

MINUTES FOR THE TRANSPORTATION COMMISSION MEETING

TO BE HELD IN THE ODOT BUILDING COMMISSION MEETING ROOM OKLAHOMA CITY, OKLAHOMA

BE IT REMEMBERED that on Monday the 1st day of May, 2017, at the hour of 11:00 a.m., the Transportation Commission met in the Commission Meeting Room of the ODOT Building in Oklahoma City, Oklahoma.

NOTICE of the schedule of regular meetings of the Oklahoma Department of Transportation for the calendar year 2017 having been given in writing to the Oklahoma Secretary of State, and public notice and agenda having been posted in a prominent public view at or before 11:00 a.m. on Thursday, April 27, 2017, prior to the meeting, on the Atrium Informational Monitor in the ODOT building, and on the glass doors on the north side of the ODOT Building in accordance with Oklahoma Open Meeting Act, 25 O.S. Section 311.

ITEMS PRESENTED BY COMMISSION CHAIRMAN

CALL TO ORDER: Mr. David Burrage called the meeting to order at 11:06 a.m.

ROLL CALL:

Present:	John Fidler	Member
	David Burrage	Chairman
	Dan Overland	Member
	Greg Love	Member
	Todd Huckabay	Secretary
	Bobby Alexander	Member
	Brad Burgess	Vice-Chairman

Absent: Pete Regan

Presiding: David Burrage

The following items were presented and approved as written at the Transportation Commission meeting of May 1, 2017. For those items amended, deferred, or rejected, those notations were also made. Action taken by the Commission is noted here on these sheets.

Commissioner Burrage called the meeting to order and recognized Special Guests; Ray Vaughn, a County Commissioner from Oklahoma County, Stacy Trumbo, County Engineer from Oklahoma County, TR Kanuch, the Senior Executive Officer of the Choctaw Nation of Commerce, Sara-Jane Smallwood, the Director of Government Relations for the Choctaw Nation, Bobby Stem, the Executive Director of AGC, John Cox, from TRUST, Lori Peterson, Executive Director of Oklahoma Rail Association, Derek Sparks from the Oklahoma City Chamber, Jim Sullins, President of ACEC and Jami Longacre, Executive Director of TRUST.

Commissioner Burrage recognized Director, Mike Patterson for his announcements.

ANNOUNCEMENTS AND PRESENTATIONS

Director Patterson stated, "It's another great day at ODOT when you can hand out safety awards". He recognized John Coleman, our Safety Manager, is going to come up and lead us through this process, but this is an annual event where we get to recognize those crews and divisions that have exemplified what safety means at ODOT.

Mr. Coleman said this was his first appearance before the Commission; I replaced Mike Bracken who was here for 13 years. I have been here since the 1st of October and love every day of it. This is a special time that we come together to recognize and acknowledge employees of ODOT, who make significant contributions to one of our Core Missions, "Safety". It's difficult to recognize the present without acknowledging the past. In the time we've recorded safety data, 60 ODOTers have passed in the line of duty; from our first recorded death of James Dawkins on July 21st, 1931 while grading the roadway behind his team of horses; to our most current loss of Jarrell Gray, who was struck by a motor vehicle setting up for wood-chipping operations on May 18th, 2016. It's important to remember that 60; our employees do their job every day, protected in many cases only by white lines and traffic control devices. Our thanks go out to all the ODOTers who get the job done in an outstanding manner. We're fortunate to have leadership that emphasizes safety every day; it is part of our culture and they constantly strive to make things better for all of our employees. I also will recognize the Division Safety Managers, they're kind of the sports officials; the better job they do, the less they're recognized and those are: Division 1, Greg Kincade, if you are here, please stand up and be acknowledged. Division 2, W. F. Grammar, Division 3, Annette Nichols, Division 4, Billy Trent, Division 5, Jim Reeves, Division 6, Lloyd Coble, Division 7, Lisa Niebauer, Division 8, Marty Stewart, and Division 9, Greg Lott. It's now my distinct honor to announce the 2016 Safety Award Winners for ODOT.

Director's Safety Excellence Awards:

Division 1	Superintendent, Jeff Perry	Cherokee County Maintenance Unit
Division 2	Resident Engineer, Ryan Moy	Antlers Residency
Division 3	Superintendent, Kevin Harner	Johnston County Maintenance Unit
Division 4	Shop Superintendent, Ted Bolay	Perry Shop
Division 5	Shop Superintendent, Russell Holt	Clinton Shop
Division 6	Superintendent, Kerry Mitchell	Division Wide Crew
Division 7	Resident Engineer, Reese Knight	Anadarko Residency
Division 8	Superintendent, Brian Sutton	Washington County Maintenance Unit
Division 9	Chief of Surveys, Leroy Tackett	Survey Division

Progressive Excellence Awards:

The Progressive Excellence Award is given to the Division that has shown the most improvement in the last year.

Division 6	Ron McDaniel	Division Engineer
	Lloyd Coble	Safety Manager

Governor's Safety Excellence Award:

The Governor's Safety Excellence Award is given to the Division that has the best safety record for the year.

