



**MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION  
Official Minutes**

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May 6, 2026**

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**MINUTES OF THE REGULARLY SCHEDULED  
HIGHWAYS AND TRANSPORTATION COMMISSION MEETING  
HELD IN JEFFERSON CITY, MISSOURI  
WEDNESDAY, MAY 6, 2026**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Wednesday, May 6, 2026, at the Missouri Department of Transportation, 105 W. Capitol Avenue, Jefferson City, Missouri, and was available via live stream. Warren K. Erdman, Chair, called the meeting to order at 9:00 a.m. The following Commissioners were present: W. Dustin Boatwright, P.E., Gregg C. Smith, Daniel J. Hegeman, Francis G. Slay, and Ann Marie Baker.

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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Ed Hassinger, Director of the Missouri Department of Transportation; Melinda Grace-Beasley, Assistant Chief Counsel–Human Resources to the Commission; and Jennifer Jorgensen, Secretary to the Commission, were present on Wednesday, May 6, 2026.

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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.*

**-- OPEN MEETING --**

**COMMISSION/DIRECTOR ITEMS**

**APPROVAL OF MINUTES**

Upon motion by Commissioner Smith, seconded by Commissioner Boatwright, a quorum of Commission members present approved the minutes of the regular meeting held on April 8, 2026, and the special meeting held April 7, 2026.

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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 May 6, 2026, Consent Agenda

No items were removed from the consent agenda. Upon motion by Commissioner Boatwright, seconded by Commissioner Slay, 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. A Commissioner also serves on the Missouri Coalition for Roadway Safety Executive Committee. The following committee and board reports were made during the May 6, 2026, meeting.

**Audit Committee** – Commissioner Slay stated there was no report. The next Audit Committee meeting will be June 9, 2026.

**Legislative Committee** – Commissioner Boatwright provided an update on several key legislative activities at both the state and federal levels. He reported as of April 30, the General Assembly has truly agreed and finally passed thirty bills. They now have a week and a half remaining to pass any other legislative proposals. Budget bills are currently in conference committees, and it is anticipated they will be presented to each chamber for final consideration and vote soon. The budget is required to be passed by May 8, 2026.

Last week the House passed its transportation omnibus in Senate Bill 1408, which includes numerous provisions and changes that will now have to go back to the Senate for consideration. The Senate can adopt the changes the House made or choose to go to conference to negotiate the provisions of the proposal further.

The Senate debated Senate Bill 916 on the floor last week. Initially, this proposal was to provide MoDOT contracts with the same sovereign immunity caps as the department. However, it has evolved now and created agents of MoDOT, which include contractors, subcontractors, and engineering firms. The provisions of the proposal change when MoDOT and these agents are liable. MoDOT does not believe this proposal addresses the issues that industry partners wanted to address and will lead to less transportation funds being available for roadwork. This bill now crosses chambers for consideration by the House.

On the federal side, the department continues to wait for congress to take up federal reauthorization for transportation. The latest report indicates that mark-ups could start as early as mid-May.

**Missouri Transportation Finance Corporation (MTFC)** – Commissioner Smith stated the board met this morning and elected officers and approved the Fiscal Year 2027 Budget. The next meeting will be on August 6, 2026.

**MoDOT and Patrol Employees' Retirement System (MPERS)** – Commissioner Hegeman stated that there was no report. The next board meeting is scheduled for June 25, 2026.

**Missouri Coalition for Roadway Safety Executive Committee** – Commissioner Boatwright reported that as of May 1, there has been 236 traffic fatalities in Missouri so far this year. This is 16 fewer fatalities than this time last year, which represents a six percent reduction. So far this year, there have been 15 different days on which there were zero traffic fatalities.

May is Motorcycle Awareness Month, and as the last several years have proven, this is a critical issue in Missouri. It is a good time to remind drivers that as motorcycle traffic increases, drivers can help keep them safe by looking twice before changing lanes, entering roadways, and turning in front of traffic. Like pedestrians and bicyclists, motorcyclists can be difficult to see when drivers do not slow down and take time to make sure the path is clear. Likewise, the department encourages all motorcyclists to ride responsibly and to always wear a helmet.

The coalition will be ramping up efforts to ensure highway safety remains a topic of conversation and on the minds of Missouri drivers during the summer months. These efforts will include a press release, media interviews, and other public events later this month. The Coalition Executive Committee will meet again on June 1.

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## **DIRECTOR’S REPORT**

During the May 6, 2026, Commission meeting, Director Ed Hassinger provided the following report:

**Work Zone Awareness Week Recap** – Director Hassinger reported last month there was a presentation from the Highway Safety team about work zone safety efforts as the department is looking at another historic construction season on Missouri highways. MoDOT took that conversation to the public as part of the National Work Zone Awareness Week. The Director shared a video from the statewide kickoff event, where he was joined by some MoDOT partners to remind drivers of the presence of workers along the roads this construction season, and reinforce the critical role the partners play in making those safe places to drive and work. It is always critical that the department gets team members perspective who are working on these roadways every day. Team members need to have their faces seen and voices heard and remember that they are humans; people who have families and lives they want to get back to at the end of the day. Director Hassinger stated that he is thankful for all the speakers and partners working hard to keep the team safe and as well as the contractors. Director Hassinger expressed sincere thanks to Ralph and the rest of the maintenance team for standing up and putting a real face to that effort.

