



**MISSOURI HIGHWAYS AND TRANSPORTATION
COMMISSION**

Official Minutes

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**MINUTES OF THE REGULARLY SCHEDULED HIGHWAYS AND
TRANSPORTATION COMMISSION MEETING HELD IN HANNIBAL, MISSOURI,
THURSDAY, SEPTEMBER 1, 2016**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Thursday, September 1, 2016, at the Missouri Department of Transportation Northeast District Office, 1711 South Highway 61, Hannibal, Missouri. Gregg C. Smith, Chairman, called the meeting to order at 10:00 a.m. The following Commissioners were present: Michael B. Pace, Michael T. Waters, Jr., Mary E. Nelson, and John W. Briscoe.

Commissioner Stephen R. Miller tendered his resignation effective July 1, 2016; at the time of the September 1, 2016 meeting, a replacement had not been appointed.

The meeting was called pursuant to Section 226.120 of the Revised Statutes of Missouri, as amended. The Secretary verified that notice of the meeting was posted in keeping with Section 610.020 of the Revised Statutes of Missouri, as amended.

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Patrick McKenna, Director of the Missouri Department of Transportation; Rich Tiemeyer, Chief Counsel for the Commission; and Pamela J. Harlan, Secretary to the Commission, were present on Thursday, September 1, 2016.

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*“Department” or “MoDOT” herein refers to Missouri Department of Transportation.
“Commission” or “MHTC” herein refers to Missouri Highways and Transportation Commission.*

-- CLOSED MEETING --

VOTE TO CLOSE MEETING

The agenda of the closed meeting was posted in keeping with Sections 610.020 and 610.022, RSMo, including the following statutory citations allowing the meeting to be closed:

1. Section 610.021(1) – Legal actions and attorney-client privileged communications.
2. Section 610.021(3), (13) – Personnel administration regarding particular employees.
3. Section 610.021(11), (12) – Competitive bidding specs, sealed bids, or negotiated contracts.

Upon motion duly made and seconded to convene in closed session, the Chairman called for a voice vote of the members. The vote was as follows:

Commissioner Smith, Aye
Commissioner Pace, Aye
Commissioner Waters, Aye
Commissioner Nelson, Aye
Commissioner Briscoe, Aye

The Commission met in closed session on Thursday, September 1, 2016 at 8:00 a.m., and adjourned at 10:00 a.m.

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-- OPEN MEETING --

APPROVAL OF MINUTES

Upon motion by Commissioner Waters, seconded by Commissioner Briscoe, the Commission unanimously approved the minutes of the regular meetings held June 8, 2016, and July 7, 2016, and the special meeting held June 7, 2016. The Chairman and Secretary to the Commission were authorized and directed to sign and certify said minutes and to file same in the office of the Secretary.

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CONSENT AGENDA

Consent Agenda Process

In order to make the most efficient use of Commission meeting time and to ensure Commission members are well informed on issues requiring their action, staff prepares and submits to the Commission members, in advance of their meeting, internal memoranda consisting of advice, opinions, and recommendations related to the items of the Commission meeting agenda. Those items considered by staff to be of a routine or non-controversial nature are placed on a consent agenda. During the meeting, items can be removed from the consent agenda at the request of any one Commission member. The items that are not removed from the consent agenda are approved with a single motion and unanimous vote by a quorum of the members.

Minutes reflecting approval of items on the consent agenda are singly reported herein and intermingled with minutes reflecting action on related subjects that were openly discussed. Reference to “consent agenda” is made in each minute approved via the process described in the paragraph above. Minutes reflecting action on items removed from the consent agenda and openly discussed reflect the open discussion and vote thereon.

Consideration of September 1, 2016, Consent Agenda

No items were removed from the consent agenda. Upon motion by Commissioner Pace, seconded by Commissioner Waters, the consent agenda items were unanimously approved by a quorum of Commission members present.

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COMMISSION COMMITTEES AND COMMISSION RELATED BOARDS

The Commission has two standing committees: Audit and Legislative. In addition, it elects Commission representatives to two boards: Missouri Transportation Finance Corporation Board of Directors and MoDOT and Patrol Employees' Retirement System Board of Trustees. The following committee and board reports were made during the September 1, 2016, meeting.

Audit Committee – Commissioner Waters stated there was no report.

Legislative Committee – Commissioner Pace introduced some of the legislative proposals that are supported by the Commission for the legislative session that will begin in 2017. He noted this year's legislative proposals are packaged into three categories: safety, innovations, and federal mandates.

Safety is MoDOT's number one priority and the Commission wants employees as well as the general public to be safe when working or traveling on Missouri's transportation system. The first safety initiative to be considered is ***primary enforcement of seat belt law***. Missouri's statewide law is known as a secondary enforcement law with regard to wearing a seat belt. A law enforcement officer must have stopped a driver for some other violation in order to also cite the driver for not wearing their seat belt. The proposed legislation will allow a law enforcement officer to stop a driver solely for failure to wear their seat belt if the violation is clearly visible to the officer. The violation is an infraction of a ten-dollar fine. It is estimated a primary enforcement law could save approximately 41 lives a year.

The second safety proposal would ***prohibit the use of hand-held electronic communication devices while driving***. Missouri's current law, passed in 2009, prohibits drivers 21 years of age and under from using a hand-held electronic communication device for text messaging and other electronic messaging while driving. The proposed legislation would prohibit all drivers from using a hand-held electronic communication device while driving. This change in law would not only address the

dangerous behavior of texting while driving but will also address other dangerous behaviors of using an electronic communication device while driving.

A third safety initiative would clean up some legislation that was passed by the General Assembly last session that inadvertently impacts when MoDOT vehicles can use *flashing amber or white lights on department vehicles and equipment*. This change in law is needed for MoDOT employees who display these light configurations when performing a moving maintenance operation such as mowing along highway right-of-way or plowing snow to enhance their visibility to the traveling public.