Division 4	Brian Taylor	Division Engineer
	Billy Trent	Safety Manager

ITEM PRESENTED BY THE SECRETARY TO THE COMMISSION

59. Approval of the Minutes of the Transportation Commission Meeting of April 10, 2017

ACTION: Huckabay moved and Alexander seconded that the Minutes be approved as presented.
MOTION: Carried by the following vote:
AYES: Fidler, Overland, Love, Burrage, Huckabay, Alexander and Burgess
NAYES: None
ABSTAIN: None
ABSENT: Regan

CONSENT DOCKET PRESENTED BY COMMISSION CHAIRMAN

60. Programming of Federal Railroad Crossing Safety Funds–Section 130 Title 23 Funds – Mr. Moody

- a) Oklahoma County – District IV - In Luther, Construction funding for a Signal project which includes the installation of pedestal-mounted flashing light signals with gate arms at Ash Street with the Stillwater Central Railroad - \$239,838.00
- b) Oklahoma County - District IV - In Jones, Construction funding for a Signal project which includes the installation of pedestal-mounted flashing light signals with gate arms and a 32' timber crossing surface at Hiwassee Road with the Stillwater Central - \$244,820.00
- c) Oklahoma County – District IV - In Jones, Construction funding for a Signal project which includes the installation of pedestal-mounted flashing light signals with gate arms at Britton Road with the Stillwater Central Railroad - \$253,144.00
- d) Oklahoma County – District IV - In Oklahoma City, Construction funding for a Signal project which includes the installation of cantilever-mounted flashing light signals with gate arms and a 64' timber crossing surface near the intersection of Portland Avenue and Newcastle Road in Oklahoma City with the Stillwater Central Railroad - \$432,944.00
- e) Ellis County – District VI - Near Fargo, Construction funding for a Signal project which includes the installation of pedestal-mounted flashing light signals with gate arms and two 24' concrete crossing surfaces at Ellis County Road N1890 near Fargo with the BNSF Railway - \$610,909.00
- f) Pawnee County – District VIII - Near Pawnee, Construction funding for a Signal project which includes the installation of pedestal-mounted flashing light signals with gate arms and a 40' concrete crossing surface at Pawnee County Road E0480 with the BNSF Railway - \$365,132.00

61. Transportation Control Improvement Projects – Mr. Pendley

- a) Bryan County – District II – installation of a new traffic signal system with poles, mast arms and luminaires for the intersection of US-70 and Silo Road - \$230,000.00
- b) Bryan & Pittsburg Counties - District II – replacement of overhead and ground mounted signs along US-69 in Bryan County beginning at the Red River and extending north to the Atoka County line extending north to the McIntosh County line - \$1,300,000.00

Note: Item 61. a) & b) are removed because of budget reasons.

62. Land Sale – Mr. Phillips

Canadian County - District IV – Land Sale – the SE quadrant of the John Kilpatrick Turnpike and State Highway 66 in the City of Oklahoma City - \$58,750.00

Note: Item 62 is removed because we want to review that further since it involves selling off our access rights

ACTION: Overland moved and Fidler seconded that the Consent Docket be approved as presented, noting that Items No. 61 and 62, has been deleted from the Agenda.
MOTION: Carried by the following vote:
AYES: Fidler, Overland, Love, Burrage, Huckabay, Alexander and Burgess
NAYES: None
ABSENT: Regan

Commissioner Burrage said we have several items that are being removed and deferred. He asked Director Patterson to come and explain why this is happening.

Director Patterson we are deferring and removing some items until we have a better sense of what the budget situation is. There has been a lot of discussion on both the House and the Senate side, that the Department of Transportation would take another cut. Now you'll recall last year, we took a sizable cut, the largest cut of any other agency or program, in State Government. We did that somewhat voluntarily, we offered up that we would provide \$300 million in revenue cash, if they would allow us to issue bonds for \$300 million. Ultimately, what happened was we lost \$367 million and offset partially by a \$200 million bond issue and took a further reduction in Motor Fuel Tax. We knew going into it with what we had offered up was going to be difficult to manage our finances. With what ultimately happened, it became even more difficult. Throughout that whole process, we told the Legislature that we could do this one time, and the reason we could do that one time was because our cash reserves were a little bit higher than we needed them, so we offered up that cash. The reason that it had gotten higher was because of what was going on in Washington DC, and the challenges they were having with their Highway Trust Fund. They seemed to have ironed that out, so we could operate with a lower cash balance, as we offered, not as we received. You've heard me say as quickly as the Legislative session ended, there was discussion about can you do that again? *And we repeated it, as we did during the session; **this is a one time deal!** Throughout the summer, we reminded them that, **this is a one time deal!** Throughout this session we said again, **that was a one time deal!** Last week, Senate bill 837 passed at a [INAUDIBLE] of the Joint Committee on appropriation and budget.*

So both the House and the Senate have passed out of their committee, and it's ready to go to the floor. I don't know when it will go to the floor, but it's ready to go to the floor. That will reduce our income tax allocation by \$251 million. Our immediate problem is meeting our current financial obligations. That is our immediate situation. The fact that we have let projects, you have allowed us to let those projects, and you've awarded those contracts based on the statutory certainty that we were going to get \$571 million next year out of an income tax allocation. According to that bill, it will be \$251 million less at \$320. So our ability to meet our current financial obligations is becoming in jeopardy. Notwithstanding what's going to potentially happen--

Commissioner Burrage asked, what do you mean becoming in jeopardy?

