



**MISSOURI HIGHWAYS AND TRANSPORTATION
COMMISSION**

Official Minutes

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**MINUTES OF THE REGULARLY SCHEDULED HIGHWAYS AND
TRANSPORTATION COMMISSION MEETING HELD IN JEFFERSON CITY, MISSOURI,
THURSDAY, JANUARY 4, 2018**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Thursday, January 4, 2018, at the Department of Transportation building, 105 West Capitol, Jefferson City, Missouri. Michael B. Pace, Chairman, called the meeting to order at 1:00 p.m. The following Commissioners were present: Gregg C. Smith, Michael T. Waters, Jr., John W. Briscoe, Terry L. Ecker, and Robert G. Brinkmann.

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, January 4, 2018.

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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 Pace, Aye
Commissioner Smith, Aye
Commissioner Waters, Aye
Commissioner Briscoe, Aye
Commissioner Ecker, Aye
Commissioner Brinkmann, Aye

The Commission met in closed session on Thursday, January 4, 2018 at 9:30 a.m. and adjourned at 12:00 p.m.

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-- OPEN MEETING --

COMMISSION WORKSHOP – FUNDING

The Commission held a special meeting to learn more about how the department determines the amount of funds available to use in the development of the Statewide Transportation Improvement Program (STIP). Brenda Morris, Financial Services Director, reviewed the financial forecast and explained that it is the foundation that is used to develop the department's budget that includes targets for the STIP. The financial forecast is an estimate that covers a five-year period which aligns with the STIP.

Machelle Watkins, Transportation Planning Director, explained the development of the STIP relies very heavily on the financial forecast to figure out how much of our resources are available to use when planning projects to improve the transportation system. The department uses the amount of funds forecasted to be available and uses the Commission's funding distribution method to determine how much funding each district will receive.

Before that process can happen, the department will present a couple of decision items for the Commission's consideration and action. One item is regarding the cost-share program. Following a suspension of the program, the Commission reinstated the cost-share program last year; this year the department is seeking an increase in the amount of funds available in the cost share program. The department will seek \$5 million incremental increases each year so the total funds available in the cost share program in 2021 is \$30 million, in 2022 it is \$35 million, in 2023 it is \$40 million, in 2024 and beyond it is \$45 million.

Also part of the funding distribution, are the funds allotted for safety projects. The department will seek a change in the method used to distribute these funds that is based on a three-year average of crashes that result in fatalities and serious injuries rather than a weighted three-year average of all crash types that includes property damage as well as fatalities and serious injuries.

Following discussion of these matters, action was taken during the regular open meeting and is noted in the minutes below.

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APPROVAL OF MINUTES

Upon motion by Commissioner Briscoe, seconded by Commissioner Smith, the Commission unanimously approved the minutes of the regular meeting held October 4, 2017. 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 January 4, 2018, Consent Agenda

No items were removed from the consent agenda. Upon motion by Commissioner Waters, seconded by Commissioner Smith, 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 January 4, 2018, meeting.

Audit Committee – Commissioner Waters stated there is no report; the committee will meet next in March.

Legislative Committee – Commissioner Smith reported the second half of the 99th session of the Missouri General Assembly began yesterday at noon. Prior to the start of the legislative session, MoDOT staff visited with legislators to secure sponsors for the Commission's safety and innovation agenda for 2018. The Commission's legislative proposals this session relate to:

- Primary enforcement of a seat belt law;
- Prohibiting the use of hand-held electronic wireless communication devices while driving; and
- Automated and driver-assistive connective technologies.

We are all anxiously waiting to see how the general assembly will react to the final results of the *21st Century Missouri Transportation System Task Force*. MoDOT's Director McKenna served on the task force along with several other public and private members in an attempt to find a consensus on how to fund Missouri's future transportation needs. The report has been divided up into a three-part roadmap to funding Missouri's transportation system:

- *Immediate Impact Investments*. This portion of the report related to increasing the state's gas tax by 10-cents and a 12-cent increase on diesel. This recommendation was supported by many on the committee as a way to address the loss of purchasing power due to inflation since 1996. The second section of this first part of the report also suggests a sales tax increase for multimodal projects.

- Long Term Sustainability and Diversification of Revenue Streams. This recommendation is suggesting the continued study of options for electric fees/gasoline-equivalence charges on electric charging stations; increased motor vehicle registration and driver license fees, and indexing all user fees including motor fuel tax and registration and license fees to name a few.
- Legislative Actions to Improve Mobility Options, Safety, Project Delivery, and Better Leverage Federal Dollars. This recommendation would consider allowing greater flexibility in enabling public private partnerships and design build procurement methods.

Another suggestion is the legislative action of the enactment of critical traffic safety legislation that includes a primary seat belt law and enhanced distracted driving provisions. A third recommendation is to explore legislative options that will empower the private sector to invest in transportation solutions including the testing and deployment of autonomous and connected vehicle technology. The report is due to the legislature this week and it is up to them to decide how – if any – of the recommendations made by the task force will be advanced during session.

Missouri Transportation Finance Corporation (MTFC) – Commissioner Smith stated there is no report.

MoDOT and Patrol Employees’ Retirement System – Commissioner Pace stated there is no report; the board is scheduled to meet on February 15.

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COMMISSION REORGANIZATION

Currently, the Commission has two committees: the Audit Committee; and the Legislative Committee. There are also two boards with Commission membership: the MoDOT and Patrol Employees Retirement System Board of Directors (MPERS); and the Missouri Transportation Finance Corporation Board of Directors (MTFC). Periodically, the Commission will need to reorganize the members who serve on committees and boards.

The **Missouri Transportation Finance Corporation** was created by the Commission at its August 9, 1996 meeting. This Board provides direct loans for transportation projects in Missouri. The State Infrastructure Bank (SIB), is a revolving loan fund that can offer loans and credit assistance to public and private entities, and funds the loans. The Board has eight members total that are grouped into three groups. One of the groups includes seats for three Commissioners. There remains a vacancy on

this board and the Commission elects the members of the Commission who serve on this board. Commissioner Pace nominated Commissioner Ecker to serve on the MTFC Board. The nomination was seconded by Commissioner Smith, the Commission unanimously elected Terry L. Ecker to serve on the MTFC Board.