Under the category of innovations MoDOT would again like to pursue *platooning legislation* that passed in 2016 but was later vetoed by Governor Nixon. Platooning is wireless connectivity between trucks that would allow for the second truck to follow at a close distance for better fuel economy and safety. MoDOT continues to believe platooning is an efficient way for commercial motor vehicles to transport goods across the state.

Finally, with the passage of the 2015 federal transportation reauthorization act, known as *Fixing America's Surface Transportation Act* (FAST Act) some changes to Missouri's motor carrier laws are now required in order to follow suit. Not adopting these federal provisions could result in a withholding of seven percent (or approximately \$62 million) of federal highway funds for not having adequate certification as determined by the USDOT Secretary of Transportation. Two specific changes that need to be addressed surround the issue of *increasing the allowable length of an automobile transporter* from 75 to 80 feet and tow-a-way trailer transporters to 82 feet, and *increasing the interstate weight of tractor-trailer formations* to 82,000 lbs. from 80,000 lbs. for vehicles operated by an engine fueled primarily with natural gas.

Missouri Transportation Finance Corporation – Commissioner Smith stated there was no report.

MoDOT and Patrol Employees' Retirement System – Commissioner Pace reported on the current status of the retirement plan's investments. He noted the fiscal year 2016 final investment performance was one percent, which is good relative to public fund peers given that global equities are down almost four percent for the year. Long term, the plan continues to be among the best performing public funds in the peer universe over three, five, and ten year periods.

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DIRECTOR'S REPORT

During the September 1, 2016, Commission meeting, Director Patrick McKenna provided the following report:

America's Transportation Awards – Last month, the diverging diamond interchange project at Battlefield Road and U.S. Route 65 in Springfield was deemed the Best Use of Innovation in the small project category at the regional level of America's Transportation Awards. The award was presented at the Mid America Association of State Transportation Officials (MAASTO) annual conference in Minneapolis. Congratulations to the Southwest District, and specifically to project manager Stacy Reese.

Innovations Challenge Winners – Director McKenna saluted the efforts of employees from the Memphis, Canton, and Waylon maintenance buildings who came up with a tractor-mounted weed eater that allows the department to trim around shoulder-mounted delineator posts, guardrail posts and guardcable safer and more efficiently. The Innovations Challenge winners recognized include: Maintenance Supervisor Todd Greenstreet, Crew Leaders Shannon Partin and Richard Hyde, Senior Equipment Technicians Payden McCarty and Robey Farr, and Equipment Technician Cyle Jones. This equipment was on display at the meeting.

Champ Clark Bridge – The Director recognized the Northeast District employees who are leading the district's first design-build project that will replace the Champ Clark Bridge over the Mississippi River at Louisiana on Route 54. The team will present to the Commission their recommendation of a design-build team in the summer of 2017 and anticipate the bridge to be open in the fall of 2019. The team members include Project Director Keith Killen, Deputy Project Director Brandi Baldwin, and team members Jeff Gander, Mike Baxter, and Eric Kopinski.

Missouri State Employee's Charitable Campaign (MSECC) – MoDOT will be kicking off the MSECC later in September. Director McKenna noted how proud he is of team MoDOT when it comes to supporting this charitable effort. MoDOT has led all state agencies in total giving for nine straight years because of its compassionate employees.

Safety – Director McKenna reported the 2016 Teen Seatbelt Survey was conducted in the spring. More than 40,000 observations were made at 150 high schools in Missouri. He reported overall statewide teen safety belt usage rate increased 1.4 percent to 70.4 percent. The rate for teenage male drivers also increased by 1.3 percent. He concluded MoDOT must continue to encourage people to buckle up!

Day of Remembrance – MoDOT will be holding remembrance ceremonies across the state on September 15, 2016. Every district and central office will remember the sacrifice that was made by the 132 MoDOT employees since 1932 that have lost their lives while performing their duties for the benefit of the citizens of Missouri. In their honor, MoDOT will observe a moment of silence at 1:32 p.m. This reinforces MoDOT’s dedication to do whatever it takes to help our customers and our co-workers make it home safe. MoDOT is committed to do everything it can to never add another name to the Fallen Workers memorial that is outside the Central Office building, but unfortunately another name was added this past year, Lyndon Ebker; a sad day for the MoDOT family.

1033 Benevolent Fund Golf Tournament – On September 19 the annual 1033 Benevolent Fund golf tournament will take place in Columbia. It is the twelfth annual event hosted by former Governor Roger Wilson. This event is special to him because it raises funds to provide immediate benefits to families of public servants who are killed in the line of duty. His grandfather was sheriff of Boone County and was killed in the line of duty, shot after stopping two bank robbery suspects. MoDOT employees, partners, suppliers, and others turn out for this tournament every year. The families of MoDOT’s fallen workers have benefitted from this fund.

Missouri Moves Cost Share Program – Director McKenna announced the response for the Missouri Moves Cost Share Program indicates a significant demand for transportation funding. The General Assembly and Governor made \$20 million of general revenue available for this program. MoDOT is currently evaluating over 101 applications from local communities requesting over \$71 million for projects totaling \$312.9 million. Seventy-eight different entities applied for the funds; fifty-five cities, nine counties, and sixteen public agencies. Over the next few months, MoDOT will be performing a detailed analysis of the project applications. Once the applications have been thoroughly vetted and analyzed, project selection will occur early this fall. The response to this program clearly demonstrates that the needs far exceed the available resources.

Bridge Closure – The director reported the department closed another bridge today in the Southwest District. This bridge is on Route 96 in Jasper County located in Carthage over the M&A railroad. The bridge was built in 1934 and has reached the end of its useful life, additionally, it had been weight restricted to 10 tons since October 2014. Further deterioration of the columns resulted in the bridge becoming unsafe for travel. When MoDOT closes a bridge, it is a break in the transportation network, no different than if there was a power outage in the electric grid. The director commended the inspection team for monitoring the bridge and recommending the closure to keep people safe.

