

**Minutes**  
**EVALUATION SUBCOMMITTEE**  
**Legislative Audit Commission**  
**March 26, 2014**

Members Present:

Representative Rick Hansen, Chair  
Representative Andrew Falk  
Representative Mary Liz Holberg  
Senator Mary Kiffmeyer  
Senator Warren Limmer

Members Absent:

Senator James Metzen

Representative Rick Hansen, Chair, called the Legislative Audit Commission Evaluation Subcommittee meeting to order at 2:30 p.m. The purpose of the meeting was to review the list of evaluation topics suggested by legislators and others and to release the evaluation, *MnDOT Selection of Pavement Surface for Road Rehabilitation*.

Representative Hansen introduced Jim Nobles, Legislative Auditor. Mr. Nobles thanked the commission members for their work and commented that in this list of topics, there could be some topics that might result in shorter, smaller evaluations, but that OLA was not going to suggest splitting topics into small and large topic categories as had been done for the 2013 selection process. Mr. Nobles then introduced Judy Randall, Evaluation Manager, who organized the topic selection process again this year.

Representative Hansen asked the members to go through the list of topics and select their top six choices. The topics with the most “votes” would become “semi-finalists” and be included on a survey of all legislators. The goal was to narrow the list of 103 topics down to 8-10 semi-finalist topics for possible evaluation by OLA in 2014. The topics selected by the subcommittee for further consideration were:

- Agricultural Utilization Research Institute (AURI)
- Minerals Taxation
- Minnesota Board of Nursing
- Minnesota Department of Human Rights
- Minnesota Film Board
- Minnesota Licensing and Registration System (MNLARS)
- MNsure
- Oversight of Medicaid Systems
- Oversight of Residential Facilities for the Disabled
- Packinghouse Workers Bill of Rights
- Police Forfeiture System
- SCORE Grants/Solid Waste Fee (to be combined into one larger evaluation about recycling)

Representative Falk moved to have the 12 topics be on the list for further consideration; the motion prevailed.

The meeting turned to the release of the program evaluation, *MnDOT Selection of Pavement Surface for Road Rehabilitation*. Mr. Nobles gave a brief summary of the evaluation. Mr. Nobles then introduced Jody Hauer, Evaluation Manager, to give more details. Ms. Hauer said the overall conclusions of the evaluation are that the Minnesota Department of Transportation (MnDOT) has not formally identified all feasible pavement alternatives; in life-cycle cost analyses, MnDOT does not estimate user costs or supplemental costs; MnDOT does not formally assess all economic and noneconomic factors that affect pavement alternatives; a statutory requirement comparing pavement alternatives of “equal design lives”

is unneeded; and alternate bidding has had limited impact. Ms. Hauer said that a recommendation to the Legislature would be to repeal language on “equal design lives” in the statute requiring life-cycle cost analyses.

Representative Hansen invited the representatives from MnDOT to address the subcommittee. Amr Jabr, Assistant Director, Engineering Services Division, and Curt Turgeon, Senior Administrative Engineer, said they appreciated the work the Office of the Legislative Auditor did on the evaluation as it explained well a complicated topic. Mr. Jabr said the department agrees that material-specific inflation should not be added to pavement selection at this time. Although the department does consider some user costs during project development, such as in more rural areas, Mr. Jabr said that quantifying user costs within the metro is not practical because of the many rerouting choices users have. He did add that the department does take user delay into account in deciding to perform work between rush hours or at night. Mr. Jabr also said MnDOT would support a repeal in statute on the requirement for “equal design lives” in life-cycle cost analyses. In closing, Mr. Jabr said that MnDOT is committed to the efficient use of tax dollars for providing a functional pavement system.

With no further business, Representative Hansen adjourned the meeting at 4:05 p.m.

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Representative Rick Hansen, Chair

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Maureen Garrahy, Recording Secretary