Director Patterson said, in Jeopardy in that, we are going to have to sit back for a minute, and that's why we're asking you not to award contracts on the highway system today. That's why we have contacted our Contractors last Friday and said if you haven't started this project that we issued, the work order, do not start. So we withdrew those work order issuances. That's why we're holding work orders, because we want to make sure that we can meet the financial obligations that we have. That means that we're going to step back and take a look and see what projects we can continue to pay for. I have provided the Division Engineers with a memo. I think you have a copy of it, where I've asked the Division Engineers to come up with a plan by which they would begin to suspend construction activities on ongoing projects.

Commissioner Burrage said, "Let's be clear, we are not talking about pushing the 8 Year Plan out and making it a 10 or 11 year 12 year program; we are talking about stopping already awarded projects".

Director Patterson said, "That's right".

Commissioner Fidler said, so if a job is in the middle of process, we could be looking at stopping some of those.

Director Patterson said we could be; we need to sit down as an agency and see where we're at. There is an effect, Senate Bill 837 and all the other discussions have a huge effect on what the 8 year plan looks like in the future. But to your point, Mr. Chairman, that's not what we're talking about, we are talking about the ability to cash flow our current obligations, our ongoing projects. So we need to see where we're at, and as I said, I've provided the Division Engineers with a list of those projects. I want them to report back to me on how they would suspend those activities, is there a good place, because we have to do this in a responsible manner, both environmentally and making sure safety is still covered.

Commissioner Burrage said that if we stop a project that is in progress, then we're going to have extra costs for project close-down.

Director Patterson said that is absolutely correct, when we looked at this in 2008, because the Highway Trust Fund at the federal level was going broke as well, we knew going into that the likelihood of contractor claims is going to be very high, almost guaranteed, because our contractors, our partners in this effort, have gone out and made investments. They bought materials. And for them not to put those in place creates a claim situation. So we're going to have additional cost in buttoning up those projects, reopening those projects, and then the claims that were ongoing throughout the delay.

Commissioner Burrage said, so I just want to make sure I'm clear; if a Senator or Representative calls one of us and says that we need to share in helping the State out in this tough budget year-- we will do, we've always done, and we've always played a big part-- we're not talking about extending the construction program out. The message that we need to deliver is that we're stopping current projects with where we sit now.

Director Patterson said that's correct. If you go back to the first time we didn't contribute to the budget, we contributed to the solution of the budget.

Commissioner Burrage said, "So we solved it for them".

Director Patterson said, yes we solved it; it started back in 2010, and we've been doing it, virtually every year, since then.

Commissioner Burrage said, "Well, let me tell you one thing I'm concerned about, and you haven't mentioned the B word yet, bonds". I had asked earlier how many dollars in bonds we've got; and somebody gave me this piece of paper, we have \$468 million worth of bonds. If we add the \$300 million worth of bonds to that, which is 1 thing I've heard lately, the Department of Transportation would have 3/4 of a billion dollars in bonds. We are not the Turnpike Authority!

Director Patterson said, "You are exactly right, it's not a situation that we put ourselves in; but most of those bonds, I think it's about \$435 million or something like that".

Commissioner Burrage said on the list I got, it is \$468 million in the State Bond Program, in the GARVEE Program, which was a long time ago. It still has \$16.5 and \$16.6. The debt service is \$57 million a year.

Director Patterson said the State Bond Program, all of that, there is budget balancing bond issues. It didn't help the Department accelerate any projects. It did help the rest of State Government and we participated in that. We suggested that, but, as we said last year, this is our last opportunity to help at this level; this can't be the new normal!

Commissioner Burrage said, as you know, the Division that I represent greatly benefited from the GARVEE Bonds. And we felt at that time that it was a good thing to do, but only to a certain level. And 3/4 of a billion dollars-- I don't know how the rest of the Commissioners feel-- that's way past the level that we've ever been comfortable with. And we've got another agency that's capable of doing that, because they have revenue. They're getting all their revenue. We're charging the patrons of this state, but we're not getting that money. Our tax system is so antiquated that we have to get income tax to fund the Department of Transportation, when there's a completely better alternative. And I know with some of the folks I've talked to in the business world, they wonder when we're going to get it, when a year ago you gave me this information. States that mess with their transportation investment; there are 23 states, a year ago, that did something about it. And right now, there are 5 states that have passed fuel tax increases and 12 more considering it. And I heard someone that knows what they're talking about say the federal government hasn't responded. They're handling their transportation fund much like we are handling ours; and we've got to get out of the Stone Age and match those revenues to the use. And we're so far behind in getting that done. But it just concerns me that we would be considering bonds again, when we have a perfectly viable alternative. And it would also help get us back into the way it shouldn't be funded. We've got this mismatching all through state government; this is a good year to fix that; we can fix that. We need to have some leaders that we've got elected, we've got appointed people; there are some good leaders out there; I have faith in our leadership, but they need to step off and get this done, because here we are talking about canceling projects we've already awarded.

Director Patterson commented, as I said earlier, it's not anything we've ever done before. We've prepared for it once before, I hope we don't have to do it this time, but we have a fiduciary responsibility to the citizens of Oklahoma, as well as our partners, the suppliers and the contractors. We have to get ready; we can't just walk off these jobs, if it's chosen for us that we have to do this, then we're going to have to find a good spot inside each one of these projects to button it up.