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WELCOME BY THE CITY OF HANNIBAL

James Hark, Mayor of Hannibal, welcomed the Commission and pledged to work diligently to improving transportation arteries in the region. He realized funding transportation is an issue and stated that everyone is in this together, each Missourian has a responsibility and ownership of the issue and it is up to the citizens to step forward and take care of the issue. Mayor Hark commented on the Director's report on teen seat belt usage and the Commission's efforts to pursue safety legislation. As a retired cop with 22 years of experience, Mr. Hark has witnessed the benefits of seat belt usage, as well as the disasters that can occur without seat belt usage. He expressed appreciation for these efforts.

Commissioner Smith thanked Mayor Hark for his presentation and for the team effort of the community to support transportation in the region.

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PRESENTATION BY TRI-STATE DEVELOPMENT SUMMIT

Tom Boland, Former Commissioner, and Tom Oakley, President and CEO of Quincy Newspapers, Inc., presented a request to the Commission. Their request included consideration of the Hannibal Expressway project and extending the Interstate 72 designation further west along Route 36. Meeting these two requests is very important for economic development and improving safety in the region.

Mr. Oakley explained the Tri-State Development Summit promotes four-lane highway transportation facilities in thirty-six counties in the states of Illinois, Iowa, and Missouri. The summit has an agenda for transportation, river ways, education, agriculture, tourism, and workforce development. The summit speaks with one voice to three Governors, six United States Senators, six United States Representatives, and all the state elected officials in those regions. The transportation task force of the summit set a goal to complete 1,677 miles of four-lane highway in the region. To date,

1,311 miles of four-lane highway have been completed. There are 366 miles that are unfunded, including 116 miles in Missouri. The Hannibal Expressway represents 10 of those unfunded miles.

Mr. Oakley recalled in 1984 a group from Illinois and the Hannibal Chamber Transportation Committee identified ten regional highway priorities that would create the best economic development opportunity for northeast Missouri and west central Illinois. Among the major regional projects that have been completed from that list are: the interstate bridge crossing the Mississippi River on I-72 and U.S. 36 that opened in 2000, the Avenue of the Saints from St. Paul to St. Louis that was finished in Missouri in 2009, the Chicago/Kansas City Expressway that was finished in Illinois in 2008 and in Missouri in 2010, and Interstate 72 across Illinois which was finished in 1991, and four-laning U.S. 36 between Hannibal and Macon.

The only project deemed critical in 1984 that has not been finished is the Hannibal Expressway. Relocating ten miles of U.S. 61, the Avenue of the Saints, around Hannibal. Currently this road winds through the city of Hannibal, has seven stop lights and heavy traffic. Mr. Oakley stated the Federal Highway Administration (FHWA) and MoDOT completed an environmental impact statement on alternative routes for 61 in the Hannibal area. He quoted the report which said “the recommended action is the relocation of U.S. 61 consisting of construction of a four-lane fully access limited divided highway in Marion and Ralls county which will be approximately ten miles in length. The project will begin at the existing Route 61/24 interchange north of Hannibal continuing southeasterly and end in the vicinity of existing Route 61/M which is south of Hannibal.” In addition, Mr. Oakley stated MoDOT and FHWA accurately forecasted in 1996, and underestimated the problems that have actually occurred without constructing the Hannibal Expressway. Currently there is not a plan in place; the community has the desire, and there is a huge traffic problem. He requested MoDOT make this project a high priority and find the resources to get the project shovel ready so when funds are available it can be built.

The second project Mr. Oakley reviewed with the Commission is for MoDOT to ask FHWA to elevate the designation of U.S. 36 to Interstate 72 from the current point at U.S. 61 where it presently ends to approximately seven miles west of the city at the intersection of U.S. 24. Economic development west of Hannibal is the primary reason for this change of designation. There is substantial vacant ground on both sides of the highway for restaurants, motels, retail, manufacturing and distribution investments, hospital and clinic expansion, as well as the newly approved industrial park. Mr. Oakley stated he believed that all of the intersections from U.S. 61 out to U.S. 24 are built to interstate standards, and it is simply a matter of asking FHWA to allow the I-72 designation to be extended along the U.S. 36 corridor west.

Mr. Oakley noted there are additional transportation projects the summit supports. These projects include construction of:

- Four lanes on Missouri 19 south to U.S. 54
- Four lanes on U.S 54 from Mexico to the Mississippi River Bridge at Louisiana
- A new bridge over the Mississippi River at Louisiana
- Four lanes on U.S. 63 south of Macon
- The Corridor of the Capitols on U.S. 63 to provide a four lane facility from Jefferson City to Des Moines with bypasses of Macon and other communities as needed
- Four lanes on Missouri 5 to bypass Lebanon and connect to Interstate 44 providing multi-lane access and completing the summit's Southwest Gateway priority.

Mr. Oakley expressed appreciation for the terrific job the Commission and MoDOT have done to conserve and stretch the limited transportation resources that are available. The region and the entire state are facing an unacceptable transportation funding crisis that will negatively impact Missouri's future growth and prosperity. He hopes the Commission will consider the two requests today for construction of the Hannibal Expressway and extending the I-72 designation west to the junction of U.S.

24. He also reminded everyone the Tri-State Summit is meeting on November 18 in Mount Pleasant, Iowa and encouraged everyone to attend.

Commissioner Briscoe thanked Mr. Boland and Mr. Oakley for their presentation and relentless support to improve transportation in the region.

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PRESENTATION BY DELEGATION REPRESENTING THE ROUTE 54 CORRIDOR COALITION

Russell Runge, Assistant Manager for the City of Mexico, and Steve Hobbs, Presiding Commissioner for Audrain County, presented to the Commission on behalf of the Route 54 Corridor Coalition. The coalition represents all the counties and communities along the 54 corridor between Mexico and Louisiana as well as Pike County, Illinois. The coalition requested the Commission construct a shared four-lane road on Route 54 from Mexico to Louisiana. This is similar to the facility on Route 5 between Camdenton and Lebanon. This project would create safer and more efficient movement of commerce and citizens along the route. In Mexico, there are many businesses that would benefit from a shared four lane route including Home Depot distribution center, True Manufacturing Spartan Light Metals, Soft Surroundings distribution center, farms, and the Louisiana port.