**Route 66/I-44 Celebration** – Director Hassinger reported last week, Missouri played host to the national kickoff celebration of the Route 66 Centennial. There were a lot of exciting events happening in Springfield, which many people were able to attend. Those events brought state and federal leaders to town, and MoDOT took advantage of that. Director Hassinger went on to say that the Federal Highway Administer and Governor Kehoe were there together and it helped the department emphasize that the progress has not stopped. As the last one hundred years was celebrated with Route 66, these federal, state and local partnerships are actively yielding improvements and expansions to serve travelers for the next one hundred years. The MoDOT team took the administrator around to see the I-44 project and a local Springfield project. It is great to be able to engage directly with federal leaders, and MoDOT is thankful for him and Governor Kehoe taking the time to help tell the story of continued progress on Missouri’s highways.

**AASHTO Spring Meeting Recap** – Director Hassinger reported last month, a few members of the Executive team traveled to Savannah, Georgia, for the American Association of State Highway and Transportation Officials (AASHTO) spring meeting. It is always great to meet with fellow transportation leaders across the country and collaborate on some of the biggest issues being faced. It is always great to work together on World Cup challenges, safety innovations, and future-proofing transportation assets. A shared concern this year is the ongoing effort toward a reauthorization of the federal surface transportation bill. There was also some great discussion around the need, from a Department of Transportation (DOT) perspective, for formula funding to be a priority of that bill. This meeting is a great avenue to gather and funnel those priorities to elected officials. As the September 30 deadline to pass a new bill approaches, staff in the House Committee on Transportation and Infrastructure and in the Senate Committee on the Environment and Public Works are working hard to come to agreements on spending levels and bill language. The MoDOT team will provide progress updates.

**Recognition of Service: Tom Blair** – Director Hassinger wrapped up the report by recognizing one of MoDOT’s senior leaders, St. Louis District Engineer Tom Blair. Mr. Blair has spent the last eight years in that role but has vast previous experience in the department in the 25 years prior to that. In light of Mr. Blair’s recent decision to retire from such a tenured public service career next month, Director Hassinger took some time to recognize what Mr. Blair has accomplished at MoDOT. He has been a great leader and a true model of a public servant. When Mr. Blair was an Area Engineer in South County, there was a project with significant traffic impacts. He took on that project and worked with the contractor and the public to make it a success. His perseverance and commitment have served him well in every role. Director Hassinger also highlighted Mr. Blair’s involvement with innovative thinking and the Road to Tomorrow. He was a central leader who took on this project with great fervor and did a terrific job. Additionally, Mr. Blair was instrumental in a St. Louis City project that reconfigured numerous city roads and took two years of work behind the scenes. There were tough interactions, but Mr. Blair did it in such a diplomatic way that people came to the table with ideas and resources. Mr. Blair has definitely left his mark on the department. Director Hassinger wished him well in his next adventure.

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## **PUBLIC COMMENTS**

### **APPRECIATION FROM THE HIGHWAY 54 COALITION**

Alan Winders, Audrain County Commissioner and the Chairman of the Highway 54 Coalition, gave a brief overview of the Highway 54 Coalition and the project that is approximately 58 miles that goes from Mexico, Missouri to the Illinois border through Louisiana, Missouri. It connects Highway 61 and Interstate 70. The project is a shared four-lane project that will increase safety and is regionally important. Mr. Winders noted his appreciation for Congressman Graves, who previously announced that the Highway 54 Shared Four-Lane Project had received a nearly \$25 million BUILD (Better Utilizing

Investments to Leverage Development) Grant. The \$24.892 million grant will widen an approximately 14-mile segment of U.S. Route 54 from a two-lane roadway to a shared four lane configuration (alternating passing lane) between Farber and Curryville. The project also includes improvements at the intersection of U.S. Route 54 and Highway 154 and utility relocations.

Mr. Winders thanked the Commission and MoDOT for their support and expressed his appreciation for staff from the Director to the Northeast District staff who have all done an excellent job. He also commended the department on the Statewide Transportation Improvement Program (STIP) process, which lets partners at the local level be heard.