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DIRECTOR'S REPORT

During the January 4, 2018, Commission meeting, Director Patrick McKenna provided the following report:

2017 State Employee Award – Director McKenna recognized Beckie Brietzke, Senior Diversity and Inclusion Specialist in the Equal Opportunity and Diversity Division, for being selected by the State Office of Administration as the winner of the 2017 Missouri State Employee Award of Distinction in the category of human relations. He noted his appreciation for Ms. Brietzke's earning this honor.

Project Awards – Director McKenna reported there were three department projects that were recently honored by the American Concrete Pavement Association. Three of the twenty-nine National Excellence in Concrete Pavement Awards went to MoDOT contractors. Emery Sapp & Sons won two awards, one for the I-49 and Peculiar Way interchange improvements and the other for Route AC construction in Perry County. Ideker won for the taxiway and apron reconstruction at the Northwest Missouri Regional Airport in Maryville. The director commended the contractor partners for the fine work they accomplished on these projects.

2017 Accountability Report – Director McKenna reminded the Commission the department will present its 2017 Accountability Report to the Joint Committee on Transportation Oversight on January 31, 2018. He then shared some of the information that provided a review of the past year's work by the department. In 2017 MoDOT provided a series of services; 88,497 customer service calls; 235,000 shoulder miles were mowed; 33,884 highway miles were cleared of litter; 20,710 center lane miles of road were striped; 950,815 potholes were filled. For winter operations \$29 million was expended for snow removal; 96,000 tons of salt were used; 3,500 employees worked to clear roads during winter storms; and 293,000 hours were spent fighting winter weather. The department faced historic flooding in many parts of the state closing 384 roads, but MoDOT's crews worked to open 300 of those roads within five days. The department completed 385 construction projects with a

construction value of just over \$1.2 billion in 2017. Additionally, this past year, the Commission authorized construction of 382 projects valued at about \$700 million. This is just a brief summary of a years' worth of dedicated service to the citizens of Missouri and a great way to kick off the New Year!

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AVIATION ADVISORY COMMITTEE UPDATE

Steve Stockam, Chair of the Aviation Advisory Committee, reported the Aviation Advisory Committee was created 30 years ago, in 1987, by the department and the Commission because the state was going to receive a State Block Grant from the federal government, a new program for funding aviation. The first five years of the committee was a developmental time. In 1992, Dick Rabko, manager of the Spirit of St. Louis airport, became chairman of the committee, a role he then held for 18 years. His leadership was essential to the success of the committee and aviation in Missouri, Mr. Stockam acknowledged Mr. Rabko passed away last year and expressed his appreciation for Mr. Rabko's lifelong leadership.

Mr. Stockam noted that Missouri has 122 public use airports; 113 support general aviation and nine that feature commercial service. He said Missouri's airports have over \$11 billion in annual economic output and support 100,000 jobs in Missouri. He explained that it is important to continue to monitor and protect this valuable transportation asset in Missouri.

Mr. Stockam explained that aviation funding is available at both the federal and state levels. MoDOT administers the block of funds from the federal government for projects at 69 of the eligible airports across the state. Missouri has dedicated state funds from the aviation fuel tax with just over \$4 million available per year at 108 of the eligible airports. He commended MoDOT for the project selection process which is fair and equitable. He noted while there is not enough funding for all the projects that are needed, the committee wants to protect those funding sources to ensure the needs of aviation continue to be met.

Mr. Stockam expressed concern regarding recent activities in the state legislature which has attempted to earmark funds for specific projects or airports, as well as expand project eligibility beyond construction and maintenance of runways, taxiways, and aprons. These efforts undermine the project selection process established in the Statewide Transportation Improvement Program and reduce the ability to address critical airport needs. Mr. Stockam explained that the committee along with other aviation organizations have shared a letter with the Speaker of the House and the President Pro Tem of the Senate expressing this same sentiment. These organizations want to keep the process that is currently in place as it is the most fair and equitable process for all in the aviation community.

Mr. Stockam also expressed his continued support to seek additional funding for all modes of transportation. He stated the committee will continue to support the commission and MoDOT as the issue of funding for transportation is moved forward.

Chairman Pace thanked Mr. Stockam for his presentation. Commissioner Smith expressed his appreciation for the aviation system in Missouri and for the excellent working relationship the committee has with MoDOT.

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ENTERPRISE RISK MANAGEMENT

On behalf of the Director, Misty Volkart, Audits and Investigations Administrator, presented the annual Enterprise Risk Management (ERM) report. Ms. Volkart explained Enterprise Risk Management is an organization strategy for identifying, assessing, and managing overall risk to an organization. ERM provides a broad framework for managing risks, identifying an organization's most significant risk, and managing those risks within an acceptable level to insure the organization's objectives are met. For ERM to be successful, an organization needs to know their risks and develop a clear strategy and define goals.

MoDOT began to conduct the ERM process in 2011 as a good governance activity. This process has helped the department strategically review the risks that could impact its ability to deliver the department's mission and assess strategies to mitigate those risks. ERM involves the Commission, department leadership and employees in assessing the risks. Commission policy requires the department have an ERM process and provide an annual report to the Commission regarding that process. The initial ERM assessment took place in 2012; this is the fifth time the department has been through the process. Ms. Volkart provided the Commission with a detailed report, and reviewed in her presentation with the Commission what changed since the last ERM review and highlighted the top five areas of risk.

There are ten risk areas that have been identified and are ranked in the order of highest risk to lowest risk: financial, workforce, public opinion/support, political risk, transportation system failures, natural disasters, safety and security, legal and regulatory changes, information technology, and fraud and theft. Ms. Volkart then highlighted the top five risks and how the Senior Management Team (SMT) assessed each of those risks. Each risk is rated in the terms of the impact should the risk occur, the likelihood of the risk occurring, and MoDOT's readiness to deal with the risk.

