

SOUTH DAKOTA TRANSPORTATION COMMISSION MEETING MINUTES

Thursday, March 26, 2025 at 9:00 a.m. CDT

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

COMMISSIONER PRESENT: Austin Simons, Chairman
Don Roby
Lynn Jensen
Larry Nelson
Rick Vallery
Mike Vehle

**COMMISSIONER PRESENT
VIA CONFERENCE CALL:** Ron Rosenboom

DOT STAFF PRESENT: Joel Jundt, Karla Engle, Mike Behm, John Keyes, Mark Leiferman, Sam Weisgram, Jon Suomala, and Kari Kroll

**DOT STAFF PRESENT
VIA CONFERENCE CALL:** Craig Smith, Travis Dressen, and Mark Peterson

OTHERS PRESENT: Darrel Smith

**OTHER PRESENT
VIA CONFERENCE CALL:** Lindsay Willits – Association of General Contractors (AGC) and Jason Reaves – South Dakota Concrete Paving Association (SDCPA)

Chairman Austin Simons 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 present.

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.

Simons disclosed a potential conflict of interest on Item #3 of Attachment #5. Simons has previously disclosed the matters which form the basis for the potential conflict of interest and the Commission has granted a waiver of that potential conflict of interest. Simons stated he plans to recuse himself from the discussion and vote on Item #3 of Attachment #5.

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

Simons asked for a motion to approve the February 26, 2026 Commission meeting minutes.

A MOTION WAS MADE by Vehle and seconded by Roby to approve the February 26, 2026 Commission meeting minutes. All present voted aye by roll call vote. The motion carried.

Simons asked for a motion to approve the March 12, 2026 Commission meeting minutes.

A MOTION WAS MADE by Jensen and seconded by Vallery to approve the March 12, 2026 Commission meeting minutes. All present voted aye by roll call vote. The motion carried.

Karla Engle, Office of Legal Counsel, requested the Commission set a hearing date of April 23, 2026, to consider amendments to Administrative Rule of South Dakota (ARSD) 70:01:02:44 – Lincoln County speed zone rule.

A MOTION WAS MADE by Roby and seconded by Vehle to set the administrative hearing date for April 23, 2026. All present voted aye by roll call vote. The motion carried.

RESOLUTION #2026 – 3.1 was adopted.

Simons opened the floor to public input.

Darrel Smith addressed the Commission with his concerns over the Department of Transportation's acquisition of a permanent easement on his land for a slide repair project on South Dakota Highway 1806. He believes he should be paid for 18,000 cubic yards that will be disturbed as part of the project. He took issue with testimony offered by the Department of Transportation (the "Department") in opposition to 2026 legislation that would have changed the Department's land acquisition processes. He also raised safety concerns about a section of U.S. Highway 12 that cuts through his property and is planned for future reconstruction.

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

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

- **Federal:** Congress continues to work on the new surface transportation bill. Work is being done both in the House Transportation & Infrastructure (T&I) and the Senate Environmental & Public Works (EPW.) The T&I bill will likely come out first, perhaps in April. This information is important and may provide an indication of federal funding for the next five years.
- **State:** The state legislature approved the budget for the Department of Transportation (the "Department") for fiscal year (FY) 2027. Instead of approving the Governor's recommended budget, the legislature reduced the Department's budget authority, specifically in the construction funding line item. This budget authority is needed to be able to administer

highway, bridge and airport improvement projects. The approved budget will reduce the Department's authority for this line item by \$20 million, from \$989.6 million to \$969.6 million. The legislature also reduced the amount of railroad construction budget authority from what was requested by \$10 million (\$40.6 million to \$30.6 million). Dependent on the timing of execution of grants and when construction work begins, the Department may need to request additional budget authority to carry out FY2027 projects. Overall, the state legislature approved the Department's FY 2027 budget authority as follows: \$729,000 in general funds, \$863.5 million in federal fund authority and \$406.5 million in other fund authority, giving the Department a total budget of approximately \$1.271 billion.