The Route 54 Corridor Coalition began in 2006, and while the members have changed, the mission continues. The coalition has most recently been working with Pike County, Illinois to discuss possibilities when the new Champ Clark Bridge opens in 2019. These discussions include addressing the roadways that lead up to the bridge on both sides of the river.

The coalition appreciates the district's efforts to stretch those dimes and is ready and willing to help MoDOT with that effort. The coalition has been meeting with other organizations to advocate for funding for transportation infrastructure improvements. He noted Audrain County recently joined the Tri-State Summit and that Pike County has been a member for a number of years. The mission of the Tri-State summit is the same, to improve infrastructure in the region. The coalition is also working with

other highway corridor groups around the state that want improvements to their highways. This group of coalitions plans to meet later this fall to find ways to educate Missouri voters on the need for infrastructure funding. The coalition is also a member of the Mercury Alliance, the organization that is working diligently to find ways and means to improve infrastructure around the state.

Commissioner Smith thanked Mr. Runge and Mr. Hobbs for their presentation and for continuing to work closely with district staff on this project.

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ROUTE 54 OVER THE MISSISSIPPI RIVER IN PIKE COUNTY

Mike Reed, Superintendent of the Sny Island Levee Drainage District, presented to the Commission his concern about the future construction of a new bridge over the Mississippi River on Route 54. He explained the Sny Island Levee Drainage District stretches from southern Adams County through all of Pike County into northern Calhoun County, in Illinois. The levee and drainage district provides flood protection to allow Interstate 72 to be viable and reliable during heavy flooding on the Mississippi River. Mr. Reed commended the department's director, staff, and project manager for working with the levee and drainage district to address concerns. While Mr. Reed understands this will be a design-build project and the final design has not been arrived at, they are concerned that the most economical way to design the Illinois approach is with an earth embankment approach.

Mr. Reed shared some historical flooding information to illustrate the need for a different type of bridge approach. He explained the current approach on the Illinois side closes at 24 feet on the Louisiana gauge on the Mississippi River. The flood in 2013 reached 24.99 feet, and again in 2014 reached 24.23 feet. In 2008 it reached as high as 26.91 feet, and then the great flood of 1993 it reached 28.40 feet. The Illinois approach is going to be designed at an elevation approximately eight feet over what is termed a 500 year flood on the Mississippi River at this location. That design elevation would be roughly 36.77 feet on the Louisiana gauge. While having a requirement at that level is good when

compared to the most recent highest floods, there remains a concern about how the approach is constructed. Mr. Reed hopes that the department will look at not only a no rise of flooding but also the impact an earthen embankment will have by narrowing the floodway.

Mr. Clinger, an engineer for the levee and drainage district, explained there have been significant increases in permitting requirements; following Hurricane Katrina the federal government passed the Federal Infrastructure and Levee Safety Act. Mr. Clinger stated that he is working with the levee and drainage district as well as MoDOT through some of these criteria.

The gentlemen concluded their presentation explaining they are working with people from both sides of the river including Billy Sheppard from the Pike Grain Company. Everyone is looking forward to the construction of the bridge, it is needed and wanted to help people travel safely. However, they hope the Commission and the department will keep in mind the conditions on the river and how the construction of the bridge will impact the flow of the river during floods, because right now is the opportunity to do it right and build a bridge that will meet the needs 100 years in the future.

Commissioner Waters thanked Mr. Reed and Mr. Clinger for their presentation. He inquired if during the Corps of Engineer's permitting process whether there would be additional opportunities to provide public input. Mr. Clinger indicated there would. Commissioner Waters inquired whether the department knew how long the trestle will be, and Chief Engineer Ed Hassinger indicated it will not be until after the department receives proposals from the bidders that the design of the bridge will be known.

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U.S. 36 / I-72 CORRIDOR TRANSPORTATION DEVELOPMENT DISTRICT

Larry Craig, Executive Director of U.S. 36 and I-72 Corridor Transportation Development District (TDD), presented to the Commission an update on the TDD and to share good news. Mr. Craig recalled in 2004 at a meeting with stakeholders from both Missouri and Illinois a discussion took place

about how to fund and build 52 miles of two additional lanes for U.S. 36 from Hannibal to Macon. Mr. Craig explained as part of that effort the TDD was formed in 2005. A fifteen year ½ cent sales tax was approved by four counties: Marion, Monroe, Shelby and Macon. The TDD borrowed approximately \$34 million from the Missouri Transportation Finance Corporation (MTFC) to pay for half of the project. He explained the TDD is within four payments of paying off that loan. The board plans to pay \$3 million in December 2016, and to make the final three annual payments for 2017, 2018, and 2019 in 2017. MoDOT will then be saving on interest as the loan arrangement was for the TDD to make the principal payments and MoDOT to make the interest payments. Mr. Craig estimated that would be several hundred thousand dollars in savings that could be applied to the replacement of the Champ Clark Bridge. He noted the sales tax is to run through 2020, and since the TDD will pay off the loan early, the plan is to have enough money to pay any remaining legal fees, the required audit, and for the election to terminate the TDD. He anticipates this will be accomplished by the middle of the year in 2018. At that point in time the U.S. 36/I-72 transportation development district will cease to exist and all bills will be paid. Mr. Craig thanked the Commission and the department for their partnership, and citizens of the four county district for supporting this project.

Commissioner Smith thanked Mr. Craig for his comments and commended the district for paying off their loan early.

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STATE OF THE NORTHEAST DISTRICT

On behalf of the Director, Paula Gough, Northeast District Engineer, presented to the Commission the state of the Northeast District of the Missouri Department of Transportation. She described the district and how it is comprised of seventeen counties beginning at the north end from the Iowa state line all the way down to the southern end at the Missouri River, then beginning at the western

side from the Highway 63 corridor over east to the Mississippi River. The district is a diverse mix of urban and rural and includes a large portion of Interstate 70.