Commissioner Burrage said I'm extremely sensitive to this, because in the rural areas, sometimes the only economic driver we've got is infrastructure. And I can think of right now a little under a \$1 billion worth of economic development projects. Now think about that, this is southeast Oklahoma, if those projects came to fruition; unemployment in a couple of those counties would drop in half! But infrastructure is the major hold-back. And it's a challenge to solve it, even in the best of times. We're so far behind! We've picked the low hanging fruit. I think we as a Commission agree on that. We fix a lot of bridges, but just

go down the Hefner and look up underneath those bridges and see how good you feel. They're like that all over the state. I had someone tell me well, you fixed all those bridges. You only got 250 left. You're going to get that done. And I explained to them that bridges don't stop aging. They continue to age, and that's a real concern that there's not an understanding. I believe, the last time I asked, we're spending a billion one improving roads, and we need to spend that. And we need to spend 600,000 or 700,000 a year just to maintain them.

Director Patterson said \$600 million.

Commissioner Burrage said, \$600 million, and the cost of improving a road is so much greater than keeping one maintained. I just fear we are going to fall back in that same trap we were in when I first got on the Commission.

Director Patterson said, when you look at what we are looking at legislatively now, the impact of the 8 year plan is going to be about \$1.5 billion that we're going to have to take out of our plan. If Senate Bill 837 goes the way, it's going, and nothing is replaced. When you think about the impact that's going to make across our 8 year plan, across our state, it's going to be hard for us. As you've heard me many times stand up here and say-- we're not going to get off our structurally-deficient bridge effort. I don't know how we stay on our structurally-deficient bridge effort.

Commissioner Burrage said, now that's the part to make sure that, for people here that aren't ODOTers, that a billion five is what would extend the 8 year plan out.

Director Patterson said, a billion five; if you pass Senate Bill 837 without replacing any of the missing revenue, the impact is a billion five of projects that we are going to take out of the 8 year plan.

Commissioner Burrage stated, so here we are, we would take a billion five out of the 8 year plan. Do you have a number yet on what we would suspend construction on?

Director Patterson said, I do not, that's what I've asked the Division Engineers to put together a report, so that we can see what is possible, and we will determine by then, what we need to do to make it work.

Commissioner Burrage said, so in a perfect world, we need to match the revenue to the use, and that's an antiquated gas tax that hasn't been changed since 1987. And we are number 48th on one of them and 49th on the other; and I think what the Governor proposed was to bring them both to 24 and that's not even to the average in the country!

Director Patterson said that's correct.

Commissioner Burrage said I understand that; and if we do the bond deal, we're going to have 3/4 of a billion, which is unprecedented. And by not improving things, especially as a rule question, we've got all this pent up economic development that may come our way or may not. But I know of the projects that I've looked at down there, infrastructure is the only reason it's not already started. That's serious! But we've always been an economic driver, whether we want to or not at the Department of Transportation. That's not our stated goal, but it is a byproduct of it, that has done nothing but benefit this day.

Director Patterson said we know we're the largest single asset owned by the State; and we also know we are the largest driver of economic development.

Commissioner Burrage and we are the folks that are supposed to maintain it. Well, I'm confident in our leadership across the street, I think they understand that we have the only physically-constrained budget of any agency that's posted in advance.

Director Patterson said that's true; we tell everybody what we are going to be working on 8 years from now; and I don't know any another agency that does that.

Commissioner Burrage said, many years ago was, the truth will set you free, and we've tried to give them that information well in advance, so they don't have any questions. We will continue to do that, but we just have to have faith that we can get through this, and that they'll plug that hole. But I think you being proactive in stopping some of these projects, so we don't get in a switch; I don't think we have any choice.

Director Patterson said, I was asked earlier if we had visited with Legislators, and we have. We met with the leadership, and had occasion for everyone else's benefit—Commissioner Burrage and Commissioner Love, I accompanied them last week, last Wednesday I believe it was-- because the Speaker and the Pro Tem wanted to visit with them about motor fuel tax. And this discussion that we're having right here came out during those conversations. I explained to them the impact of passing Senate Bill 837 without any effort to increase the motor fuel tax.

Commissioner Burrage said I have brought that up in every meeting, so that we didn't forget to emphasize that.

Director Patterson said that's right.

Commissioner Burrage said one thing we haven't talked about is our soft match jeopardy, because I don't know, but I believe we're not going to be able to utilize that as well.

Director Patterson said we are not; if you look at where we are from a matching requirement with the Federal, it requires about \$150 to \$155 million a year to match our federal funds. We've had an opportunity, since the early '90s, to use toll credits; and that's whatever the Turnpike Authority is spending on their program, we get to use that as our match. But we have some requirements that we have to go through, and it's called maintenance of effort, so that we're spending more state money here at the Department each year, and we qualify for that. When you're looking at the Turnpike Authority potentially spending \$950 to \$80 million over the next 3 years, there's a real possibility that we're not going to be able to capture their efforts; and so we'll have to go back to hard matching. And right now, if you look at Senate Bill 837, we're not going to have the hard match to match federal funds. So we've got a couple of balls in the air.

Commissioner Burrage said it's called a domino effect.

Director Patterson said it is a domino, that's a better way to put it.