Work Force increased in 2017 and was ranked as the number one risk indicating the SMT is most concerned about the potential of work force issues with turnover and the loss of experienced employees. The impact rating increased slightly from 3.1 in 2016 to 3.3 in 2017, and the likelihood score also showed a slight increase from 2.9 to 3, signaling the SMT believes work force issues are likely to occur due to lack of funding and pay increases. The readiness score moved from 2.6 to 2.7, indicating the SMT still believes the department is slightly less prepared to deal with the work force issues.

Financial was ranked second, down from the number one risk for the past 3 years. The SMT is still concerned with the lack of new funding. Scores on the three dimensions of impact, likelihood and readiness are virtually unchanged since 2016.

Political risk ranked third, up from fourth in 2016. The overall scores on the three dimensions of impact, likelihood, and readiness were virtually unchanged since 2016. The SMT believes the impact of political pressures on transportation initiatives will continue to be of concern.

Public Opinion/Support was assessed the fourth risk, down from third in 2016. The impact and readiness were virtually unchanged, while likelihood showed a minimal decrease from 2.5 to 2.3. SMT members assess the impact of the potential loss of public opinion/support to be serious, and the department is as prepared to deal with this as in 2016.

Transportation System Failures again ranked fifth indicating the SMT believes that failures in the system are still likely to occur because of declining investment and stagnant operating budgets. The impact assessment was exactly the same at 3.0. A score of 4.0 means the impact would be devastating. The likelihood also remained at 2.0, indicating the SMT believes transportation system failures are still likely to occur. Finally, the readiness score remained virtually the same, indicating the department is still somewhat more prepared.

Ms. Volkart concluded her presentation and noted the existence of an enterprise risk management process within an organization is recognized as an example of good governance and important to strategic management of organizational risk. Commissioner Briscoe thanked Ms. Volkart for her presentation and inquired if she believed this annual assessment of risk is raising it to a strategic level. Ms. Volkart explained that it is used strategically as senior management reviews closely what has risen to the top and how those risks impact the decisions that are made in the daily operations of the department.

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FINANCIAL FORECAST UPDATE

On behalf of the Director, Roberta Broeker, Chief Financial Officer, presented the financial forecast for fiscal years 2018-2024. MoDOT prepares an annual financial forecast to estimate future

revenues and disbursements. The forecast is the basis for MoDOT's operating budget and the funding targets provided to planning partners and MoDOT staff to select projects for the Statewide Transportation Improvement Program (STIP). The financial forecast estimates the various components of state revenue, including the state motor fuel tax, motor vehicle sales taxes, motor vehicle and drivers' license fees and federal funds from the federal motor fuel tax and other sources as provided by Congress. This forecast projects federal funding levels as specified in the five-year Fixing America's Surface Transportation (FAST) Act.

Because of the changes in the revenue assumptions, state revenues from the motor fuel tax, motor vehicle sales tax, and motor vehicle and drivers' licensing fees for 2018-2024 are projected to be \$161 million less than in the 2017-2023 forecast. Fiscal year 2017 highway user fees from the state fuel tax, motor vehicle sales tax and motor vehicle and drivers' licensing fees were \$16.9 million (1.4 percent) less than projected. When the fiscal year 2017 revenues were less than projected, it lowered the starting point for revenue growth in future years. The reduced state user fees trends experienced in 2017 are expected to continue.

The motor fuel tax and motor vehicle and drivers' licensing fees growth assumptions have been reduced in this forecast, compared to the previous forecast. Last year, the department predicted continued growth in the motor fuel tax anywhere from 2 percent growth down to 0.25 percent growth. The growth assumption for motor fuel tax decreased to 0.25 percent in 2018 through 2021 and 0.0 percent in 2022 and subsequent years. Fuel prices have remained comparatively low, and consumers are driving more; however, slower revenue growth is expected as vehicles are becoming more fuel efficient.

Motor vehicle sales tax revenues had been projected to grow in the past, now motor vehicle sales tax growth assumption is expected to remain steady at around 4.5 percent in 2018 through 2023 and 4.0 percent in 2024 and subsequent years. Motor vehicle and drivers' licensing fees did not come in as

projected last year so the growth assumption for motor vehicle and drivers' licensing fees has changed to a steady 1.25 percent growth assumption in 2018 and subsequent years.

The forecast for state revenues includes interest earned in the state treasury, interest rates are starting to rise a little so interest projections are based on monthly cash balances with a 1.5 percent earnings rate. Additionally, the forecast includes miscellaneous revenue that is based on average annual receipts of \$45 million for incidentals and other fees plus reimbursements for partnering projects. The department will also be presenting for Commission consideration an annual increase of \$5 million per year for the cost-share program.

Based on current financial projections, MoDOT will be able to match all anticipated federal funds in the forecast period. The forecast presumes the growth levels created in the FAST Act will come to states.

The department federalized some preventive maintenance activities such as striping, chip sealing and asphalt pavement repair which were previously paid entirely with state funds. Federalizing these activities frees up state funds to match federal funds. The forecast assumes \$40 million in reimbursements per year for maintenance activities approved for federal participation. This assumption is unchanged from the prior forecast.

For the 2018-2024 period, the forecast relies on deficit spending in each year. The average deficit spending is \$80 million per year. Deficit spending will reduce the cash balance amount from an estimated \$693 million at the beginning of state fiscal year 2019, to \$283 million at the end of state fiscal year 2023. Of the \$283 million projected to be in the state treasury at that time, \$228 million is the projected State Road Fund balance. Debt covenants and the Missouri Constitution require MoDOT to maintain one year of Senior Lien debt service in the State Road Fund. The debt service requirement in 2023 is \$18.5 million. Additional cash is necessary in the State Road Fund for cash flow purposes. Director McKenna explained this deficit spending is not sustainable but is necessary in order to maintain

the system at the condition it is in today.