The transportation system in the district includes 570 miles of major roadways, almost 4,000 miles of minor roadways, thirteen major bridges greater than one thousand feet, and 670 bridges. One of the major bridges is the Champ Clark Bridge that crosses the Mississippi River at Louisiana; many of the other major bridges cross over the Mark Twain Lake. Ms. Gough noted her appreciation of the district employees who work every day to make sure the district's transportation system is safe for the traveling public.

Ms. Gough then described the two methods of funding transportation improvements in the district. The Statewide Transportation Improvement Program (STIP) is the five year construction program that is approved every July. The 2017-2021 STIP truly reflects a taking care of the system approach. The STIP is developed using the planning process in conjunction with the three planning partners: Mark Twain Council of Governments, Northeast Missouri Planning Commission, and Booneslick Planning Commission. The Northeast District is focusing their STIP funds in bridge replacements and rehabilitation, pavement preservation, and limited safety improvements; all projects that focus on taking care of the system.

The other method to fund transportation improvements is through the operating budget. The Northeast District's operating budget addresses activities including winter operations, emergency and flood response, traffic incident management, mowing, signing and striping, in addition to maintaining roads and bridges. The district has a multi-year comprehensive plan similar to the STIP for use of the operating budget to take care of roads and bridges. It is the comprehensive pavement and bridge plan that prioritizes needs based on technical data. The district works down the list of projects in the comprehensive plan, but every year they are not able to go as far down the list as what they would like.

Bridges are a full time job in the district. There are fifteen poor condition bridges that will be replaced this fiscal year. A bridge on Route H in Scotland County has been closed since October 2014 and is now under construction. A bridge on Route T in Macon County was closed in February 2015 and construction has begun on that bridge. Over the next few years, the district will replace 39 poor condition bridges. There are two bridges that are posted with a weight restriction of ten tons. While not a complete break in the transportation system as a closure would be, it essentially cuts off most traffic because school buses, fire trucks, and heavier equipment cannot use those bridges. If no other bridges move to the poor condition after inspections this year, the district will still have 100 bridges in poor condition at the end of the fiscal year. Despite the department's effort to replace poor condition bridges, the Northeast District continues to lose ground. Every day they risk getting a phone call from bridge inspection staff or maintenance staff that another bridge will need to be closed.

Every bridge is inspected at least every other year and the poor bridges are inspected every year and sometimes more often than that. These inspections provide the critical information to make the tough choice about which bridge to program and how long a bridge can wait for repairs or replacement. In the Northeast District there are 125 poor condition bridges and 152 weight restricted bridges. There is an overlap of 101 bridges in both categories. Bridges are a critical connection to commerce and impacts agriculture especially during harvest season. Often times bridges are taken for granted but they are a vital transportation link with a tremendous impact locally, regionally, and statewide.

The district operating budget includes all the tasks that the public counts on MoDOT to take care of: mowing, signing, striping, winter operations, emergency operations, traffic signals. Having a light winter in fiscal years 2016 and 2017 has allowed the district to save on fuel, overtime, and other resources. Those savings are being applied to take care of the district's transportation system. The district was able to seal 523 miles of road, and lay 2,200 patches on roads and shoulders. The district

employees provide great value in making sure all available resources are used to benefit the transportation system and stretch every dime as far as possible.

In 2015, fatalities have increased 6.5 percent over the previous year. The department evaluates where the fatalities are occurring to determine how best to address any potential safety issues. Unfortunately they are occurring on all types of highways most in random locations. The department continues to work with the Missouri State Highway Patrol and local law enforcement on targeted enforcement efforts to help reduce unsafe driving habits. The Northeast District has a comprehensive safety plan. The district has taken a corridor approach to address at-grade intersections. Safety improvements that include incorporating j-turns were completed on US 63 following a comprehensive safety audit. A safety audit was also completed on a portion of US 61 and safety improvements that include j-turns will soon be constructed as part of the district's comprehensive safety plan. Unfortunately, despite the district's efforts, fatalities and crashes continue to occur and limited progress is made to improve safety due to the limited resources that are available.

The Northeast District is focusing all STIP funds and all available operation funds on maintaining the existing roads and bridges; however, there is a gap. Additional funds are needed to maintain Northeast District roads and bridges in their current condition. Additional funds or local funding sources are needed to provide additional or new infrastructure. Although the innovation and dedication of the district employees allow the district to stretch resources as far as possible and provide the best value they can get in the transportation system, every dime is being spent to simply take care of roads and bridges. Yet pavement and bridges continue to deteriorate and age and crashes continue to occur. Despite the district's planning and resourcefulness the list of transportation needs continues to grow and the district is losing ground. Unfortunately, the dime will not stretch far enough in the Northeast District.

Commissioner Nelson thanked Ms. Gough for her presentation and to express appreciation for the good stewardship of public dollars that are being expended. While she understands the district is doing the best it can with what is available, she also realizes it takes a lot of creativity and thoughtfulness to accomplish what you can and have accomplished and she commended the district for its efforts.

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MISSOURI DEPARTMENT OF TRANSPORTATION PROPOSED FISCAL YEAR 2018 APPROPRIATIONS REQUEST AND FISCAL YEAR 2017 SUPPLEMENTAL APPROPRIATIONS REQUEST

On behalf of the Director, Brenda Morris, Financial Services Director, presented the fiscal year 2018 appropriations request for \$2.81 billion, the fiscal year 2017 supplemental appropriations request for \$19.4 million, and the fiscal year 2018 capital improvements request for \$89.8 million.

Ms. Morris explained the department is required by law to submit an appropriations request to the Office of Administration (OA) by October 1 of each year. This appropriations request is the basis of the Governor’s recommendation, which is submitted to the Missouri General Assembly within thirty days of when the legislature convenes the regular session. She also explained the supplemental appropriations request is due by October 1 to OA, and that OA has requested the capital improvements request be submitted by September 15. Under the state constitution, the State Road Fund (SRF) stands appropriated without legislative action. However, the department continues to follow the process and shepherd the request through the legislative session in order to receive the necessary appropriations for the state’s accounting system. Typically, very little time is spent on SRF appropriations. The majority of the time is spent discussing appropriations for other modes of transportation from the General Revenue Fund; those appropriations are controlled by the legislature.