Commissioner Burrage said, that was the only other thing that I could think about was not being able to take advantage of the soft match. We are 1 of the few states that have that, and it's made us be ahead of other states. I know when they redistribute the money, we have shovel-ready projects; and many states don't have that. There are so many things that you guys have done right, that put us in a position to take advantage when other people can't. If the President does an infrastructure bill; they are talking about a \$1 trillion infrastructure bill. Whether or not they do it, or lower amount, or whatever it is, I know you guys will be

ready. You have shovel-ready projects, but we've got to be able to match; and we've got to be able to have the hard match.

Director Patterson said, so that whole discussion and when I bring that up, people say, well, that will never happen. I don't know that it won't ever happen, but we have to position ourselves like it's going to. Just like we are positioning ourselves on this discussion. When you have a Bill moving through the Legislature and the discussion by Legislators in both chambers that they can't vote for motor fuel tax to replenish the loss, then we have to position ourselves.

Commissioner Burrage said there are many agencies that need help; and I know we are all going to suffer some. But when we are not building and maintaining roads, we are taking an opportunity away from every one of those other agencies; because economic development is what pulls people up by the bootstraps.

Director Patterson said that is correct.

Commissioner Fidler said 1 thing you mentioned about the bond proceeds, we have to turn around and pay those bonds; did you say \$57 million a year?

Director Patterson said that is correct. And that's 1 of the things, Commissioner, that's missing on the minds of most people. When they ask us if we can issue another set of bonds, they think we're just making interest payments. They lose the concept that we have to pay back the principal also. So it's like your household, if you borrow money for your house or your car, you don't just pay the interest, you pay back the principal as well. So when they allowed us to replace the \$367 they took with \$200 million, we had to pay back the \$200. How further along are you? You mitigate it a little bit, because you spread out \$200 million over 15 years.

Commissioner Burrage said 1 thing you hadn't mentioned, and I made a note to myself, that before last year, we were getting 48% of the motor fuel tax; and now we're getting 36%.

Director Patterson I did a slight comment on that, because that was one of the deals that, last year, we would go back to 48% or the full statutory authorization of fuel tax.

Commissioner Burrage said, as complicated as it is, I just encourage you guys to make sure you've got your big chief pad and your number 2 pencil out and make the list of all the things that it affects, because it's just not extending that 8 year plan to 11 or 12 years, which a lot of people think. It has an immediate effect, and it has unintended consequences; and the unintended consequences are just as bad; stifling that economic development, because we are not building a road or improving a road or maintaining a road like it should be is an unintended consequence-- not being able to match. We can go down the list, but you guys need to let us know what's on that list other than the 2 things you've talked about now, which is taking a \$1 1/2 billion out of the 8 year plan and stopping currently awarded projects, which is bad.

Director Patterson said well I'll throw out the other unintended consequences-- what is a rating agency thinking? They have already downgraded the State Oklahoma and the other 2 have us on negative watch. So if we are forced to go back into the market for some reason, I don't know how that will be received.

Commissioner Burrage said I just think we have an opportunity to match the revenue with the use this year, and we ought to do something reasonable. We ought to take some steps; and I hope there'll be a bipartisan effort, and I hope that there will be leadership to take that bipartisan effort and get it done, because where we sit right now, we are canceling projects.

Commissioner Love said to your point Chairman on the shutting down of projects-- for those that are driving north on 235 when you leave here, you'll be looking at one of them about 4 miles north of here. But to your point Commissioner on the bond, have we done an analysis or has anybody done an analysis if a \$200 or \$300 million bond for this year; we were downgraded our credit rating state. Would that happen again; or do we know?

Director Patterson said we don't know. Privately, we've talked about that here; we have not asked the rating agencies for an official opinion on that, but we will do that pretty soon, if we go in that direction.

Commissioner Burrage said I'm guessing as long as we were able to handle our budget, nobody is going to say anything. But when you can't handle it, and you're borrowing 1 time monies, that's a problem. And then it's just like if you're a banker, when they're examining you, and everything's great, then everything's great. But once they pick the scab off of something, then you get a lot of things looked at. And I assume that's how our bond rating will be. They'll take a more in-depth look at what we're doing in this state, and the problem that they are going to see is what the Governor pointed out; we have got an antiquated tax system in place.

Commissioner Overland said I would like get some clarity. Since my tenure here on the Commission, I don't ever remember that construction and maintenance or engineering ever got cheaper over time. So any time you delay projects or stop projects, whether they're begun or awarded and haven't started. It seems like the committed resources by whoever was the person who, or company that, was awarded-- there is an enormous amount committed to the project and now stops. And for them to start back up, surely that's a costly process for the Department. But if you don't do it and have to delay it, the cost of the project, obviously, would go up 2 or 3 years from now, instead of today. I'm assuming that.

Director Patterson said you're exactly right Commissioner. It is a situation, if we had to suspend activity that would be part of a potential claim would be the additional costs of the contractors now buying his materials as opposed to what he bid at the time, thinking that he was going to be completed within a certain time frame. And now we've asked him to extend it out 12 to 24 months, for example. But then, as you push those - so we're going to be working with those projects, so we can't award new projects. And we push those out to as 1 Senator put it recently-- 10 or 12 year, 8 year plan. Then those costs just escalate only too. So it becomes a snowballing event for you. It's hard to get your arms wrapped around that situation.

Commissioner Burrage said the 1 we need to remember, it took us many years to build a infrastructure of quality contractors and engineers. When we first started this, in the early '90s, and then we got we had some funding, we really didn't have enough quality companies out there to handle the work. We've got some good, private sector companies operating out there now, and we're fixing to stop some of those projects. That's going to give us a black eye.