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**RECORDS REQUEST, I-70 CONSTRUCTION ZONES, AND LEGISLATIVE PROPOSALS**

Arnie Dienoff requested records from the May 5, 2026, closed Commission meeting and the May 6, 2026, Missouri Transportation Finance Corporation (MTFC) and open Commission meeting. He then shared his concerns that he reported last month about police vehicles violating the laws in construction zones. Mr. Dienoff shared an article about work zone safety and the need for drivers to pay attention. Distracted driving and driving too fast for conditions remain the top contributors to work zone crashes. He noted that MoDOT has previously reported there would be over 600 workers in construction zones including in Kingdom City, Columbia, Wright City, and Wentzville. He noted he has seen drivers who disregard for the work zones and drive at high speeds. He requested the Missouri State Highway Patrol (MHSP) provide enforcement in these work zones. Mr. Dienoff then highlighted legislation that he believes will have severe ramifications. He concluded his comments by congratulating Tom Blair, St. Louis District Engineer, on his retirement and provided kind words about ethics, compassion, understanding, and leadership.

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## **MODOT PRESENTATIONS**

### **2027-2031 DRAFT STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM**

On behalf of the Director, Llans Taylor, Transportation Planning Director, presented the 2027-2031 Draft Statewide Transportation Improvement Program (STIP), which is developed in unison with the budget and financial forecast. Mr. Taylor explained the STIP is MoDOT's proposed list of transportation projects for the next five years. This document describes how transportation dollars are being invested and represents MoDOT's commitment to Missourians. The STIP being presented today totals \$13.0 billion and 1,265 projects.

MoDOT's approach to planning is transparent, inclusive, and flexible to identify the right transportation solutions. MoDOT uses the planning framework relying on bottom-up decision making, ensuring the correct stakeholders are actively engaged in determining each region's highest priority needs and projects. Missouri has terrific partners with the Metropolitan Planning Organizations (MPOs) and Regional Planning Commissions (RPCs), both of which are full of incredibly committed and dedicated people focused on understanding the needs of the region.

Mr. Taylor highlighted that there is approximately \$9.3 billion available for the fiscal years 2027 to 2031 for contractor awards. This averages approximately \$1.9 billion per year. He noted that there were slight adjustments made in the first and third years based upon the current financial forecast compared to last year. Additionally, as the general revenue funds decline, so will contractor awards.

He noted objective criteria are used to distribute funds to the districts who work side-by-side with the planning partners to identify needs and prioritize projects that are included in the draft STIP. The amount of funds available to distribute in the construction program for Fiscal Years 2027-2031 is \$9.3 billion. Of that amount \$372 million is distributed for safety related projects, \$5.0 billion is distributed for asset management projects, and \$1.4 billion is distributed for system improvements. Safety funds are distributed based on fatalities and serious injuries. Asset management funds are distributed based on

system usage and system size. The remaining funds, system improvement funding, are distributed based on population, employment, and system usage.

Each year when preparing the draft STIP the department reviews the percent of projects programmed for asset management, system improvement, and other projects. Mr. Taylor was pleased to report this STIP maintains a focus on asset management. Over the first three years of the draft STIP, 86 percent of programmed funds are committed to asset management. This draft STIP will address a total of about 11,800 miles of pavement and 757 bridges across the system.

Mr. Taylor reviewed project growth and schedule adjustments for the draft STIP. He explained because projects programmed are commitments, MoDOT reviews how projects transfer from the current to the draft STIP. He explained this review identified project growth of 5.24 percent, or \$144 million. This is attributable to 2.35 percent inflation, or \$65 million, and 2.89 percent, or \$79 million, in additional cost drivers. The department also recognizes the commitment in timing of the projects and there were 114 projects that had schedule adjustments.

Mr. Taylor reported on the changes for the 2027-2031 draft STIP. There were 393 projects added to this STIP, which includes 365 asset management projects, 3 capital improvement projects, and 25 other projects. There are 9 projects that will be deleted because the work is being incorporated into other projects, withdrawn cost share projects, or work is being completed by MoDOT forces.

There is a total of \$2.3 billion in legislatively designated and funded initiatives to improve I-70 and I-44, of which \$1.7 billion is programmed for the Improve I-70 program. Within the multimodal section of the STIP, the estimated total funding is \$1.1 billion. Mr. Taylor explained the multimodal program has seen a significant increase in funding, and the multimodal staff do a terrific job of understanding and managing those funds. He explained that the draft STIP also includes the maintenance and operations pavement and bridge work plan that helps maintain the transportation system. In 2025, almost \$600 million was spent on operations and safety.

The next step in the process is for the department to conduct a public comment period for the draft STIP, then the department will collect the comments received and recommend action, noting any changes to the draft STIP. The final STIP is then presented to the Commission for consideration and approval following the public comment period. Chairman Erdman commended the management team for scheduling a preview meeting with contracting partners. Commissioner Baker stated her appreciation for how the department collaborates with planning partners, stakeholders, and customers to plan for transportation in Missouri. She noted it is a monumental task and commended Mr. Taylor and his team for their work.

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## **INNOVATIONS SHOWCASE PRESENTATION**

On behalf of the Director, Kelly Backues, Transportation Planning Specialist, highlighted MoDOT's Innovations Challenge program, provided details of this year's showcase, and shared a brief highlights video. MoDOT's pillars of Safety, Service, and Stability are supported by the Innovations Challenge.