Ms. Morris briefly explained the fiscal year 2018 budget timeline. In March 2016, the districts and divisions submit their budget requests. In July and August 2016, the Financial Services division

reviews and compiles the appropriations request. In September 2016, the Commission potentially approves the fiscal year 2018 appropriations request. From October 2016 to May 2017, the budget is submitted to the Office of Administration and the department's Financial Services staff supports the request through the legislative process. In May 2017, the Commission will review the fiscal year 2018 budget request. In June 2017, the fiscal year 2018 budget request is submitted to the Commission for final approval. On July 1, 2017, the 2018 fiscal year begins.

She then reviewed some of the significant items that are included in these requests including pay plan, construction program, Missouri Moves Cost Share, Fleet Facilities and Information Systems (FFIS), Amtrak, and Federal Aviation Assistance.

OA released its compensation and benefit study at the end of July. This study affirmed state of Missouri employees, including MoDOT employees, are being paid below market. The study identified the need for regular cost-of-living adjustments and step increases to address salary compression. Even though the state of Missouri provides good benefits, those benefits are not enough to make up for the lack of pay. Pay has been the number one concern voiced by MoDOT employees through the employee engagement survey. Salary compression is a big issue at MoDOT; the department has an 18 step salary grid and Step 10 is considered mid-point or market level however, 90.1 percent of MoDOT employees are below step 10 in their range. As part of a long-term pay strategy, this request for fiscal year 2018 includes the personal service and fringe benefit dollars that would allow the implementation of a one-step pay increase for all eligible employees. The cost is \$7.1 million and would seek to mitigate salary compression and improve over-all employee morale and satisfaction as it relates to pay. The desired outcome from this increase would be higher employee retention and a reduction in the cost associated with employee turnover. Any actual pay increase would be approved as part of the Commission's approval of that operating budget in June of 2017.

MoDOT is requesting an increase in the construction program in the amount of \$62 million for anticipated increases in contractor payments. In December of 2015 Congress passed and the President signed the Fixing America Surface Transportation Act or the FAST Act. This five year act created federal funding stability and reduced the federal reimbursement risk with which all state departments of transportation were faced. MoDOT's Statewide Transportation Improvement Program (STIP) presents a multi-year plan that uses available cash to meet the current federal funding investment levels. This will result in increased contractor payments from higher construction awards.

For fiscal year 2017, the legislature appropriated \$20 million of general revenue funds for the Missouri Moves cost-share program as a way to invest more in transportation. The response has been very positive with an overwhelming demand for funds. MoDOT is evaluating 101 applications from local communities requesting over \$71 million from these funds for projects totaling almost \$313 million. Over the next few months MoDOT will finish that detailed analysis of the project applications and project selection will occur early this fall. For fiscal year 2018 as part of the capital improvements request, MoDOT is going to be requesting an additional \$25 million to investment in transportation through this program.

The FFIS appropriation is used to invest in equipment, computers, and MoDOT buildings. MoDOT is requesting both an increase for fiscal year 2017 in the amount of \$10.6 million and for fiscal year 2018 in the amount of \$9.2 million. These increases are predominantly needed to cover the increased need for vehicle and equipment acquisitions as the fleet ages. The supplemental request will also help pay for vehicles that were ordered in fiscal year 2016 but delivered in fiscal year 2017 as well as some weigh station improvements. This request highlights a change in the state's budget environment. Several years ago many appropriations had an "E" designation including the FFIS appropriation which stands for estimated appropriation. For appropriations with this designation, these appropriations could be increased through the year without going back to the legislature. Starting with

fiscal year 2013 many state agencies, including MoDOT, lost this designation on their appropriations. The FFIS appropriation lost this designation in fiscal year 2014 and has not had it since. Because MoDOT no longer has the “E” designation, it is necessary to return to the legislature with a supplemental request.

These requests also include some items related to other modes of transportation. First Amtrak, also called the Missouri River Runner, is Missouri’s twice daily passenger rail service between St. Louis and Kansas City. MoDOT is requesting \$14.1 million of general revenue for Amtrak. This is a \$4.5 million increase; \$1.1 million is needed to cover arrears at the end of fiscal year 2016. Since 2010, the state of Missouri has not been current in its payments to Amtrak for passenger rail service. Amtrak has worked with MoDOT over the years, however, it doesn’t change the fact that MoDOT still owes Amtrak for these services. The remaining \$3.4 million of the increase is needed for the difference between the estimated contract amount and the appropriation amount for 2017 and 2018.

The Federal Aviation Assistance appropriation allows MoDOT to use federal funds for airport improvement projects at general aviation, reliever and small commercial service airports. Projects that can be a part of this program can include projects like runway pavement maintenance projects, runway lighting projects and taxi lane improvements. Priority is given to maintenance type projects but these funds can also be used to expand facilities. For fiscal year 2017, the legislature reduced this appropriation based on past expenditures. However, the federal government has actually increased funding for this program. In 2015, MoDOT received \$33 million in funding which is the highest amount ever received. Just like a roadway construction project, these projects pay out over multiple years. The payout for the projects committed to are estimated to be \$35 million for both fiscal years 2017 and 2018. This appropriation does not have an “E” designation and it is necessary to request additional appropriation authority.

Ms. Morris recommended approval of the proposed fiscal year 2018 appropriations request totaling \$2.81 billion, the proposed fiscal year 2018 capital improvements appropriations request totaling \$89.8 million for capital improvements, and approve the proposed fiscal year 2017 supplemental appropriations request totaling \$19.4 million. Following discussion, and upon motion by Commissioner Waters, seconded by Commissioner Pace, the Commission unanimously approved the Missouri Department of Transportation Fiscal Year 2018 Appropriations Request, as noted in the table below, and authorized staff to release the request to the Office of Administration – Division of Budget and Planning; approved the proposed Fiscal Year 2018 Appropriations Request totaling \$89.8 million for capital improvements, and approved the Fiscal Year 2017 Supplemental Appropriations Request totaling \$19.4 million.