END OF CONSENT DOCKET

ITEMS PRESENTED BY DIRECTOR OF ENGINEERING – Mr. Tegeler

63. Programming Items

- a) Tulsa County – District VIII – a project to repair vehicle impact damage to US-64 over 177 W. Avenue located 3.6 miles Southeast County Line - \$175,000 of State-Aid Funds – Party responsible for damage is known

- b) Tulsa County – District VIII – a project to repair vehicle impact damage to W. 111th Street over US-75 located 4 miles north of junction with SH-67 - \$50,000 of State-Aid Funds – Party responsible for damage is known

ACTION: Burgess moved and Love seconded that the Items be approved as presented.
 MOTION: Carried by the following vote:
 AYES: Fidler, Overland, Love, Burrage, Huckabay, Alexander and Burgess
 NAYES: None
 ABSENT: Regan

64. Engineering Contracts

Statewide – All Districts – Standard Drawings for On-System Roadway Pre-Cast Storm Sewer Structures

EC-1886	H.W. Lochner, Inc.	\$120,024.00
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Note: Item 64 is removed because of budget reasons.

65. Engineering Contract Supplement

- a) Statewide – All Districts – Post Earthquake Bridge Inspection Guidelines

EC-1609	Supplement 6	Infrastructure Engineers, Inc.	\$75,000.00
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- b) Choctaw County – District II – for additional engineering to develop final design plans for SH-109 over Kiamichi River, 3.6 miles south of Jct. US-70.

EC-1360C	Supplement 3	Poe & Associates, Inc.	\$161,000.00
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- c) Lincoln County – District III – for additional engineering to develop final construction plans for SH-66B over Captain Creek, 1.5 miles northeast of SH-66.

EC-1499A	Supplement 1	Atkins North America, Inc.	\$104,680.00
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- d) Caddo County – District VII – for additional engineering to develop final construction plans for US-281 over Washita River and two O'Flows beginning approximately 0.74 miles north of US-62, extending north approximately 0.71 miles.

EC-1589A	Supplement 2	Garver, LLC	\$758,303.00
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ACTION: Huckabay moved and Fidler seconded that the Items be approved as presented.
 MOTION: Carried by the following vote:
 AYES: Fidler, Overland, Love, Burrage, Huckabay, Alexander and Burgess
 NAYES: None
 ABSENT: Regan

ITEMS PRESENTED BY THE PROGRAMS DIVISION MANAGER – Mr. Adkins

66. Lettings

- a) Final July 2017 Bid Opening
- b) Tentative August 2017 Bid Opening
- c) Tentative September 2017 Bid Opening

ACTION: Huckabay moved and Overland seconded that the Items be approved as presented.
MOTION: Carried by the following vote:
AYES: Fidler, Overland, Love, Burrage, Huckabay, Alexander and Burgess
NAYES: None
ABSENT: Regan

ITEMS PRESENTED BY CONSTRUCTION DIVISION ENGINEER – Mr. Leonard

67. Change Orders with Cumulative Total of \$75,000.00 or Less – Information Only

- a) Alfalfa County - US-64 - SSP-102C(100)SS / 24062(04), \$3,283.47 Underrun
- b) Alfalfa County - SH-58 - ACSTP-202C(029)SS / 28032(04), \$4,543.60
- c) Atoka County - Co. Rd. - CIRB-203C(039)RB / 28605(04), \$3,366.00
- d) Caddo County - US-277 - SBR-208C(022)SB / 30383(04), \$20,563.20 Underrun
- e) Cleveland County - Ct. St. - STPG-114C(200)AG / 24285(04), \$12,205.00
- f) Craig County - SH-82 - STP-218C(037)SS / 27089(04), \$71.97 Underrun
- g) Creek County - SH-97 - STP-219B(042)IG / 29327(04), \$10,126.00
- h) Delaware County - US-59 - STP-121E(155)EH / 28842(04)#1, \$45,082.45
- i) Delaware County - US-59 - STP-121E(155)EH / 28842(04)#2, \$8,599.89
- j) Garvin County - SH-76 - ACSTP-125B(137)SS / 23264(04), \$2,427.75
- k) Grady County - US-62 - HSIPG-226F(013)TR / 30852(04), \$9,250.46
- l) Hughes County - SH-9 - ACSTP-232C(036)SS / 27059(04), \$5,499.40
- m) Hughes County - SH-9 - ACSTP-232C(050)SS / 28921(04), \$5,250.00
- n) Kay County - US-60 - NHPPY-136N(098) / SBR-136N(216)SB / 21853(04), \$5,809.70 Underrun
- o) Lincoln County - US-177 - ACSTP-241B(043)SS / 28941(04), \$5,000.00
- p) Lincoln County - Co. Rd. - ACSTP-241D(046)CI / 30020(04), \$0.00
- q) McClain County - SH-76 - ACSTP-244C(047)3P / 30565(04), \$41,638.20
- r) McCurtain County - Co. Rd. - CIRB-145C(173)RB / 25469(04), \$40,722.00 Underrun
- s) Muskogee County - US-69 - SBR-251N(028)SB / 29786(04), \$417,497.89 Underrun
- t) Noble County - US-177 - SSP-252B(036)SS / 32709(04), \$10,653.60
- u) Okfuskee County - SH-48 - NHPPI-4000-(032)SS / 27055(04), \$36,909.16
- v) Oklahoma County - I-35 - HSIPG-3500(013)IT / 21034(05), \$30,531.75
- w) Osage County - US-60 - NHPP-257N(034)SS / 27088(04), \$6,709.99
- x) Seminole County - SH-99A - SSP-267C(050)SS / 28926(04), \$44,463.40
- y) Texas County - US-54 - ACNHPP-008N(087)SS / 29447(04), \$14,995.00
- z) Texas County - SH-95 - ACSTP-270C(022)SS / 29448(04), \$9,487.38 Underrun
- aa) Wagoner County - Co. Rd. - CIRB-173C(146)RB / 25489(04), \$1,411.10 Underrun
- bb) Wagoner County - Ct. St. - STPY-173C(177)MS / 28905(04), \$22,527.94
- cc) Woodward County - SH-34 - ACSTP-277B(032)SS / 27924(04), \$1,080.00