Since the first Innovations Showcase in 2008, the Innovations Challenge has generated innovations that have become best practices. Over the years the challenge has evolved. It began as a tool and equipment challenge in the districts as a way to share and promote ideas for MoDOT's employees to do their jobs safely and more efficiently. In 2013, the challenge was broadened to all areas of MoDOT and included the categories of projects and productivity. These new categories vastly enhanced the program and provided all employees the opportunity to join in the competition.

The Innovations Showcase exists to encourage MoDOT employees to develop and share creative ideas that support organizational progress and future improvements. Since the program's inception, more than 2,000 submissions have been received, with over 800 innovations showcased. This year there were 52 innovations featured in the showcase. The Innovations Challenge currently bestows 16 awards. Four

winners come from each of the three categories: tools and equipment (creative, handcrafted solutions designed to save time, reduce costs, and enhance safety). productivity (focuses on employee-driven processes, materials, and products that enhance efficiency), and projects (highlights exceptional transportation results that strengthen internal operations and improve services delivered to Missourian). Three Director's awards are presented, one each for safety, service, and stability. There is one Dickson People's Choice award, named for Jim Dickson who was the Innovations Challenge coordinator since its inception in 2007; he retired in 2018.

Innovations are evaluated on the following four criteria. Judges look for originality, like how new it is to MoDOT. There is also a safety review, to evaluate if the innovation improves the safety of equipment and/or processes. Judges also want to know how it performs internally and externally, to evaluate if the innovation improves service to customers and/or employees. The last criteria are conserving resources, such as does the innovation save time or money.

For an innovation to advance to the statewide showcase, it must win the first challenge round either at a district or central office. A local panel of experts from each district and central office select the first-round winners from each district and central office to advance to the second round. During the second round, each district and central office coordinator rate the innovations to narrow the list to up to the top 20 in each category. Typically, up to 60 innovations compete at the annual statewide showcase.

This year the showcase was held at the Expo Center in Columbia. Ms. Backues reported the 2026 category winners.

Productivity

- Skid Steer Mounted Concrete Saw – Southeast District
- Retro Tek – Southwest District
- Long Term Field Condition Tracker – Northeast District
- P.R.I.S.M – Kansas City District

Projects

Traffic Cam Webpage Integration – Kansas District  
MCE Common Customer 2.0 – Motor Carrier Services Division  
HPUN Dashboard – Transportation Planning Division  
Drury Intern Housing Partnership – Southwest District

Tools and Equipment

Slide-N-Cinch – Southeast District  
Sander Calibration Scale – Southwest District  
Guardrail Debris Pusher – Central District  
Bolt-On Rubber Track Grouser – Northwest District

Director's Safety award – Patch Marker – Central District

Director's Service award – AMP Results Dashboard – Transportation Planning Division

Director's Stability award – Northeast Stockpile Photogrammetry – Northeast District

Dickson People's Choice Award – Houston Handy Hopper – Southeast District

Ms. Backues congratulated the Southeast District for winning the People's Choice Award for the third year in a row. She also highlighted the implementation of an electronic voting system for the People's Choice Award and noted it was well received by attendees. The showcase continues to demonstrate strong engagement and creativity across MoDOT. The breadth and quality of entries reflect staff commitment to innovation, efficiency, and safety. Identifying and evaluating innovative efforts will continue to be a significant factor in the achievement of MoDOT's mission.

Commissioner Erdman thanked Ms. Backues for her presentation and stated the Innovations Challenge and Showcase produces such exciting and innovative solutions that benefit the department. Employees have the freedom, opportunity, and incentive to find a solution to a daily problem. He commended staff for their passion and for striving to do better.

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**CONSIDERATION OF PROPOSALS FOR THE IMPROVE I-70: TRUCK PARKING DESIGN-BUILD PROJECT**

On behalf of the Director, Eric Schroeter, Deputy Director/Chief Engineer, and Project Director Zach Osman described the project that will improve truck parking facilities along Interstate 70. The Project

will expand the availability of truck parking spaces, reconstruct or rehabilitate existing pavement and buildings, and improve the safety and usability of rest area facilities.

## **Project Goals**

MoDOT has established the following goals for the project which were used in evaluating and determining the Best Value Proposal:

1. Deliver the project by December 31, 2028, within the program budget.
2. Expand and modernize truck parking facilities along I-70 while improving the safety of facilities for users.
3. Minimize construction impacts with a focus on work zone safety, communication, and construction staging while maintaining mobility.
4. Provide expanded employment opportunities while developing and using a diverse workforce.

MoDOT's Business Development and Compliance Division established a zero percent disadvantaged business enterprise goal for construction work and a zero percent disadvantaged business enterprise goal for professional services for the project.