- A few bills worth mentioning:
 - [HB 1227](#) Status: Signed by the Governor. Increases the annual fee required of an owner of an electric motor vehicle. The legislation will increase the annual fee for plug-in electric vehicles, from \$50 to \$100. These funds go into the state highway fund. There are approximately 4400 registered vehicles in the state as of last fall and the number is growing.
 - [SB 236](#) Status: Signed by the Governor. Creates the county and township infrastructure fund for the accounting, safekeeping, and allocation of unobligated rural access infrastructure fund money. The Rural Access Infrastructure Fund (RAIF) program was originally established by the state legislature to provide funding for townships and counties to replace medium size structures. This bill will allow those unexpended funds for the RAIF program to be redesignated to other counties that still have unmet needs. The Department is the agency that holds the data for the counties, calculates the percentage due to each county based on the total number, and then eventually forwards this information on to the Department of Revenue to deposit the money in the county's account.
 - [SB 240](#) Status: Signed by the Governor. Makes an appropriation for county rural access infrastructure and declares an emergency. This is a sister bill to SB236 and provides \$5 million dollars to continue the program. There was an emergency clause in the bill, so it took effect when the Governor signed the bill. Counties will have until June 30, 2031 to expend the funds.

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

CCOs completed in February contain a decrease of \$224,054.10. Over the past 12 months, the total change to the original contract amounts has increased by 1.73%.

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 0212(204)245, Faulk County, PCN 07YX
Location: US212 from the Potter/Faulk County line to 1 mile west of Faulkton
Contractor: Anderson Western, Inc.
Type of Work: Cold milling, asphalt concrete resurfacing

| | | |
|---------------------------|----|--------------|
| Original Contract Amount: | \$ | 6,949,645.61 |
| \$ Change on CCO No. 2F: | \$ | 129,620.76 |
| % Change on CCO No. 2F: | | 1.9% |
| Net Change to Date: | \$ | 134,559.26 |

Explanation of Change on CCO No. 2F: This increase is the result of SDDOT adjusting contract quantities to match as built quantities with the largest increase coming from additional asphalt binder needed due to the approved mix design containing a higher target asphalt binder content than plans estimated.

2. Project: P-PH 0028(36)355, Deuel & Hamlin County, PCN 04HM

Location: SD28 from Estelline to SD15
Contractor: Bowes Construction, Inc.
Type of Work: Grading, interim surfacing, replace structures, approach slab

| | | |
|---------------------------|----|---------------|
| Original Contract Amount: | \$ | 10,390,426.17 |
| \$ Change on CCO No. 8: | \$ | 304,727.98 |
| % Change on CCO No. 8: | | 2.9% |
| Net Change to Date: | \$ | 458,899.09 |

Explanation of Change on CCO No. 8: This increase is the result of SDDOT adjusting contract quantities to match as built quantities. The largest change was an increase in option borrow excavation.

3. Project: P-PT 0020(208)296, Faulk & Spink County, PCN 06R6

Location: SD20 from SD45 to Brentford
Contractor: Duininck, Inc.
Type of Work: Cold milling, asphalt concrete resurfacing, structure, pipe work

| | | |
|---------------------------|----|---------------|
| Original Contract Amount: | \$ | 13,331,787.48 |
| \$ Change on CCO No. 4F: | \$ | (536,351.51) |
| % Change on CCO No. 4F: | | 4.0% |
| Net Change to Date: | \$ | (473,585.08) |

Explanation of Change on CCO No. 4F: This decrease is the result of SDDOT removing unnecessary items from the contract and adjusting contract quantities to match as built quantities including asphalt binder and base course.

MITCHELL REGION

4. Project: IM-CR 0022(94), Minnehaha County, PCN 08Y8

Location: Various routes in the Sioux Falls area

Contractor: Bituminous Paving, Inc.

Type of Work: Cold milling, asphalt concrete resurfacing of shoulders, asphalt surface treatment

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|---------------------------|----|--------------|
| Original Contract Amount: | \$ | 7,790,806.15 |
| \$ Change on CCO No. 3: | \$ | 282,897.46 |
| % Change on CCO No. 3: | | 3.6% |
| Net Change to Date: | \$ | 263,029.15 |

Explanation of Change on CCO No. 3: This increase is the result of SDDOT compensating the contractor for an incentive payment for contract time. The incentive payment was made at the contract specified maximum.

5. 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

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|---------------------------|----|---------------|
| Original Contract Amount: | \$ | 41,275,125.06 |
| \$ Change on CCO No. 22: | \$ | (351,764.79) |
| % Change on CCO No. 22: | | 0.9% |
| Net Change to Date: | \$ | 900,918.68 |

Explanation of Change on CCO No. 22: This decrease is the result of SDDOT adjusting the contract quantities of option borrow excavation to match as built quantities.

6. Project: NH 2042(29), Minnehaha County, PCN 06YQ

Location: Arrowhead Parkway from 0.5 miles west of Six Mile Road to Six Mile Road in Sioux Falls

Contractor: T & R Contracting, Inc.