Fiscal Year 2018 Appropriations Request
(Dollars in Thousands)

	<u>Fiscal Year 2016 Actual Expenditures</u>	<u>Fiscal Year 2017 TAFP¹ Budget</u>	<u>Fiscal Year 2018 Appropriations Request</u>
<u>Appropriations</u>			
Administration	\$50,320	\$56,019	\$58,574
System Management²	\$439,199	\$511,065	\$515,298
Program Delivery^{2,3,4}	\$1,221,005	\$1,380,704	\$1,447,663
Fleet, Facilities and Information Systems (FFIS)⁵	\$78,182	\$86,026	\$95,566
Multimodal^{2, 6, 7}	\$95,995	\$131,603	\$163,104
Refunds and Transfers	\$483,704	\$515,035	\$530,035
Total MoDOT Appropriations Request	\$2,368,405	\$2,680,452	\$2,810,240

¹ Fiscal year 2017 Truly Agreed and Finally Passed (TAFP) budget.
² Includes federal funds MoDOT pays to our contractors and providers for goods and services, as well as law enforcement agencies to support enforcement activities.
³ Includes Contractor Payments, Design and Bridge Consultant Payments, Accelerated Program, Right of Way and Federal Pass-Through.
⁴ Appropriation Request amount is estimated at \$1 in the event the appropriation is needed.
⁵ Includes investments for fleet, capital improvements and information systems.
⁶ Includes disbursements for American Recovery and Reinvestment Act (ARRA). The only remaining project related to ARRA is the west approach to the Merchant’s Bridge in St. Louis, Missouri, which will be completed in fiscal year 2017. As a result, these appropriations will not be needed in fiscal year 2018.
⁷ The Highway Safety Fund Transfer will no longer be needed as reimbursements for hazard elimination projects will now be deposited directly into the State Road Fund.

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CONSIDERATION OF BIDS FOR TRANSPORTATION IMPROVEMENTS

On behalf of the Director, Eric Schroeter, State Design Engineer, presented the following recommendations pertaining to bids received on federal-aid and state highway and bridge projects during the past month. He noted Calls A02 and C01 have local funding, as noted in Table I below, and the department received all of the necessary concurrences.

Mr. Schroeter recommended (1) Award of contracts to the lowest responsive bidders for bids received at the August 26, 2016, letting, as recommended and noted in Table I below. (2) Ratify award of Call C01 from the August 9, 2016, bid opening to Clarkson Construction Company as noted in Table II below.

**Table I
Award of Contracts
August 26, 2016, Bid Opening**

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
A02*	J	DeKalb	J1M0257	\$2,443,470.86	\$0.00	Herzog Contracting Corp.	Resurface
	O		J1M0258				
	N		J1M0259				
	Various		J1M0260				
B01	61	Pike	J2M0270	\$196,210.17	\$0.00	CSD Environmental Services, Inc.	Slide Repair
B02	19	Montgomery	J2M0272	\$420,247.41	\$0.00	D. W. Mertzke Excavating & Trucking, Inc.	Slide Repair
			J2M0273				
C01	50	Pettis	J3P3056	\$82,930.00	\$0.00	Gerstner Electric, Inc.	Signal Improvements
C02	Various	Various	J4P3142	\$308,284.20	\$0.00	Capital Electric Line Builders, Inc.	Signal Improvements
D01	P	Gasconade	J5S3047	\$297,715.10	\$0.00	Ennis Excavating, LLC	Bridge Deck Replacement
			TOTAL:	\$3,748,857.74	\$0.00		

* Call A02 – Funding by Osborn Wind Energy, LLC – \$2,443,470.86

**Table II
Award of Contracts
August 9, 2016, Kansas City District Bid Opening**

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
C01*	670	Jackson	J4S3225	\$3,459,811.55	\$0.00	Clarkson Construction Company	Bridge Replacement
			TOTAL:	\$3,459,811.55	\$0.00		

* Call C01 – Funding by City of Kansas City – \$412,890.84

Commission Consideration and Action

After consideration, and upon motion by Commissioner Waters, seconded by Commissioner Briscoe, the Commission took the following action with the abstentions noted below:

1. Awarded contracts to the lowest responsive bidders for bids received on the August 26, 2016, bid opening, as recommended and noted in Table I above. Non-contractual costs for these projects are shown on the above tabulation.
2. Ratified award of Call C01 from the August 9, 2016 Kansas City bid opening to Clarkson Construction Company, as recommended and noted in Table II above. Non-contractual costs for this project are shown on the above tabulation.
3. Authorized the Director, Chief Engineer, Chief Financial Officer, or Assistant Chief Engineer to execute the contracts awarded above.

No abstentions were noted.

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2017 – 2021 STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM AMENDMENT

On behalf of the Director, Ed Hassinger, Chief Engineer, requested approval to revise the 2017-2021 Statewide Transportation Improvement Program (STIP) that was approved in July 2016, for the implementation of ten projects, as noted in the tabulation below.