## **Procurement Process**

By Commission action on July 12, 2023, the Commission approved the use of design-build for Statewide I-70. Since then, MoDOT's design-build team has been working through the procurement process. Two teams were prequalified on February 5, 2026, to compete for the contract. The Request for Proposals was issued February 9, 2026. The MoDOT Design-Build team held five confidential discussions with each team over a period of seven weeks to discuss their proposal ideas. Final proposals were submitted by the teams on April 17, 2026. The MoDOT design-build team reviewed and evaluated the proposals. The two teams that submitted proposals include:

- *The Capital-Wilson Team – major participants include Capital Paving and Construction and Wilson & Company*
- *The KCI Construction Team – major participants include KCI Construction and Bartlett & West*

## **Evaluation**

The items that were evaluated by the MoDOT design-build team included: Project Definition (70 points available) and Maintenance of Traffic and Schedule (30 points available) for a total of 100 points. Project Director Osman provided a summary of the proposals submitted by each team and the total points awarded to each team as outlined below.

- The Capital-Wilson Team –54.9 points
- The KCI Construction Team – 62.6 points

## **Commission Consideration and Action**

Project Director Osman recommended the KCI Construction Team as the best value proposer.

Their proposal included:

- Adding 255 new truck parking stalls, for a total of 474 truck parking stalls
- Pavement improvements at all eight locations
- Upgrading or relocating facilities at five locations
- Improving safety and lighting at all eight locations

Commissioner Slay and Commissioner Baker thanked Project Director Osman for his presentation, and the MoDOT design-build team for their work on this project to date.

After consideration, Commissioner Slay moved that the Commission adopt staff recommendations to award the KCI Construction Design-Build team for submitting the best value proposal for the Improve I-70: Truck Parking Design-Build Project; authorize the Director, Deputy Director/Chief Engineer, Assistant Chief Engineer, or their designee to negotiate and execute a contract with the KCI Construction Team subject to approval as to form by the Chief Counsel's Office; and authorize payment of the agreed stipend to the one unsuccessful proposing team. This motion was seconded by Commissioner Smith.

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

Commissioner Erdman, Abstain  
Commissioner Boatwright, Aye  
Commissioner Smith, Aye  
Commissioner Hegeman, Aye  
Commissioner Slay, Aye  
Commissioner Baker, Aye

The Commission unanimously approved the motion.

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**RESOLUTION AUTHORIZING THE OFFER FOR SALE OF THIRD LIEN STATE ROAD BONDS, SERIES A 2026**

On behalf of the Director, Brenda Morris, Chief Financial Officer, presented a report and recommendation for sale of bonds. She explained that bond financing allows the department to provide much needed infrastructure improvements to the traveling public sooner than pay-as-you-go funding allows. Building projects sooner results in cost savings by reducing project inflation costs, while at the same time improving safety, easing congestion, and advancing economic development. The Commission has a five-lien structure in place: Senior Lien, Amendment 3 (First Lien, Second Lien and Third Lien) and Federal Reimbursement Lien (Grant Anticipation Revenue Vehicle (GARVEE) Bonds).

In November 2004, Amendment 3 was voter-approved as a constitutional amendment and redirected a portion of the statewide sales tax on motor vehicle purchases from the state’s General Revenue Fund to a newly created State Road Bond Fund. The law mandated the redirected revenue be used to repay bonds until January 1, 2009. After January 1, 2009, the amount not needed for debt service or to maintain a reserve would require certain certifications and a General Assembly appropriation of the unused funds from the State Road Bond Fund to the State Road Fund, which then could be used on pay-as-you-go projects; however, the intent was to use this revenue for debt service. In accordance with Commission

policy, before proceeding with certification, the Commission should consider whether there are state highway construction projects that will benefit from the issuance of state road bonds.

The financial forecast presented to the Commission earlier this year included this potential bond issuance. This bond issuance will support the construction awards in the Statewide Transportation Improvement Program (STIP). This will allow the department to repeat this process and issue bonds every three or four years if economic conditions support it and provide a more stable construction program versus a spike in one or two years.

Issuance of the Series A 2026 Bonds will generate an estimated \$650.0 million in proceeds for projects in the Statewide Transportation Improvement Program (STIP). The debt service payments for the Series A 2026 Bonds will be paid from Amendment 3 revenue deposited into the State Road Bond Fund. The Series A 2026 Bonds will be under the Third Lien debt structure of the Commission's Amendment 3 state road bonds. The Series A 2026 Bonds cannot be paid off early. Ms. Morris reported the issuance of the Series A 2026 Bonds is a targeted bond issuance for projects with long-term benefits that complies with the Commission's conservative Debt Management Policy.

On April 7, 2026, and April 20, 2026, MoDOT staff presented information to the credit rating agencies regarding the Series A 2026 Bonds. MoDOT plans to award the competitive sale on May 19, 2026. MoDOT staff will give a Series A 2026 Bond sale summary at the June 3, 2026, MHTC meeting that will set out the final terms of the sale. Expected closing and delivery of funds will be on June 16, 2026.