Ms. Broeker reviewed the anticipated expenditures included in the forecast and started with a review of the operating budget expenditures. The forecast includes funding the five-year pay strategy adopted by the Commission at the September 1, 2016 meeting, and an annual 2 percent cost of living adjustment starting in 2023. A one-step raise was included in MoDOT's fiscal year 2018 appropriations request but was not approved. A one-step raise and 2 percent cost of living adjustment, totaling \$9.2 million for salaries and \$5.4 million for the associated fringe benefits, were included in the fiscal year 2019 appropriations request submitted to the Office of Administration last September. Raises are contingent each year on legislative action and Commission approval. She noted that disbursements also include healthcare in the operating budget disbursement and annual payments to the retirement system.

Also, fiscal years 2019-2024 include a disbursement increase of \$7 million per year for expense and equipment in the operating budget to address equipment needs in 2020 and \$5 million more per year to address needs for materials, equipment and facilities starting in 2023. The January 2017 forecast presumed the 2019 redemption of callable bonds totaling \$111.3 million. Calling the debt was removed from this forecast which reduced expenditures. The disbursements for contractor awards are projected to increase from \$850 million in 2018 to \$900 million in 2019 through 2024.

Ms. Broeker reminded everyone the forecast includes only road and bridge revenues and disbursements. Commissioner Brinkmann inquired about the low cash balance and the department's ability to meet the bond covenants. Ms. Broeker explained the bond covenant requirement in 2023 is \$18.5 million which the department will be able to meet. Commissioner Briscoe asked if the recommendations in the 21st Century Missouri Transportation System Task Force report were enacted, what would be the impact on the department. Ms. Broeker responded it would result in an increase in contractor awards, but the department would need to consider an increase in the operating budget to address equipment and facility needs that have been deferred. Commissioner Smith inquired about the

pay strategy and the process the department must go through to implement it, and Ms. Broeker explained the department is going to make the case for raises to the legislature expressing concern about turnover and its impact on the department's ability to deliver the services that taxpayers expect. Commissioner Ecker inquired about the impact of electric vehicles on gas tax revenues. Director McKenna explained there are currently about 3,000 electric cars registered in Missouri, it is a growing impact in the future, however, the impact on gas tax revenues today is the fuel efficiency of vehicles.

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2019-2023 STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM DEVELOPMENT

On behalf of the Director, Machel Watkins, Transportation Planning Director, reported that planning partners have been reviewing their list of transportation projects and working to prioritize that list. They are also working on estimates for the projects as well. From the financial forecast contractor awards look consistent for the next several years at \$900 million per year. At this point districts are notified of the funding they have available in the different categories from the Commission's funding allocation. However, before that information can be distributed, the department wants to recommend two changes to the funding allocation, one to the cost share program and one to the safety funds distribution. Because of the interest in the cost share program that the Commission revived last year, the department is recommending an annual increase of \$5 million starting in 2021 for a total of \$30 million in 2021, \$35 million in 2022, \$40 million in 2023 and \$45 million in 2024 and annually thereafter. This brings the cost-share program back to the same level it was at when the program was suspended in 2014.

The department values safety and it is a part of every decision the department makes when trying to make Missouri's transportation system safer. The funding allocation sets aside \$35 million for safety projects; \$3 million is set aside for statewide safety initiatives, the remaining \$32 million is distributed based on a weighted average of crashes that result in property damage, fatalities, and injuries. The department believes that it would be more consistent with its values to distribute safety funds based on

fatality and serious injury crashes only. Removing the property damage crashes allows the department to focus on the locations where fatalities and injuries are occurring.

Ms. Watkins recommended the commission increase funding for the cost share program to \$30 million in fiscal year 2021, \$35 million in 2022, \$40 million in 2023, \$45 million in 2024 and annually thereafter. She also recommended that beginning in fiscal year 2021, distribute the current \$32 million of district-distributed safety funds based on a three-year average of the number of fatalities and serious injuries on the state highway system. She also recommended the commission approve changes to the Commission policy on the STIP Funding Allocation as indicated below.

Category: STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM
Subcategory: Funding Allocation

STIP FUNDING ALLOCATION

After soliciting significant public involvement into its funding allocation process in 2003, the Commission approved a policy for distribution of funds available for road and bridge improvements. This decision is the financial basis upon which the Five-Year Statewide Transportation Improvement Program is prepared.

Of the total funds available for road and bridge improvements in the Statewide Transportation Improvement Program (STIP), allocation will be in keeping with the following process:

Step 1: Deduct federally sub-allocated pass-through funds designated for specific purposes, including the following:

- Off-System Bridge Replacement and Rehabilitation Program (BRO) - Maintain replacement and rehabilitation funding for bridges not on the state road system at the fiscal year 2009 (SAFETEA-LU) level of \$21.2 million.
- Large Urban Surface Transportation Program (STP-U) – Large Cities – Maintain funding at approximately \$60 million per year for Kansas City, St. Louis, and Springfield, as mandated in the current federal transportation act.
- Congestion Mitigation and Air Quality (CMAQ) Program - Distribute Missouri's estimated minimum guarantee of CMAQ funds to St. Louis and Kansas City based upon population. Distribute remaining CMAQ funds to the area(s) not meeting federal air quality requirements. This distribution will use the same demographics included in apportioning the federal CMAQ funds to Missouri.
- Transportation Alternatives Program – Allocate 50 percent of Transportation Alternatives program per year for local programs.
- Recreational Trails Program – This program provides approximately \$1.7 million

annually for developing and maintaining motorized and non-motorized recreational trails. This program is administered by the Department of Natural Resources.

- Rail/Highway Crossing – This program provides approximately \$6 million annually for improving the safety of highway/rail crossings.
- Highway Planning & Research – This program provides approximately \$20 million annually for MoDOT planning and research activities and for planning activities performed by Regional Planning Organizations.
- Metropolitan Planning – This program provides approximately \$5 million annually for planning activities performed by Metropolitan Planning Organizations.

Step 2: Deduct funding for non-highway transportation agencies (aviation, railways, transit, and waterways) appropriated by the state legislature for the designated purposes and federal funds. This funding cannot be used for roads and bridges.

