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MEMORANDUM

DATE: March 10, 2023

TO: Mike Behm, Director
Division of Planning and Engineering

FROM: Joanne Hight, Program Manager
Office of Administration

SUBJECT: Transportation Commission Meeting – March 30, 2023
Item for Consideration - Allocation of Funding for PCN 049U

Consideration of Allocation of Funding for PCN 049U, Fall River County

Through agreement with Fall River County, SD298 was removed from the state trunk highway system and transferred to the county, but the Department of Transportation (SDDOT) retained responsibility for repair/reconstructing two structures at SDDOT's sole cost. A planning study was completed which considered replacement of the structures or developing an alternative alignment.

Based on the results of the study, a project was added to the Statewide Transportation Improvement Program (STIP) and an agreement executed between the county and state to construct an alternative alignment. When the agreement was executed, construction was estimated to occur in the 2018 construction season and the agreement contained a lump sum funding commitment by SDDOT of \$1,100,000. The agreement stated that SDDOT may re-evaluate and adjust SDDOT's project contribution prior to the project bid-letting. Rather than a lump sum limitation, SDDOT wishes to amend the agreement so that SDDOT's financial contribution is equal to the actual cost of completing the project (except for utility adjustments and utility certifications, which are the responsibility of the county under the agreement). We are recommending approval of an allocation equal to the actual cost of completing the project, minus the cost of utility adjustments and certifications which will be the responsibility of the county.

cc: File