Ms. Morris recommended adoption of the following resolution authorizing the issuance of Series A 2026 Bonds in an aggregate principal amount not to exceed \$655,000,000 to fund projects for the state highway system. The Resolution further delegates authority for approving certain documents and actions in connection with the issuance of said Series A 2026 Bonds. Ms. Morris also requested authority for the execution of documents related to the Series A 2026 Bonds.

## RESOLUTION

### RESOLUTION AUTHORIZING THE ISSUANCE OF THIRD LIEN STATE ROAD BONDS, SERIES A 2026 TO FINANCE THE COSTS OF PROJECTS FOR THE STATE HIGHWAY SYSTEM AND CERTAIN DOCUMENTS AND ACTIONS BY THE COMMISSION.

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1. The Commission is duly organized and existing under Article IV, Section 29 of the Missouri Constitution and Sections 226.005 to 226.191 of the Revised Statutes of Missouri, as amended, with authority over all state transportation programs and facilities as provided by law, and is vested with the powers and duties specified in Chapters 226 and 227 of the Revised Statutes of Missouri, as amended, including the general supervision and control over the Missouri Department of Transportation (“**MoDOT**”) and the construction, reconstruction and repairs of the statewide connected system of public roads, highways and bridges which are acquired, constructed, reconstructed, improved and maintained by the State of Missouri in whole or in part by the aid of state moneys, and of highways constructed in whole or in part by the aid of moneys appropriated by the United States government, so far as such supervision is consistent with the acts of Congress relating thereto (the “**State Highway System**”).

2. The Commission is authorized by the State Highway Act, to issue state road bonds for the purpose of providing funds for use in State Highway System construction and reconstruction, which bonds are payable out of the State Road Fund and the State Road Bond Fund as provided in Article IV, Section 30(b) of the State Highway Act.

3. The Commission has entered into a Master Bond Indenture dated as of July 1, 2005 (as originally executed, and with all amendments and supplements thereto, the “**2005 Master Bond Indenture**”), to provide for the issuance of state road bonds (the “**Amendment 3 Bonds**”), in separate series under the 2005 Master Bond Indenture, in authorized principal amounts as the Commission may determine to be appropriate to comply with the constitutional and statutory duties of the Commission to fund the cost of implementing state highway projects (the “**Projects**”) as provided in the State Highway Act, and to pay certain costs related to the issuance of the Amendment 3 Bonds, subject to the terms and conditions provided for in the 2005 Master Bond Indenture.

4. The Commission has entered into a Master Bond Indenture dated as of December 1, 2008 (as originally executed, and with all amendments and supplements thereto, the “**2008 Master Bond Indenture**”), to provide for the issuance of state road bonds (the “**Federal Reimbursement Bonds**”), in separate series under the 2008 Master Bond Indenture, in authorized principal amounts as the Commission may determine to be appropriate to comply with the constitutional and statutory duties of the Commission to fund the cost of implementing Projects as provided in the State Highway Act, and to pay certain costs related to the issuance of the Federal Reimbursement Bonds, subject and subordinate to the terms of the Amendment 3 Bonds and the 2005 Master Bond Indenture as to State Road Fund Revenues and State Road Bond Fund Revenues (as defined in the 2005 Master Bond Indenture), and on the terms and conditions provided for in the 2008 Master Bond Indenture.

5. The Commission has entered into a Master Bond Indenture dated as of December 1, 2023 (as originally executed, and with all amendments and supplements thereto, the “**2023 Master Bond Indenture**”), to provide for the issuance of state road bonds (the “**Mega Projects Bonds**”), in separate series under the 2023 Master Bond Indenture, in authorized principal amounts as the Commission may determine to be appropriate to comply with the constitutional and statutory duties of the Commission to fund the cost of implementing Projects as provided in the State Highway Act, and to pay certain costs related to the issuance of the Mega Projects Bonds, subject and subordinate to the terms of the Amendment 3 Bonds and the Federal Reimbursement Bonds as to State Road Fund

Revenues and State Road Bond Fund Revenues (as defined in the 2005 Master Bond Indenture and the 2008 Master Bond Indenture), and on the terms and conditions provided for in the 2023 Master Bond Indenture.

6. Pursuant to the State Highway Act, the Commission proposes to issue its **Third Lien State Road Bonds, Series A 2026** (the “**Series A 2026 Bonds**”), under the 2005 Master Bond Indenture, as amended and supplemented by the Supplemental Bond Trust Indenture No. 10 (the “**Supplemental Bond Indenture No. 10**”), for the purpose of providing funds to (i) finance a portion of the costs of the Projects, and (ii) pay costs related to the issuance of the Series A 2026 Bonds.

7. The Commission finds and determines that it is necessary and desirable in connection with the issuance of the Series A 2026 Bonds that the Commission executes and delivers certain documents and that the Commission takes certain other actions as herein provided.