68. Change Orders with Cumulative Total Greater than \$75,000.00

- a) Bryan County - US-69 - STP-207F(062)SS / STP-245G(042)3B / 24333(08), \$148,950.00
- b) Cleveland County - Ct. St. - STP-214C(011)AG / 29261(04)#8, \$28,075.67
- c) Cleveland County - Ct. St. - STP-214C(011)AG / 29261(04)#9, \$15,132.57
- d) Custer County - I-40 - NHPPIY-0040-3(082)SS/NHPPIY-0040-3(085) / 26490(04), \$67,002.00
- e) Grady County - SH-19 - STPY-226C(014) / 28038(04), \$91,455.00
- f) Grant County - SH-11 - STPY-127B(135)(136) / 24429(04), \$2,087.80
- g) Haskell County - Co. Rd. - CIRB-131C(114)RB / 28411(04), \$48,525.78
- h) Johnston County - SH-22 - SSP-235F(019)SS / 23285(06), \$11,609.70
- i) Muskogee County - US-62 - ACSTP-251B(029)SS / 28954(04), \$5,110.80
- j) Oklahoma County - Ct. St. - STP-155A(439)AG / 19312(05), \$17,067.31
- k) Oklahoma County - Ct. St. - SBR-255N(361)SB / SSP-255A(351)SS / 30424(04), \$100,942.88
- l) Okmulgee County - US-75 - NHPP-256N(024)SS / 21740(04), \$351,000.00
- m) Pontotoc County - SH-1 - MC-262N(014) / 29906(04), \$15,622.54
- n) Rogers County - Ct. St. - STP-166C(244)CI / 26988(04), \$1,515,213.75

ACTION: Overland moved and Alexander seconded that the Items be approved as presented.
MOTION: Carried by the following vote:
AYES: Fidler, Overland, Love, Burrage, Huckabay, Alexander and Burgess
NAYES: None
ABSENT: Regan

ITEM PRESENTED ON BEHALF OF THE DIRECTOR'S OFFICE – Mr. Surret

69. Addition to the Industrial Access Road Program

Commission District III - Pottawatomie County

The City of Tecumseh is requesting approval for an industrial access project for the Tecumseh Industrial Park. Logic Aviation, Acord Truck Equipment, Goodyear Tire, Yearwood Design Works and Browns Warehouse are investing more than \$2,500,000 for new facilities and creating 40 new full time jobs.

The proposed project has three parts. Part 1 begins at US-77, approximately 3000 feet south of Benson Park Road, just east of US-177 and extends eastward for approximately 850 feet. Part 2 begins approximately 3000 feet south of Benson Park Road, just east of US-177 and extends southward for approximately 730 feet. Part 3 begins at Benson Park Road, approximately 920 feet east of US-177 and extends southward for approximately 2310 feet. The City of Tecumseh will be responsible for the initiation, construction and completion of all work associated with the project. The estimated cost of the entire project is \$592,500. The Department's participation shall not exceed **\$357,000.**

Note: Item 69 is deferred because of budget reasons.

ITEM PRESENTED BY THE OFFICE ENGINEER – Mr. Delce

70. Awards

- a) April 20, 2017 – Emergency Letting **(Information Only)**
- b) April 20, 2017 – Regular Letting

Note: Call Orders 030, 050, 070, 085, 100, 120, 135, 140, and 200 on Item 70 b) are deferred because of budget reasons.

ACTION: Fidler moved and Huckabay seconded that the Item be approved as presented.
MOTION: Carried by the following vote:
AYES: Fidler, Overland, Love, Burrage, Huckabay, Alexander and Burgess
NAYES: None
ABSENT: Regan

ITEM PRESENTED BY THE COMPTROLLER – Ms. Hilmes

71. Settlement for Damages to State Property

- a) Thomas Kelley - Oklahoma County - \$813.92
- b) Sheila White – Canadian County - \$102.00

ACTION: Burgess moved and Fidler seconded that the Items be approved as presented.
MOTION: Carried by the following vote:
AYES: Fidler, Overland, Love, Burrage, Huckabay, Alexander and Burgess
NAYES: None
ABSENT: Regan