Step 3: Deduct the financing cost for projects accelerated through bond financing, including debt service relative to Amendment 3. Excludes GARVEE bonds.

Step 4: Deduct specific funding sources, such as federal Open Container safety funds, federal Transportation Alternatives (statewide) funds, and other uniquely distributed funds.

Step 5: ~~Beginning in Fiscal Year 2018, deduct \$10 million for cost-sharing projects statewide, increasing to \$15 million in 2019, \$25 million in 2020, and \$25 million annually thereafter.~~ In Fiscal Year 2019, deduct \$15 million for cost-sharing projects statewide, increasing to \$25 million in 2020, \$30 million in 2021, \$35 million in 2022, \$40 million in 2023, \$45 million in 2024 and annually thereafter.

Step 6: Deduct funding contributed by partnering agencies. Includes project funding from cities, counties, or other state agencies, and federal earmarked funds.

Step 7: Deduct project savings and adjustments. Includes project cost savings or overruns, and adjustments for engineering costs.

Step 8: Beginning in Fiscal Year 2018, deduct \$10 million per year for an Asset Management Deficit Program.

Of the remaining funds available for road and bridge improvements:

Step 1: Deduct \$35 million for Safety Projects. ~~Distribute \$32 million based on three-year average accident rate.~~ Distribute \$32 million in fiscal year 2019 and 2020 based on three-year average accident rate. Distribute \$32 million in fiscal year 2021 and every year thereafter based on a

three-year average of the number of fatalities and serious injuries on the state highway system.
Allocate \$3 million for statewide safety initiatives.

Step 2: Allocate \$435 million to Taking Care of the System, divided as follows:

\$125 million for Interstates/Major Bridges.

\$310 million for remaining Taking Care of System

Distribution based on a formula that averages:

- Percent of total Vehicles Miles Traveled (VMT) on the National Highway System and remaining arterials.
- Percent of square feet of state bridge deck on the total state system.
- Percent of total lane miles of National Highway System and remaining arterials.

Step 3: Allocate remaining funds to Flexible Funds that can be used for either taking care of the system or major project type of work.

Distribution based on the average of:

- Percent of total population.
- Percent of total employment.
- Percent of total VMT on the National Highway System and remaining arterials.

Effective Date: ~~January 4, 2017~~ January 4, 2018

Supersedes Policy Dated: ~~July 7, 2016~~ January 4, 2017

Last Reaffirmed:

Date of Origin: January 10, 2003

Related Commission Minutes: January 10, 2003; June 2, 2004; February 7, 2006; February 4, 2011; March 1, 2012; November 7, 2013 – Comprehensive Policy Review; February 3, 2016, July 7, 2016, [January 4, 2017](#), [January 4, 2018](#).

(February 4, 2011- Increased base level funding from \$30M to \$35M and added a variable amount component with savings generated from debt service associated with refinanced bonds and with redirected internal operating budget cost savings).

(March 1, 2012 – Beginning in Fiscal Year 2013, increased base level funding from \$35M to \$45M and added a variable amount generated from prior project savings for Fiscal Years 2013 through 2015.)

(February 3, 2016 Beginning in fiscal year 2017, increase funding for the safety category from \$25 million to \$35 million annually, with \$3 million allocated to statewide safety initiatives and the remaining \$32 million distributed to districts. Eliminate the major projects and emerging needs funding category and allow all remaining funds to be distributed in the flexible funding category. Revise the Transportation Alternatives funding from 75 percent allocated for local programs and 25 percent allocated for MoDOT statewide usage, to 50 percent for local programs and 50 percent for MoDOT statewide usage.)

(July 7, 2016 Eliminated the sub-allocation of federal funds for the STP-U and BRM programs. These programs are no longer required by federal law. Technical correction to the Transportation Alternatives Program to better reflect the February 3, 2016 changes.)

(January 4, 2017 Created an Asset Management Deficit Program at \$10 million per year, starting in Fiscal Year 2018. Re-activated the suspended Cost Share Program at \$10 million starting in Fiscal Year 2018, \$15 million in Fiscal Year 2019, and increasing to \$25 million in Fiscal Year 2020 and thereafter.)

(January 4, 2018 Increased Cost Share Program funding to \$30 million in fiscal year 2021, \$35 million in 2022, \$40 million in 2023, \$45 million in 2024 and annually thereafter. Updated distribution method for Safety Projects by distributing \$32 million in fiscal year 2019 and 2020 based on three-year average accident rate and distributing \$32 million in fiscal year 2021 and every year thereafter based on a three-year average of the number of fatalities and serious injuries on the state highway system.)

After consideration, Commissioner Waters moved the Commission adopt staff recommendations as indicated above, the motion was seconded by Commissioner Smith. The Commission unanimously approved the motion.

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REPORT AND RECOMMENDATION REGARDING FINAL ORDER OF RULEMAKING – JUNKYARDS

On behalf of the Director, Eric Schroeter, State Design Engineer, presented the final order of rulemaking for 7 CSR 10-5.010 Junkyards. The department reviewed and recommended changes to the rules to comply with the requirements of Executive Order 17-03.

At the September 6, 2017 meeting, the Commission authorized the filing and publication of the proposed amended rule 7 CSR 10-5.010, Junkyard. After Commission approval, staff filed these rules with the Joint Committee on Administrative Rules and the Office of Secretary of State, who published the amended rules in the *Missouri Register* for public comment. The public had from October 16, 2017 through November 14, 2017, to submit comments in support of or in opposition to the notice of amended rulemaking. No comments were received during the public comment period.

The following is a summary of the significant changes to the rule. This amendment removes rule language that duplicates language in sections 226.650 through 226.720, RSMo including the definitions of an interstate and primary systems, junk, automobile graveyard, and junkyard. It deletes provisions regarding licenses and location of junkyards. The amendment removes unnecessary restrictive language, for example shall, must, require, and prohibit in accordance with the Governor’s executive order. It also updates references to the Commission and the department.