**NOW THEREFORE, BE IT RESOLVED BY THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION, AS FOLLOWS:**

**Section 1. Authorization of the Series A 2026 Bonds.** The Commission is authorized to issue and sell the Series A 2026 Bonds in an aggregate principal amount not to exceed \$655,000,000, for purposes aforesaid which shall be issued under and secured by and shall have the terms and provisions set forth in the Master Bond Indenture, as supplemented and amended including the amendment by the Supplemental Bond Indenture No. 10 referred to herein (collectively, the “**Indenture**”); provided that (1) the principal amount of the Series A 2026 Bonds shall not exceed \$655,000,000, (2) the Series A 2026 Bonds shall have a final maturity not later than 2033, (3) the Series A 2026 Bonds shall have a weighted average maturity of not less than 3.0 years and not more than 5.0 years, (4) the Series A 2026 Bonds shall bear interest at various interest rates not to exceed a true interest cost of 5.50%, and (5) the Series A 2026 Bonds shall not be subject to optional redemption prior to maturity. The Series A 2026 Bonds shall have such other terms to be determined by the authorized officers of the Commission and MoDOT in the manner described herein.

The Commission hereby authorizes the preparation of a Preliminary Official Statement and a Notice of Sale to provide for the competitive public sale of the Series A 2026 Bonds. Notice of said bond sale is hereby authorized and directed to be given by mailing copies, or by providing electronic notice through *PARITY* electronic bid submission system (“*PARITY*”), of the Notice of Sale and Preliminary Official Statement to investment banking firms and banks and other financial institutions located throughout the United States. Bids for the Series A 2026 Bonds may be received by a representative of the Commission, or by electronic bids through *PARITY*, upon the terms and conditions set forth in the Notice of Sale. The Commission hereby consents to the use and public distribution of the Preliminary Official Statement and the Notice of Sale related to the offering for sale of the Series A 2026 Bonds. The Commission further authorizes the filing of an application to Moody’s Investors Service, Inc., Standard & Poor’s Rating Service and Fitch Ratings for a rating of the Series A 2026 Bonds, and to take other actions necessary to carry out the competitive public sale of the Series A 2026 Bonds. The Series A 2026 Bonds shall be sold by the Commission to the underwriters (the “**Underwriters**”) providing the best bid in response to the Notice of Sale distributed by the Commission. The final terms of the Series A 2026 Bonds shall be specified in the Indenture upon the execution thereof, and the signatures of the officers of the Commission or MoDOT executing such Indenture shall, subject to approval as to form by the Chief Counsel’s Office, constitute conclusive evidence of their approval and the Commission’s approval thereof.

**Section 2. Limited Obligations.** The Series A 2026 Bonds shall be limited obligations of the Commission payable solely from the sources and in the manner as provided in the Indenture and shall be secured by a pledge and assignment of and a grant of a security interest in the Trust Estate (as defined in the Indenture) to the Bond Trustee (herein defined) and in favor of the holders of the Series A 2026 Bonds, as provided in the Indenture. The Series A 2026 Bonds shall not be deemed to constitute a debt or liability of the State of Missouri or

a pledge of the full faith and credit of the State of Missouri. Nothing in the Series A 2026 Bonds shall be construed as obligating the State of Missouri to pay or redeem any of the Series A 2026 Bonds from, and the owners thereof may not look to, any general or other fund of the State of Missouri or of MoDOT, except as specifically provided in the Indenture.

**Section 3. Authorization and Approval of Documents.** The following documents (the “**Financing Documents**”) are hereby approved in substantially the forms filed in the records of the Secretary to the Commission, and the Commission is hereby authorized to execute and deliver each of the Financing Documents with such changes therein as shall be approved by the officers of the Commission or MoDOT executing the Financing Documents, such officers’ signatures thereon being conclusive evidence of their approval and the Commission’s approval thereof, subject to approval as to form by the Chief Counsel’s Office:

- (a) Supplemental Bond Trust Indenture No. 10 between the Commission and BOKF, N.A. (the “**Bond Trustee**”), providing for the issuance of the Series A 2026 Bonds pursuant to the Indenture, and setting forth additional terms and provisions applicable to the Series A 2026 Bonds.
- (b) Tax Compliance Agreement for the Series A 2026 Bonds between the Commission and the Bond Trustee, which sets forth certain representations, facts, expectations, terms and conditions relating to the use and investment of the proceeds of the Series A 2026 Bonds, to establish and maintain the exclusion of interest on the Series A 2026 Bonds from gross income for federal income tax purposes, and to provide guidance for complying with the arbitrage rebate provisions of §148(f) of the Internal Revenue Code (the “**Code**”).
- (c) Continuing Disclosure Agreement between the Commission and BOKF, N.A., as Dissemination Agent, under which the Commission agrees to provide continuing disclosure of certain financial information, operating data and material events, for the benefit of the owners of the Series A 2026 Bonds and to assist the Underwriters of the Series A 2026 Bonds in complying with Rule 15c2-12 of the Securities and Exchange Commission.

