allocation to repayment of the loan and interest until these obligations are paid in full. All present voted aye by roll call vote. The motion carried.

Commissioner Rosenboom left the meeting at 10:28 a.m. CT.

Jundt presented for Commission consideration a loan request from Clark County for upgrades to County Road 17.

Toby Morris of Collier Securities presented the loan request on behalf of the Clark County. Brady Janzen of Riverview, LLP answered questions from the Commission on behalf of the Riverside Dairy and Wallace Knock answered questions from the Commission on behalf of the Clark County Commission.

A MOTION WAS MADE by Jensen and seconded by Vehle to authorize a loan of \$6,620,928.00 to Clark County for rehabilitation of Clark County Highway 17 on the following terms. The loan will be repaid based on annual minimum payments of principal and interest of \$400,000 per year, beginning on December 1, 2025, with a final balloon payment on or before December 1, 2034. The County will pledge all tax increment district 2 funds to repayment of the loan. Riverview, LLP will execute a guarantee or promissory note or both to secure repayment of the loan amounts reflected in Attachment 4 of the Commission packet. Simple interest will accrue at the rate of 1.5% per year. If Clark County

fails to timely repay the loan, the Department may apply Clark County's STBGP allocation to the repayment of the loan and interest, until these obligations are paid in full. All present voted aye by roll call vote. The motion carried.

The following items were suggested as future informational presentations:

- Safety Procedures
- Asset Management
- Exploring the Transportation Fund Balance and How it Relates to Loan Requests

The Commission took a break from 11:18 – 11:25 a.m.

Secretary Jundt shared with the Commission that there is a ribbon-cutting event scheduled for July 5, 2023 in Rapid City for the first Diverging Diamond Intersection (DDI)'s grand opening.

Craig Smith, Director of Operations, presented the following informational Construction Change Orders (CCO) to the Commission.

CCOs completed in April contain an increase of \$1,056,735.20. Over the past 12 months, the overall contract increase is 2.54%.

The following projects have a CCO amounting to a contract change more than \$50,000.

ABERDEEN REGION

1. Project: PH 0028(37)329, Hamlin County, PCN 04JY
Location: SD 28 from 7 miles west of Lake Norden to US 81
Contractor: Riley Bros Construction, Inc.
Type of Work: Shoulder widening & spot grading, culvert extensions, pipe work

Original Contract Amount:	\$	10,776,200.93
Change on CCO No. 7F:	\$	68,935.73
Net Change to Date:	\$	1,007,688.17

Explanation of Change on CCO No. 7F: This increase is the result of SDDOT adjusting the contract quantities of excavation to match as built quantities due to normal project variations.

MITCHELL REGION

2. Project: NH 0018(203)333, Charles Mix County, PCN 04V9
Location: US 18 from Pickstown to Lake Andes and structure .8 miles north of Pickstown
Contractor: Kea Constructors, LLC
Type of Work: Replace structure, approach grading, spot grading, pipe work, interim surfacing

Original Contract Amount:	\$	5,297,447.55
Change on CCO No. 3:	\$	68,835.78
Net Change to Date:	\$	105,890.74

Explanation of Change on CCO No. 3: This increase is the result of SDDOT compensating the contractor for additional work to add cut-off drains and removing abandoned manholes, waterline, concrete pipes, and concrete ditch blocks necessary to complete the grading.

3. Project: NH P 0115(58)67, Lincoln County, PCN 04ET
Location: SD 115 from US 18 to Harrisburg
Contractor: Duininck, Inc.
Type of Work: Cold milling, asphalt concrete resurfacing, pipe work

Original Contract Amount:	\$	2,054,691.28
Change on CCO No. 3F:	\$	62,822.66
Net Change to Date:	\$	(61,453.98)

Explanation of Change on CCO No. 3F: This increase is the result of SDDOT making an incentive payment for pavement smoothness in accordance with the contract.

4. Project: NH 0050(135)354, Bon Homme County, PCN 080F
Location: SD 50 from 1 mile west of Tyndall through Tabor
Contractor: Spencer Quarries, Inc.
Type of Work: Cold milling, asphalt concrete resurfacing, pipe work

Original Contract Amount:	\$	4,720,219.26
Change on CCO No. 7F:	\$	(196,219.23)
Net Change to Date:	\$	5,036.48

Explanation of Change on CCO No. 7F: This decrease is the result of SDDOT adjusting contract quantities of several items to match as built quantities through normal project variations.