The department supports this final order of rulemaking for Junkyards. After consideration, the

Commission, via approval of the consent agenda, unanimously approved the final order of rulemaking and authorized the Secretary to the Commission to file the final order of rulemaking with the Joint Committee on Administrative Rules and the Office of the Secretary of State, and authorized the Director, Chief Engineer, Chief Financial Officer, or Assistant Chief Engineer to execute documents to complete the final rulemaking process.

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REPORT AND RECOMMENDATION REGARDING FINAL ORDER OF RULEMAKING – OUTDOOR ADVERTISING

On behalf of the Director, Eric Schroeter, State Design Engineer, presented the final order of rulemaking for 7 CSR 10-6.020 through 7 CSR 10-6.100, Outdoor Advertising. The department reviewed and recommended changes to the rules to comply with the requirements of Executive Order 17-03.

At the September 6, 2017 meeting, the Commission authorized the filing and publication of the proposed amended rules 7 CSR 10-6.020 through 7 CSR 10-6.100, Outdoor Advertising. After Commission approval, staff filed these rules with the Joint Committee on Administrative Rules and the Office of Secretary of State, who published the amended rules in the *Missouri Register* for public comment. The public had from October 16, 2017 through November 14, 2017, to submit comments in support of or in opposition to the notice of amended rulemaking. Ten comments were received in support of the amended rules during the public comment period.

The following is a summary of the significant changes to the rule. The static display time is modified for an automatic changeable display or digital technology from ten to eight seconds. Unnecessary restrictive language is removed, for example, shall, must, require, and prohibit in accordance with the Governor’s executive order. Provisions are modified relating to the cutting and trimming of vegetation on right of way to clear a billboard’s visibility zone extending the length of a permit to one year.

The department supports this final order of rulemaking for Outdoor Advertising. After consideration, the Commission, via approval of the consent agenda, unanimously approved the final order of rulemaking and authorized the Secretary to the Commission to file the final order of rulemaking with the Joint Committee on Administrative Rules and the Office of the Secretary of State, and authorized the Director, Chief Engineer, Chief Financial Officer, or Assistant Chief Engineer to execute documents to complete the final rulemaking process.

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FISCAL YEAR 2018 BUDGET AMENDMENT

On behalf of the Director, Brenda Morris, Financial Services Director, recommended increasing disbursements \$2.8 million for the fiscal year 2018 budget. Ms. Morris also recommended transfers between operating budget categories to address changing priorities and provide greater flexibility to districts and divisions in funding program priorities.

Via approval of the consent agenda, the Commission unanimously approved the fiscal year 2018 budget amendment described above.

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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.

Mr. Schroeter recommended (1) award of contracts to the lowest responsive bidders for bids received at the December 15, 2017, letting, as recommended and noted in Table I below. (2) Rejection of bids received on Call F03 due to excessive bids per Section 102.15 of the Missouri Standard Specifications for Highway Construction and noted in Table II below.

**Table I
Award of Contracts
December 15, 2017, Bid Opening**

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
A01	6	Grundy	J1P3185B	\$5,560,546.08	\$0.00	Vance Brothers, Inc.	Microsurfacing
	65	Various	J1P3185				
A02	169	Buchanan	J1S3143	\$483,281.52	\$0.00	Amino Bros. Co., Inc.	ADA Improvements
			J1S3143B				
B01	47	Lincoln	J2P3014	\$599,044.71	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Coldmill and Resurfacing
B02	63	Adair, Macon	J2P3131	\$2,951,394.62	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Coldmill and Resurface
B03	63	Boone, Randolph	J2P3136	\$1,799,567.56	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Resurface and Pavement Repair
B04	61	Marion, Ralls	J3P2226	\$5,213,661.95	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Coldmill and Resurfacing
C01	71	Jackson	J4P2332C	\$6,303,449.77	\$0.00	Ideker, Inc.	Guardrail Improvement
			J4S3153				Coldmill and Resurface
C02	49	Cass	J4P2360B	\$2,840,752.93	\$0.00	Capital Paving & Construction, LLC	4 Bridge Rehabilitations
C03	Various	Various	J4P3214B	\$1,320,976.41	\$80,000.00	Gerstner Electric, Inc.	ITS Improvements with Two Add Alternates
D01	5	Camden	J5P3126	\$2,840,227.90	\$0.00	APAC-Central, Inc.	Resurfacing
D02	5	Camden, Laclede	J5P3210	\$1,991,874.14	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Pavement Repair and Resurface
D03	100	Gasconade	J5S3299	\$125,538.00	\$0.00	Gene Haile Excavating, Inc.	Scour Repair
D04	8, 185, A	Crawford, Washington	J5P3301	\$202,941.20	\$0.00	H.R. Quadri Contractors, LLC	Scour Repair
D05	Various	Gasconade, Maries, Pulaski	J5S3275	\$2,843,314.28	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Seal Coat and Add Shoulder

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
F01	I-44	Franklin	J6I3116	\$4,911,325.40	\$0.00	Millstone Weber, LLC	Bridge Replacement
			J6S3163				
F04	W	St Charles	J6S3147	\$2,733,924.89	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Resurfacing and Add Shoulders
G01	I-44	Various	J7I3291	\$594,300.00	\$0.00	Branco Enterprises, Inc.	JOC - Bridge Repair
	Various	Greene	J8I3136				
G02	KK, B	Webster	J7P3044	\$912,807.98	\$0.00	Widel, Inc.	2 Bridge Deck Replacements
G03	Various	Various	J7P3206	\$1,539,094.32	\$0.00	Blevins Asphalt Construction Company, Inc.	Seal Coat
		Greene	J8S3106				
G04	13	Henry, St Clair	J7P3308	\$857,358.47	\$0.00	Capital Paving & Construction, LLC	Bridge Rehabilitation
G06	125	Christian	J8S0816	\$1,541,795.00	\$0.00	Hartman and Company, Inc.	Bridge Replacement
H01	U	Pemiscot	J9S3157	\$2,606,464.01	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Pavement Improvements
H02	38	Texas, Wright	J9S3193	\$2,645,000.00	\$0.00	Pace Construction Company	Resurfacing
	95	Douglas, Wright	J9S3192				
	Bus 60	Wright	J9S3429				
	HH		J9S3194				
	Z		J9S3343				
H03	172	Wayne	J9S3344	\$837,147.93	\$0.00	Apex Paving Co.	Resurfacing
	FF	Butler	J9S3324				Pavement Improvements
H04	103	Carter	J9S3350	\$736,063.60	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Seal Coat
	AB	Howell	J9S3352				
	B	Texas	J9S3355				
	EE	Dunklin	J9S3351				
	U	Ripley	J9S3353				
	V	Butler	J9S3348				
	Y	Ripley	J9S3345				
	W	Butler, Wayne	J9S3356				