Type of Work: Grading, storm sewer, curb & gutter, PCC surfacing, ROW, signals, lighting

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|---------------------------|----|---------------|
| Original Contract Amount: | \$ | 20,025,525.25 |
| \$ Change on CCO No. 8: | \$ | (212,798.63) |
| % Change on CCO No. 8: | | 1.1% |
| Net Change to Date: | \$ | 408,903.83 |

Explanation of Change on CCO No. 8: This decrease is the result of SDDOT adjusting contract quantities to match as built quantities and removing unnecessary items from the contract.

7. Project: NH 2042(29), Minnehaha County, PCN 06YQ
 Location: Arrowhead Parkway from 0.5 miles west of Six Mile Road to Six Mile Road in Sioux Falls
 Contractor: T & R Contracting, Inc.
 Type of Work: Grading, storm sewer, curb & gutter, PCC surfacing, ROW, signals, lighting

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|---------------------------|----|---------------|
| Original Contract Amount: | \$ | 20,025,525.25 |
| \$ Change on CCO No. 9: | \$ | (172,609.39) |
| % Change on CCO No. 9: | | 0.9% |
| Net Change to Date: | \$ | 236,294.44 |

Explanation of Change on CCO No. 9: This decrease is the result of SDDOT adjusting contract quantities to match as built quantities with the largest decreases being erosion control items.

PIERRE REGION

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

RAPID CITY REGION

8. Project: P 6403(10), Pennington County, PCN 08P3
 Location: South Rochford Road from Rochford southwest to Deerfield Road
 Contractor: Loiseau Construction, Inc.
 Type of Work: Grading, drainage, base course, asphalt concrete surfacing

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|---------------------------|----|---------------|
| Original Contract Amount: | \$ | 23,381,920.13 |
| \$ Change on CCO No. 16: | \$ | 267,295.52 |
| % Change on CCO No. 16: | | 1.1% |
| Net Change to Date: | \$ | 236,295.70 |

Explanation of Change on CCO No. 16: This increase is the result of SDDOT compensating the contractor for extra drainage work to solve drainage problem created by the new roadway including rock check dams, CMP storm sewer piping, and precast drop inlets.

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

March 18, 2026

Cold Milling, Asphalt Concrete Resurfacing, Pipe Work, Modify Intersection, Lighting, AC Resurfacing of Shoulders

- | | | |
|---|---|----------------------|
| 1 | 06PG, 06CT NH 0281(127)124, NH 0014(245)326 | Beadle, Spink County |
| | Asphalt Paving & Materials Company | \$12,172,579.77 |
| | US281 - Fm the W US14 Jct to Redfield; US14 - Fm the US281 N Jct to the Wolsey N City Limits; | |
| | US14 - Fm Birch St in | |

Cold Milling, Asphalt Concrete Resurfacing, Pipe Work

2 06RJ P 1806(25)372 Corson County
CENTRAL SPECIALTIES, INC \$5,832,243.25
SD1806 - Fm N of 1806 P to Kenel

Asphalt Surface Treatment

4 09WR NH-P 0031(63) Faulk, Haakon, Hughes, Lyman, Potter, Stanley, Sully County
BITUMINOUS PAVING, INC. \$3,544,205.71
Various Locations in the Pierre Area

Asphalt Surface Treatment

5 09X9 NH-P 0043(249) Custer, Fall River, Oglala Lakota, Pennington County
Asphalt Surface Technologies Corporation \$2,318,643.43
Various Locations in the Custer Area

Crack Leveling & Rout and Seal

6 09WY P 0042(103) Perkins County
Highway Improvement, Inc \$267,824.25
Various Locations in the Belle Fourche Area

Guardrail Elimination, Slope Flattening, Box Culvert Extension (12x12 CIP)

7 089U PH 0040(346) Lawrence County
LOISEAU CONSTRUCTION, INC. \$2,956,106.07
Various Locations in the Rapid City Region

Centerline Rumble Stripes

8 09UR PH 0010(232) Brookings, Brown, Buffalo, Clark, Codington, Deuel, Grant, Hand, Hughes,
Kingsbury, Marshall, Miner, Roberts, Spink County
SIR LINES-A-LOT, LLC DBA DAKOTA TRAFFIC SERVICES \$1,383,200.40
Aberdeen Region

Vehicle Feedback Signs

9 OACJ PH 0040(365) Custer, Harding, Lawrence, Pennington County
Traffic Services Company LLC \$145,198.50
Various Locations on the State and Local System in the Rapid City Region

A MOTION WAS MADE by Vallery and seconded by Jensen to approve bids #1, 2, 4, 5, 6, 7, 8, and 9. All present vote aye by roll call vote. The motion carried.