5. Project: NH PH 0050(114)324, Charles Mix County, PCN 04HN
Location: SD 50 from east of junction of US 18 to west of Wagner and SD 46/SD 50 junction
Contractor: Loiseau Construction, Inc.
Type of Work: Grading, shoulder widening, structure, asphalt concrete surfacing, lighting

Original Contract Amount:	\$	2,281,044.80
Change on CCO No. 8F:	\$	(86,837.18)
Net Change to Date:	\$	459,280.30

Explanation of Change on CCO No. 8F: This decrease is the result of SDDOT making a fuel cost adjustment for diesel fuel in accordance with the contract.

PIERRE REGION

6. Project: NH 0018(200)148, Bennett County, PCN 04WT
Location: US 18 from the west junction with SD 73, through Martin, to the east junction of SD 73
& from west of Antelope Road to the Bennett/Todd County line
Contractor: Bituminous Paving, Inc.
Type of Work: Cold milling, asphalt concrete resurfacing, ADA curb ramp upgrades, pipe work,
traffic signal upgrades

Original Contract Amount:	\$	5,849,208.17
Change on CCO No. 5F:	\$	117,462.31
Net Change to Date:	\$	53,590.19

Explanation of Change on CCO No. 5F: This increase is the result of SDDOT adjusting the contract quantities of several items to match as built quantities through normal project variations, making a fuel cost adjustment for diesel fuel in accordance with the contract, and making incentive payments for ride and mix quality in accordance with the contract.

7. Project: NH 0033(37), Tripp County, PCN 089Q
Location: Various locations in the Winner Area
Contractor: Bituminous Paving, Inc
Type of Work: PCC pavement grinding, asphalt concrete surfacing of shoulders

Original Contract Amount:	\$	4,793,586.10
Change on CCO No. 2:	\$	92,160.00
Net Change to Date:	\$	105,788.00

Explanation of Change on CCO No. 2: This increase is the result of SDDOT compensating the contractor for extra work performed to remove and reset existing guardrail in an area where the asphalt concrete had deteriorated and needed resurfacing.

8. Project: NH 0034(176)123, Haakon & Ziebach County, PCN 04XU
Location: SD 34 near the Cheyenne River Bridge
Contractor: Sharpe Enterprises, Inc.
Type of Work: Bank stabilization, erosion control, riprap

Original Contract Amount:	\$	1,995,279.65
Change on CCO No. 1:	\$	81,438.52
Net Change to Date:	\$	81,438.52

Explanation of Change on CCO No. 1: This increase is the result of SDDOT compensating the contractor for a Tribal Monitor required to be present during earth disturbing activities. In accordance with the plans, the Contractor documented costs associated with providing the Tribal Monitor and submitted the documentation to SDDOT for reimbursement.

9. Project: P 0248(15)225, Lyman County, PCN 07C3
Location: SD 248 from US 83 to Reliance
Contractor: Bituminous Paving, Inc.
Type of Work: Asphalt concrete resurfacing

Original Contract Amount:	\$	8,338,450.78
Change on CCO No. 2:	\$	126,466.51
Net Change to Date:	\$	248,969.54

Explanation of Change on CCO No. 2: This increase is the result of SDDOT adjusting contract quantities of base course, base course salvaged, and other minor items to as built quantities through normal project variations of available salvage material.

10. Project: NH 0018(193)252, Tripp County, PCN 04FD
Location: US 18 from west of Monroe St to Lincoln St in Winner
US 18 E&W from Lincoln St to 3rd St in Winner
US 18 from 3rd St to 7th St in Winner
Contractor: T&R Contracting, Inc
Type of Work: Grading, storm sewer, curb & gutter, sidewalk, roadway lighting, traffic signals

Original Contract Amount:	\$	11,099,144.85
Change on CCO No. 38:	\$	(331,484.09)
Net Change to Date:	\$	906,024.93

Explanation of Change on CCO No. 38: This decrease is the result of SDDOT adjusting the contract quantities of several items to match as built quantities through normal project variations. A larger reduction in the quantity of temporary asphalt concrete accounted for the majority of the change.

RAPID CITY REGION

11. Project: IM FP PP B 0901(195)35, Meade County, PCN 021G

Location: I-90 EBL from west of Exit 37 to Exit 40

Contractor: Complete Contracting, Inc.