**2017 – 2021 STIP
Highway and Bridge Construction Schedule
September Amendment
Project Changes**

District County Job No.	Route	Description of Improvement/Location	Tentative Award State Fiscal Year and Change by Type	Change in Construction and Right of Way Funds (Dollars in Thousands)	Change in Engineering Funds (Dollars in Thousands)
KC Platte J4S3226	RT Z	Replace culvert on Route Z at Gove Creek Tributary.	2017 CN	\$214	\$25
CD Phelps J5S3153	RT V	Pavement and shoulder improvements from Hypoint Boulevard to I-44 Outer Road in Rolla.	2016 CN	\$419	\$56
SL Jefferson J6S3160	MO 30	Pavement improvements and guardrail upgrades from St. Louis County line to west of Route PP.	2018 CN	-\$609	-\$65
SL St. Louis J6P3206	IS 170	Slide repair at various locations in the St. Louis District	2017 CN	\$974	\$162
SE St. Francois J9P3301	MO 8	Payment to Desloge for pavement improvements from Fir Street to Willow Street.	2018 CN	\$305	\$0
SE Texas J9P3296	MO 17	Pavement improvements from Route 106 in Summersville to Route 160 near West Plains.	2017 CN	\$25	\$2
			TOTAL:	\$1,328	\$180

**2017 – 2021 STIP
Multimodal Operations
September Amendment
Project Changes**

District County	Description of Improvement/Location	Tentative Award State Fiscal Year and Change by Type	Change in Project Funds (Dollars in Thousands)
NW Buchanan	Improve flood control levee at Rosecrans Memorial Airport in St. Joseph.	2017 Aviation	\$5,000
KC, CD, SL Various	Missouri River Runner passenger train service between St. Louis and Kansas City with eight stops in between.	2017 Railway	\$9,600
Various Various	State transportation assistance for public transportation providers.	2017 Transit	\$500
Various Various	Capital improvements at various statewide ports.	2017 Waterways	\$8,000
		TOTAL:	\$23,100

Via approval of the consent agenda, the Commission unanimously approved the amendment to the 2017 – 2021 STIP as noted in the tabulations above.

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REQUEST FOR APPROVAL OF LOCATION AND DESIGN OF HIGHWAYS

Route I-70, St. Charles County Job No. J6I2418 Public Hearing Held July 19, 2016

The proposed improvement is to construct a new eastbound one-way south outer road between Route K and T.R. Hughes Boulevard. The project also involves converting the existing north outer road from a two-way to a one-way westbound outer road, and revising on and off ramps between Route K and T.R. Hughes. Additional improvements will be made on Route K between West Terra and south of Veteran's Memorial Parkway. The project will have fully controlled access. Route K, I-70 and the north outer road will remain open to traffic during construction. The south outer road will be built first and traffic will be shifted to this road to allow the reconstruction of the eastbound off-ramp to T.R. Hughes and the eastbound on-ramp from Route K. After the south outer road and the eastbound ramps are open to traffic, the eastbound lane of the north outer road will be closed and all traffic directed to the west. This will get all traffic used to westbound only traffic, and allow for the reconstruction of the westbound off-ramp to Route K and the westbound on-ramp from T.R. Hughes. The new ramps can be constructed while traffic utilizes the existing ramps. Widening along Route K and along I-70 for new ramps will be performed under traffic with temporary lane closures during off-peak hours. The project is 1.61 miles in length.

On behalf of the Director, Greg Horn, St. Louis District Engineer, recommended approval of the location and design as presented at the public hearing.

After full consideration of the favorable and adverse economic, social and environmental effects of the recommended location and design, the Commission via approval of the consent agenda unanimously found and determined the recommended location and design would best serve the interest of the public and approved the recommendation.

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CONSIDERATION OF EXCESS PROPERTY DISPOSAL, I-64 AND 22ND STREET IN ST. LOUIS CITY

In keeping with the Commission's policy regarding disposition of Commission-owned property or property rights, the sale of all properties owned by the Commission with appraised or sale values of \$200,000 or more must be approved by specific Commission action.

On behalf of the Director, Greg Horn, St. Louis District Engineer, recommended the Commission authorize the Director, Chief Engineer, Chief Financial Officer, or Assistant Chief Engineer to execute the Missouri Highways and Transportation Commission Option Agreement with the Land Clearance Redevelopment Authority Holdings Corporation for the City of St. Louis (LCRAHC). The Option Agreement will authorize the LCRAHC to purchase the real property within a twenty-four month period for fair market value.

The LCRAHC has requested a commitment from the Commission the land will be available for purchase to accomplish a development project in the City of St. Louis. The property is located in the northeast quadrant of Interstate 64 and 22nd Street in the City of St. Louis. The property is approximately 30 acres and the exact acreage will be determined by a survey. The purchase price will be the fair market value of the property as determined by a certified appraiser selected by the Commission. The conveyance will be by quitclaim deed releasing any and all interest the Commission has in the property.

Via approval of the consent agenda, the Commission unanimously authorized the Director, Chief Engineer, Chief Financial Officer, or Assistant Chief Engineer to execute the Missouri Highways and Transportation Commission Option Agreement with the Land Clearance Redevelopment Authority Holdings Corporation for the City of St. Louis (LCRAHC).

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-- REPORTS --

The Commission received the following written reports.

**FINANCIAL – BUDGET – REPORTS
YEAR-TO-DATE FINANCIAL REPORT, PERIOD ENDING JULY 31, 2016**

Brenda Morris, Financial Services Director, submitted a written financial report for fiscal year ended July 31, 2016, with budget and prior year comparisons.

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CONSULTANT SERVICES CONTRACT REPORT

Eric Schroeter, State Design Engineer, submitted a written report of consultant contracts executed in the month of July 2016, for both engineering and non-engineering related projects. The department utilizes consultants to efficiently manage workload and provide specialized expertise to supplement and support department staff. Expenditures for consultant services are funded from the Commission approved Statewide Transportation Improvement Program and MoDOT Operating Budget. There were 159 active contracts held by individual engineering consultant firms prior to July 1, 2016. Two engineering consultant services contracts were executed in July 2016, for a total of \$399,245. There were two non-engineering consultant contracts executed in July 2016, for a total cost of \$81,587.

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By unanimous consensus of all members present, the meeting of the Commission adjourned.

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The Mission of the Missouri Highways and Transportation Commission is to:

- Represent the citizens of Missouri pursuant to the Constitution by providing independent and nonpartisan governance of the Missouri Department of Transportation; and
- Establish policies, exercise oversight, and ensure accountability in developing and maintaining a world class transportation system in Missouri which fosters safety and economic development.

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