Chairman Simons handed the gavel to Commission Lynn Jensen and moved to the gallery. He recused himself from the discussion and vote of the following bid item.

Detour Surface Maintenance

| | | |
|---|--|--------------|
| 3 | OACF NH-B 0012(00)291 | Brown County |
| | Jensen Rock & Sand, Inc. | \$653,812.71 |
| | US12 - 2.4 E of US281 N Over Moccasin Creek - Truck Detour - Brwn Co 14, Brwn Co 13, US281; Car Detour - Roosevelt St, Melgard Rd, US 281 | |

A MOTION WAS MADE by Roby and seconded by Nelson to approve bid #3. All present voted aye by roll call vote, except Simons who recused himself. The motion carried.

Chairman Simons returned to the Commission table to preside over further business of the Commission.

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

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

Lot A in a portion of previously acquired highway right of way as described in Federal Aid Project No. FAS-S260D(1), dated January 6, 1942 in the E1/2 SE1/4 of Section 11, Township 109 North, Range 72 East of the 5th P.M., Hyde County, South Dakota.

Lot A is located at the intersection of highways 34 and 47. The Department’s Pierre Region and Area advises the above property is no longer needed for highway purposes and recommends abandonment.

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

RESOLUTION #2026 – 3.2 was adopted.

2. Request Transportation Commission approval to grant a 20-foot-wide sewer main permanent utility easement to the city of Veblen, South Dakota, within the following property owned by the Department:

Lot V in the SE1/4 SW1/4 of Section 15, Township 128 North, Range 53 West of the 5th P.M., Marshall County, South Dakota. Lot V contains 4.63 acres.

The property is located in the east limits of Veblen on the north side of Hwy 25 and contains a 15” clay tile main sewer pipeline constructed prior to 1973. The city of Veblen accepts liability and financial responsibility for the sewer main easement. All State and Federal guidelines will be followed during the sewer main replacement construction scheduled in 2027. The Department’s Aberdeen Region and Area recommend approval of the sewer main permanent easement.

A MOTION WAS MADE by Vehle and seconded by Nelson to approve granting the 20-foot-wide sewer main permanent utility easement to the city of Veblen. All present voted aye by roll call vote. The motion carried.

RESOLUTION #2026 – 3.3 was adopted.

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

INFORMATIONAL REVISIONS FOR THE COMMISSION

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

- REV 26-016 This revision advanced a Transportation Alternatives sidewalk project in the Town of Valley Springs, along Valley Dr from Skyline Dr to Southside St from FY2027 to FY2026 in the Mitchell Region. (Sequence #581, Page 140 in the 2026-2029 STIP Book).
- FY 2026 Plus \$350,000
FY 2027 Minus \$350,000
- REV 26-SC-011 This revision increased the cost of a Regionwide Corridor Signing project in the Pierre Region. (Sequence #686, Page 154 in the 2026-2029 STIP Book).
- FY 2026 Plus \$1,960,000
Original = \$1,040,000; Updated = \$3,000,000
- REV 26-SC-012 This revision increased the cost of an Inslope Repair & Riprap project on SD20 W of the James River Bridge in the Aberdeen Region. (Sequence #775, Page 163 in the 2026-2029 STIP Book).
- FY 2026 Plus \$574,000
Original = \$226,000; Updated = \$800,000

The Commission took a break from 10:02 – 10:09 a.m. CT.

Leiferman then presented to the Commission a PowerPoint presentation on STIP Procedures.

Secretary Jundt asked for informational items the Commission would like to hear and shared the informational items that had been presented since 2020. It was suggested that the Department put

together a presentation on incentives/disincentives for the April 2026 regular meeting and on the rules and responsibilities of the Commission for the May 2026 regular meeting.

Simons asked for a motion for the Board to enter into executive session.

A MOTION WAS MADE by Jensen and seconded by Roby to enter into executive session pursuant to SDCL 1-25-2(3) for the purpose of consulting with legal counsel and reviewing communications from legal counsel about proposed or pending litigation or contractual matters. All present voted aye by roll call vote. The motion carried.

Executive session began at 10:53 a.m. CT

Executive session ended at 12:14 p.m. CT.

With no further business to come before the Commission, Chairman Simons declared the meeting adjourned at 12:14 p.m. CT.

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