Type of Work: Grading, PCC surfacing, replace structures

Original Contract Amount: \$ 35,209,247.06

Change on CCO No. 5: \$ 242,757.50

Net Change to Date: \$ 370,969.09

Explanation of Change on CCO No. 5: This increase is the result of SDDOT adjusting contract quantities of flagging, temporary raised pavement markers, and high/low flow silt fence to as built quantities.

12. Project: NH 0085(84)36, Butte & Lawrence County, PCN 03U6

Location: US 85 Structures- 2 miles north of Belle Fourche over Crow Creek

16 miles northeast of US 212 over Indian Creek

.3 miles south of I-90 over Miller Creek

Contractor: A-G-E Corporation

Type of Work: Scour protection

Original Contract Amount: \$ 4,053,624.60

Change on CCO No. 3: \$ 63,000.03

Net Change to Date: \$ 119,775.03

Explanation of Change on CCO No. 3: This increase is the result of SDDOT compensating the contractor for extra work to complete column repair along with the scour protection work.

13. Project: NH P 0043(34), Fall River & Ogalala Lakota County, PCN 0884

Location: Various locations in the Custer area

Contractor: Highway Improvement, Inc.

Type of Work: Rout & Seal

Original Contract Amount: \$ 56,376.62

Change on CCO No. 1: \$ 227,083.78

Net Change to Date: \$ 227,083.78

Explanation of Change on CCO No. 1: This increase is the result of SDDOT adjusting contract quantities of asphalt concrete crack sealing to seal all the extra cracks formed over winter.

14. Project: P 6480(04), Pennington County, PCN 5777
Location: Sheridan Lake Road from Junction of US 385 to Alberta Road
Contractor: Oftedal Construction, Inc.
Type of Work: Grading, asphalt concrete surfacing, curb & gutter, structures, storm sewer

Original Contract Amount: \$ 22,871,427.33
Change on CCO No. 10: \$ 447,764.10
Net Change to Date: \$ 315,172.92

Explanation of Change on CCO No. 10: This increase is the result of SDDOT adjusting contract quantities of excavation, topsoil, retaining wall blocks, and asphalt concrete to match the quantities used during construction through normal project variations.

15. Project: P TAPU(29), Pennington County, PCN 07RH
Location: Box Elder along Briggs Street from Patriot Drive to Liberty Boulevard, along Liberty Boulevard from Briggs Street to North Ellsworth Road, along North Ellsworth Road from Liberty Boulevard to Frontage Road
Contractor: TI-ZACH Concrete, Inc.
Type of Work: Shared use path

Original Contract Amount: \$ 824,920.52
Change on CCO No. 2: \$ (80,699.88)
Net Change to Date: \$ (59,261.50)

Explanation of Change on CCO No. 2: This decrease is the result of SDDOT adjusting contract quantities of staking, concrete fillet sections, flagging, and erosion control items to match as built quantities through normal project variations.

Mark Leiferman, Program Manager for the Office of Project Development, presented for Commission consideration and information the following STIP revisions:

FOR COMMISSION APPROVAL

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

REV 23-052 This revision will add a FY2025 Wetland Bank Site Management project in Turner County in the Mitchell Region.

FY 2025 Plus \$54,000

A MOTION WAS MADE by Roby and seconded by Vehle to approve revision REV 23-052. All present voted aye by voice vote. The motion carried.

INFORMATIONAL REVISIONS FOR THE COMMISSION

(Work Type change, Cost update, Move Fiscal Year's within the 4-year construction STIP)

- REV 23-050 This revision advanced a FY2024 Bridge Deck Overlay project on SD44 - 2.3 miles west of US83 over Pine Creek in Mellette County to FY2023 and tied it to a Full Depth Reclamation, AC Surfacing, Modify Intersection, Pipe Work project on SD44 from SD63 to the north Jct of US83 in Jackson & Mellette Counties in the Pierre Region. (Sequence #420, 599 & 600, Page 114 & 142 in the 2023-2026 STIP Book).
- FY 2023 Plus \$317,000
FY 2024 Minus \$324,000
- REV 23-051 This revision advanced a FY2024 Grading, PCC Surfacing project on US16 E - At the Keystone Wye in Pennington County to FY2023 in the Rapid City Region. (Sequence #708, Page 156 in the 2023-2026 STIP Book).
- FY 2023 Plus \$1,683,000
FY 2024 Minus \$1,717,000
- REV 23-SC-023 This revision increased the cost of a FY2023 Structure Preservation project on SD63 - Str at the Ziebach/Haakon County Line Over the Cheyenne River and changed the work description to "Zone Painting, Replace Joints, Collect Drainage Under Open Joints, Polymer Chip Seal" in the Pierre Region (Sequence # 1,071, Page # 202 in the 2023-2026 STIP Book).
- FY 2023 Plus \$371,000
- Original = \$662,000; Updated = \$1,033,000
- REV 23-SC-024 This revision decreased the cost of a FY2023 Polymer Chip Seal project on SD15 - Str 0.7, 3.6 & 6.0 N of the US12 Jct, removed two structures (numbers 26-290-038 & 26-290-014) and changed the location description to "SD15 – Str 0.7 N of the US12" in the Aberdeen Region. (Sequence # 296, Page # 93 in the 2023-2026 STIP Book).
- FY 2023 Minus \$133,000
Original = \$240,000; Updated = \$107,000