ITEM PRESENTED BY THE DIRECTOR – Mr. Patterson

72. Director's Report

Oftentimes we are asked what you did this weekend. Let me tell you what ODOT did this weekend. So we thought we might have a leisurely weekend, but no, it didn't turn out that way. So if you just, geographically, go around the State, Division 6 up in the panhandle, plowed snow. I think Commissioner Alexander would tell you, we had drifts up to 4 and 5 feet of snow and our guys are out plowing snow on April 30th. Who would have thought that would happen in April? So while they are plowing snow; you get down here in Oklahoma City, and we've got, what I would call, heavy rains, perhaps even torrential rains with high winds. So we got power lines down across the interstate, so we got the interstates blocked, and, of course, we can't do anything with power lines, but we're trying to manage the traffic, get the citizens around where they need to go. You go to Division 2 in Eastern Oklahoma we have flood issues and we've got wash outs. I'm sure we are going to have some emergency projects over there, involving roads that are being washed now. But then to top it off, you go down to Southwest Oklahoma, we had to close Highway 76 because of a sand storm. So the only thing left from our weekend was the locust didn't show up and I'm thankful for that, because if they would've come, that would have made it really difficult. But other than that, it was just a normal, ODOT weekend. You heard, during our Safety Awards, Jeff Perry from Division 1 was unable to be here; that is because he is managing the floods in Division 1 today, in his particular county. So, in as much

as he wanted to be here and be recognized for being a safety leader in his Division, he knew where he needed to be; and he's exactly where he needs to be.

Another gentleman that came up that I want to mention is Brian Sutton from Division 8. I know he's getting ready to retire, and he came up, and he whispered in my ear, that this is really rewarding for him to receive this safety award. He's got three weeks left on the job; this is a long time employee that has strived for safety throughout his entire career. Brian went through a tragic situation a few years ago when one of his employees who is one of the 60; and Brian took that very personally, as we all did. But Brian took it exceptionally personal.

We've been working on our work zone safety awareness for the last couple of months. Today we're going to have an event at 2 o'clock out here at I-235 and 36th street. If you came that way, you may have seen there are some ribbons out there, very large ribbons, about this tall. There are 85 of them. We've talked about, in the last five years, 85 people have died in work zones. Four of those ribbons of the 85 are yellow, signifying ODOT employees. The other 81 are people who were traveling through the work zone. We still strive to change the behavior of the driver who goes through our work zones. The easiest thing would be to close the highway, to close the road, so that those 81 would be much safer, perhaps going in another direction. But that's not feasible, so we make it as safe as we can, and then we ask them to help us. So this afternoon at 2 o'clock, we're going to have that event. If you can be there, join us. If you can't, we completely understand. We take a lot of your time as Commissioners-- listening and helping me through these budget issues and other situations that the Director and Senior Staff have. And certainly, you're a real benefit and asset to the Division Engineers that you represent.

Mr. Chairman, that's all I have today. I'd be happy to answer any questions.

Commissioner Burrage said I want to make sure, as the Commission leaves today, that we have a clear picture. If something doesn't change across the street, if there's not something done in addition to what has been done; which what has been done is \$251 million has been taken out of our proposed funding. We are already going to take steps of shutting down projects that are currently awarded until we know. We are deferring projects, and we are studying other projects at the division level. Is that what we're doing?

Director Patterson said that is correct. We have stopped issuing work orders on projects that you have awarded that don't yet have a work order issue. We are retracting or canceling the work orders if the project hasn't started. To your point, we are going to look at those projects that have already started and seeing which one of those are the best candidates for suspending construction activities.

Commissioner Burrage said and those are the ones that you're visiting with the Division Engineers about?

Director Patterson said yes, those are the ones the Division Engineers are going to provide me with a report on what will be a good point, and how they will go about suspending those activities.

Commissioner Burrage said, so you Commissioners need to get with your Division Engineers, and we need get a message to Commissioner Regan, so he won't be behind the 8 ball on this and be behind. Well, I would encourage you to continue to carry the message that bonds are not the answer over here; 3/4 of a billion dollars in debt at the Department of Transportation, I don't think that's a responsible move! There is a level, which we all know we might get comfortable at, if that's our only option, but only as, an only option! We need to remember that we are not the Turnpike Authority, and there is a funding mechanism out there that the public is paying for right now; and we are just not getting the money. We have a lot of great, responsible

Leaders, but as a Department. I wrote something down I want to read to you, and I want you to remember it, because we need to be as responsible as all the other agencies has to be. And a lot of times, it's our reaction. We need to be part of the solution; and you know that great leaders are rare, and I'm so proud of the leadership here. But we often elect and appoint people to leadership positions, and we have a lot of you guys right here, a lot of you senior leaders that they need to remember this through these difficult time; is we don't want to falter or fail or fail to act when we need to. We don't want to abuse the privilege that we've been given here, to oversee these assets. We don't want to squander our opportunities and our resources, because of our ego or the way we approach some of these problems. We need faithful and effective and ethical leadership at the Department at this time; and I would just encourage you guys to be those kind of leaders.

Information Only: No Commission action required.

ITEM PRESENTED BY COMMISSION CHAIRMAN

73. Adjournment Motion

ACTION: Burgess moved and Alexander seconded that the Meeting be adjourned.
MOTION: Carried by the following vote:
AYES: Fidler, Overland, Love, Burrage, Huckabay, Alexander and Burgess
NAYES: None
ABSENT: Regan

Meeting adjourned at 12:14 p.m.

Approval of the Minutes of the Transportation Commission Meeting of May 1, 2017.

David Burrage – Chairman

Brad Burgess – Vice Chairman