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
H05	E	Cape Girardeau	J9S3389	\$691,820.71	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Seal Coat
	25	Cape Girardeau, Stoddard	J9S3387				
	J	Stoddard	J9S3354				
TOTAL:				\$55,683,673.38	\$80,000.00		

**Table II
Rejection of Bids
December 15, 2017, Bid Opening**

Call No.	Route	County	Job No.	Description
F03	141	St. Louis	J6P3062B	2 Bridge Rehabilitations

Commission Consideration and Action

After consideration, and upon motion by Commissioner Briscoe, seconded by Commissioner Ecker, the Commission took the following action there were no abstentions to note:

1. Awarded contracts to the lowest responsive bidders for bids received on the December 15, 2017, bid opening, as recommended and noted in Table I above. Non-contractual costs for these projects are shown on the above tabulation.
2. Rejected bids received on Call F03 due to excessive bids per Section 102.15 of the Missouri Standard Specifications for Highway Construction and noted in Table II above.
3. Authorized the Director, Chief Engineer, Chief Financial Officer, or Assistant Chief Engineer to execute the contracts awarded above.

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2018-2022 STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM AMENDMENT

On behalf of the Director, Ed Hassinger, Chief Engineer, requested approval to revise the 2018-2022 Statewide Transportation Improvement Program (STIP) that was approved in July 2017, for the implementation of twenty-two projects, as noted in the tabulations below.

**2018 – 2022 STIP
Highway and Bridge Construction Schedule
January Amendment
Project Additions and Modifications**

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)
NE Macon J2S3223	MO 149	Right of way for ADA Transition Plan improvements from Trailer Court Lane to Delmar Place in New Cambria.	2018 RW	\$10	\$4
KC Cass J4S3272	MO 58	New roundabout at the intersection of Prairie Road in the city of Raymore.	2020 CN	\$1,591	\$53
KC Cass J4S3273	MO 58	New roundabout at the intersection of Ward Road near the city of Raymore.	2020 CN	\$1,697	\$60
KC Clay J4S3083	MO 152	Bridge, interchange and ADA Transition Plan improvements over I-35 in Liberty. Project involves bridge A0495. \$217,000 Statewide Transportation Alternatives funds, \$3,000,000 STP Urban and \$2,466,000 City of Liberty.	2019 CN 2018 RW	\$2,171	-\$285
KC Clay J4P3203	MO 291	Pedestrian and ADA Transition Plan improvements at Kansas Street in Liberty.	2019 CN 2018 RW	\$68	\$221
KC Clay J4P3235	MO 92	ADA Transition Plan sidewalk improvements along the Route 92 corridor from Route 33 to Marimack Drive.	2019 CN 2018 RW	\$635	\$45
KC Jackson J4P3268	Various	ADA Transition Plan and sidewalk improvements at various locations in Jackson County in the Urban Kansas City District. \$3,878,000 from Statewide Transportation Alternatives funds.	2020 CN 2020 RW	\$3,063	\$197
KC Johnson J3P3085F	MO 23	Add left turn lanes at the intersection of Route MM.	2020 CN	\$433	\$48
KC Johnson J3P3085E	MO 23	Add turn lanes at the intersection of Route D.	2020 CN	\$433	\$48
KC Johnson J3P3113	US 50	Add turn lanes and J-turns at Route AA, Route Z/W and County Road 1801. \$458,000 Open Container funds.	2019 CN	\$3,940	\$263
KC Lafayette J3S3083	MO 131	Safety improvements from Odessa south city limits to Route 50. \$583,000 Open Container funds.	2020 CN 2019 RW	\$3,238	\$219

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 Lafayette J3S3105	RT V	ADA Transition Plan sidewalk improvements in city of Corder from Liess Street to 22nd Street. \$157,000 Statewide Transportation Alternatives funds.	2020 CN	\$265	-\$8
KC Pettis J3S3106	MO 765	ADA Transition Plan sidewalk improvements from Morgan Street to Osage Street in Sedalia. \$150,000 Statewide Transportation Alternatives funds.	2020 CN	\$212	-\$6
KC Platte J4P3275	MO 92	New roundabout at the intersection of Route 45 Spur.	2020 CN	\$1,591	\$53
KC Ray J3P3107	MO 10	Pavement resurfacing, guardrail and shoulders from Ray County line to Route C. \$2,455,265 District Operations funds.	2018 CN	\$3,690	\$275
KC Ray J3P3085C	MO 210	Add left turn lanes at the intersection of Rte. O/Z.	2020 CN	\$433	\$48
KC Ray J3P3085D	MO 210	Add left turn lanes at the intersection of Route 10.	2020 CN	\$271	\$38
KC Various J4P3295	Various	Safety improvements at various locations in the urban Kansas City district.	2020 CN	\$3,183	\$186
CD Callaway J5O3308	BU 54	Pavement overlay from 2nd Street to 12th Street in city of Fulton. \$794,000 from city of Fulton funds.	2018 CN	\$794	\$0
CD Callaway J5O3309	Old US Highway 54 and County Road 245	Pavement overlay from south of County Road 2002 to the north city limits of Auxvasse. Includes County Road 245 from County Road 280 to Route E. \$141,000 from Callaway County funds.	2018 CN	\$141	\$0
CD Pulaski J5S3307	RT AW	Pavement overlay from Wabash Lane to Route 17 in Texas County. Includes pavement overlay on Route TT from Wildwood Lane to Route AW. \$652,000 District Operations funds.	2018 CN	\$652	\$35
SL Jefferson J6S3375	MO 30	Slide repair west of Ottomeyer Road.	2018 CN	\$867	\$210
			Total:	\$29,378	\$1,704

Via approval of the consent agenda, the Commission unanimously approved the amendment to the 2017 – 2021 STIP as noted in the tabulations above. Commissioner Waters abstained from voting on Job Number J3P3085C, Route 210 in Clay County.