Sam Weisgram, Office of Project Development, presented to the Commission the following bid letting results:

May 17, 2023

Grading, PCC Surfacing, Asphalt Concrete Surfacing & Replace Str RCBC (2 - 9'x5' Precast or CIP; 2 - 12'x5' CIP RCBC)

1	6923 NH 0018(157)438	Lincoln County
	Reede Construction, Inc.	\$45,617,461.59
	US18, Fm I29 E to Just W of the W Jct of SD11	

Pipe Work

3	06UX NH 0043(28)	Custer, Fall River County
	Simon Contractors of South Dakota, Inc.	\$220,750.00
	SD79 - 1.4 & 13 N of Jct with US18	

High Friction Bridge Deck Polymer Chip Seal

4	07WH, 07WJ P 0015(93)175, NH 0012(291)398	Grant County
	BX Civil & Construction, Inc.	\$260,192.00
	SD15 - Str 0.7 N of the US12 Jct; US12 - Str 0.6 SW of the SD109 Jct	

County Pavement Marking

5	07DR, 07X2 P 000S(00)240, PH 0010(170)	Regionwide County
	Traffic Solutions Inc	\$677,153.80
	Various Locations in the Aberdeen Region	

County Pavement Marking

6	07DT, 07X3 P 000S(00)286, PH 0020(217)	Regionwide County
	Dakota Traffic Services, LLC	\$1,493,305.20
	Various Locations in the Mitchell Region	

Signing & Delineation

7	04LA PH 8030(14)	Hand County
	Hamm Contracting, LLC	\$1,708,231.85
	Various County, City, & Township Roads in Hand County	

A MOTION WAS MADE by Roby and seconded by Vehle to approve bids #1, 3, 4, 5, 6, and 7. All present voted aye by voice vote. The motion carried.

Structure (174' Continuous Concrete) & Approach Grading

2	08FA BRF 6545(00)21-2	Lawrence County
	Heavy Constructors, Inc.	\$3,218,843.01
	1 E of Whitewood on the I90 Service Road over Whitewook Creek SN 41-214-100	

Before taking action on bid #2, Director of Planning & Engineering Mike Behm, presented for Commission consideration an STBGP allocation advance of \$2,095,100. This advance in funds would allow Lawrence County to pay the project costs that will not be covered by the Bridge Improvement Grant (BIG) for this project, as the bid came in higher than anticipated.

A MOTION WAS MADE by Nelson and seconded by Roby to authorize an STBGP advance of \$2,095,100 to Lawrence County for this bridge reconstruction project and require Lawrence County's annual STBGP allocation to be applied to reimburse the Department for the advance. All present voted aye by roll call vote. The motion carried.

A MOTION WAS MADE by Jensen and seconded by Nelson to approve bid #2. All present voted aye by voice vote. The motion carried.

May 23, 2023

Wetland Bank Site Management, Mowing & Weed Spraying

P 00SW(00)4, P 00SW(00)5, P 00SW(00)6,
000I-271, 000P-271, & 000N-271

Dakota Vegetation Management

Turner County VS1 Site & Various Highways in the Sioux Falls Area

Sioux Falls Areawide

\$503,422.10

A MOTION WAS MADE by Roby and seconded by Nelson to approve the bid. All present voted aye by voice vote. The motion carried.

Secretary Jundt suggested that the Commission listen to the presentation on the bid letting process at the June meeting. The Commission agreed.

With no further business to come before the Commission, Chairman Karim adjourned the meeting at 11:49 a.m. CDT.