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REQUEST FOR APPROVAL OF LOCATION AND/OR DESIGN OF HIGHWAYS

**Route 87, Cooper County
Job No. J5S3166
Public Hearing Held November 30, 2017
Online Public Hearing Held November 30 – December 8, 2017**

The proposed improvements include replacing the Route 87 Bridge over I-70 and grading, pavement, drainage, guardrail, and striping to improve the approach grades of the new bridge, Route 87, the I-70 interchange ramps, and Nancy Potter Road. The project will have normal access right of way. The replacement of the Route 87 Bridge over I-70 will require complete closure of Route 87 over I-70 for the duration of the project. During this time, Route 87 traffic will be detoured to I-70 at the interchange ramps. The detour will direct traffic to either I-70 eastbound or I-70 westbound to the Route B and Route 179 interchanges where they can turn around and return to the Route 87 interchange. Additional periodic closures will also take place at the Route 87/I-70 interchange ramps and Nancy Potter Road. During these closures traffic on the southside of I-70 will detour using Debo Road, Route U and Route B. Traffic to the north of I-70 will detour using Route 87, Route B, and Route 98. Local traffic on Nancy Potter Road can also use Woodland School Road to Route 98 to access Route 87 or I-70. MoDOT staff is continuing to work with local officials to develop a traffic management plan and keep traffic delays to a minimum. The project is 0.5 miles in length.

On behalf of the Director, Dave Silvester, Central 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 environment effects of the recommended designs, the Commission via approval of the consent agenda unanimously found and determined the recommended designs would best serve the interest of the public and approved the recommendation.

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APPROVAL OF PLANS FOR CONDEMNATION

On behalf of the Director, Eric Schroeter, State Design Engineer, recommended the Commission ratify and approve the following detailed project plans, approved by the Chief Engineer, which have been filed for condemnation.

<u>County</u>	<u>Route</u>	<u>Job Number</u>
St. Louis	340	J6S3125

In accordance with Section 227.050 RSMo, the Commission via approval of the consent agenda, approved the detailed project plans for the above noted projects and directed they be filed as necessary for the condemnation of right of way.

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-- REPORTS --

The Commission received the following written reports.

REPORT REGARDING EXECUTIVE ORDER 17-03 ADMINISTRATIVE RULE REVIEW PROCESS UPDATE

Kathy Harvey, Assistant Chief Engineer, submitted a report that provides a status update on administrative rules. By enacting Section 536.175 RSMo, the general assembly required state agencies to periodically review their administrative rules and repeal those rules that are obsolete or unnecessary and amend those rules to reduce regulatory burdens on individuals, businesses, or political subdivisions or eliminate unnecessary paperwork. MoDOT started its periodic administrative rule review process as required by law on July 1, 2016, and had prepared amendments and rescissions deemed necessary in order to complete the report to the Secretary of State that was submitted on June 30, 2017.

On January 10, 2017, Governor Eric Greitens issued Executive Order 17-03 that requires all state agencies to review all of its rules in the Code of State Regulations and to provide a report to the Governor by May 31, 2018. The executive order stated Missouri government has codified an excessive amount of administrative rules and Missouri citizens and businesses deserve efficient, effective and necessary rules but that such rules should not reduce jobs, limit innovation, or impose costs far in excess of the rule's benefits. It says rules that are ineffective, unnecessary or unduly burdensome must be repealed to attract businesses to Missouri and encourage job growth. The executive order prohibits the Commission from putting proposed new rules, or amended current rules, for notice and comment until approved by the Governor's Office. The executive order requires the Commission to review all of its rules and provides a list of items the department must consider during this review process.

As a result of the Governor's executive order all rulemaking was temporarily suspended until February 28, 2017. The rule review process under the Governor's executive order is separate from and in addition to the Section 536.175 RSMo periodic rule review process and report. Consequently, the

continual review of administrative rules led to the Commission’s desire for a better understanding of where each rule is at in the review and rulemaking process. This report was prepared in response to the Commission’s request and provides a summary of the status of administrative rules currently under review and in the rulemaking process.

As of January 4, 2018 two sets of rules were presented to the Commission for impetus approval: Procurement of Supplies and Transportation Corporations. Additionally, two sets of rules were approved for filing final orders of rulemaking: Junkyard and Outdoor Advertising. Nine sets of rules are in the public comment period: Contractor disqualification, David’s Law, Organizational, Rail Fixed Guideway, Scenic Byways, Supplemental Guide Signs, Transportation-Transit, Uniform Relocation Assistance, Utility & Private Line Location & Relocation. One set of rules, Design Build has been filed with the Secretary of State and Joint Committee on Administrative Rules. Four sets of rules are waiting for the Governor’s office review and approval: DBE, Plant Collection, Rest Areas, and Traffic Regulation. Three rules have received impetus approval and are being reviewed with stakeholders: Financial Assistance-State Transportation Assistance Revolving Fund, Ignition Interlock, and Railroad.

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**FINANCIAL – BUDGET – REPORTS
YEAR-TO-DATE FINANCIAL REPORT, PERIOD ENDING NOVEMBER 30, 2017**

Brenda Morris, Financial Services Director, submitted a written financial report for fiscal year to date November 30, 2017, 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 November 2017, 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 311 active contracts held by individual engineering consultant firms prior to November 1, 2017. Seventeen engineering consultant services contracts were executed in November 2017, for a total of \$7,275,252. There were zero non-engineering consultant contracts executed in November 2017.

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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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