**Section 4. Approval of Notice of Sale, the Preliminary Official Statement and the Final Official Statement.** The form and substance of the Preliminary Official Statement and the Notice of Sale relating to the Series A 2026 Bonds submitted to the Commission is hereby in all respects ratified, confirmed and approved, and the officers of the Commission and MoDOT are hereby authorized, empowered and directed to execute the Notice of Sale, the Preliminary Official Statement and the final Official Statement in the name and on behalf of the Commission. The Commission approves the use and distribution of the Notice of Sale, the Preliminary Official Statement and the final Official Statement in connection with the offering and sale of the Series A 2026 Bonds. The Notice of Sale, the Preliminary Official Statement and the final Official Statement shall be in substantially the same form as the draft Notice of Sale and the Preliminary Official Statement now on file in the records of the Secretary to the Commission and hereby approved, with such changes therein as shall be approved by the officer of the Commission or MoDOT executing the same, and such execution shall constitute conclusive evidence of such officer’s approval and the Commission’s approval of any departures therein from the form of the Notice of Sale and the Preliminary Official Statement now on file in the records of the Secretary to the Commission. For the purpose of enabling the Underwriters to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the Commission hereby deems the information contained in the Preliminary Official Statement to be “final” as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and the appropriate officers of the Commission and MoDOT are hereby authorized, if requested, to provide the Underwriters a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Underwriters to comply with the requirements of such Rule.

**Section 5. Execution of Series A 2026 Bonds and Financing Documents.** The Chairman or the Vice Chairman of the Commission, or the Director, the Deputy Director/Chief Engineer or the Chief Financial Officer of MoDOT, are hereby authorized and directed to execute the Series A 2026 Bonds by manual or facsimile signature and to deliver the Series A 2026 Bonds to the Bond Trustee for authentication for and on behalf of and as the act and deed of the Commission in the manner provided in the Indenture. The Chairman or Vice Chairman of the Commission, or the Director, the Deputy Director/Chief Engineer or the Chief Financial Officer of MoDOT, are hereby authorized and directed to execute and deliver the Financing Documents for and on behalf of and as the act and deed of the Commission subject to approval as to form by the Chief Counsel's Office. The Secretary to the Commission is hereby authorized and directed to attest to the Series A 2026 Bonds by manual or facsimile signature, to the Financing Documents and to such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

**Section 6. Reimbursement.** The Commission has previously made and expects to make capital expenditures in connection with the Projects after the date of this Resolution and the Commission intends to reimburse itself for such expenditures with proceeds of the Bonds.

**Section 7. Further Authority.** The Commission shall, and the officers, agents and employees of the Commission and MoDOT are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments, including, without limitation, any arbitrage certificate, closing certificates, and tax forms, as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of the Commission with respect to the Series A 2026 Bonds and the Financing Documents subject to approval as to form by the Chief Counsel's Office.

**Section 8. Effective Date.** This Resolution shall take effect and be in full force immediately after its adoption by the Commission.

**ADOPTED** by the Missouri Highways and Transportation Commission this 6<sup>th</sup> day of May, 2026.

After consideration, and upon motion by Commissioner Smith, seconded by Commissioner Hegeman, the Commission took the following action:

1. Adopted a Resolution authorizing the issuance of Third Lien State Road Bond Series A 2026 Bonds in an aggregate principal amount not to exceed \$655,000,000 to fund projects for the state highway system, as outlined in the resolution above
2. Authorized the Secretary to the Commission to execute the Resolution confirming its adoption by the Commission, subject to approval as to form by the Chief Counsel's Office.
3. Authorized the Series A 2026 Bonds to be sold through a competitive sale.
4. Authorized the Director, Deputy Director/Chief Engineer or the Chief Financial Officer to execute the following documents for the Series A 2026 Bonds: (1) Supplemental Bond Trust Indenture No. 10; (2) Tax Compliance Agreement; (3) Continuing Disclosure Agreement; and

(4) any other documents, certificates or instructions necessary to complete the bond issuance, subject to approval as to form by the Chief Counsel's Office.

\* \* \* \* \*

**ADMINISTRATIVE RULES/POLICIES**

**COMMISSION POLICY – FINANCIAL-INVESTMENT – NEW**

Following a comprehensive review of all Commission policies, on November 7, 2013, the Commission formally compiled and adopted the Commission policies that the department currently operates under today. In addition to the Commission's periodic review, there are occasions where a policy may need to be added or updated. The purpose of the Investment Policy is to establish the Commission's investment objectives for MoDOT for funds deposited outside the State Treasury and to provide a set of investment parameters to govern the type, quality, diversification, and term of investments in order to realize those objectives. Currently, the Investment Policy is a department policy instead of a Commission policy. The current department Investment Policy was adopted on December 1, 2005.

**Category: FINANCIAL**  
**Subcategory: Investment**

**INVESTMENT**

Missouri Department of Transportation (MoDOT) funding comes from both state and federal sources. Most of the money is dedicated by federal law or the state constitution and statutes to specific purposes. Funds are held in two locations: State funds are held at the State Treasury, and non-state funds are held outside of the State Treasury at a bank selected during the Commercial Banking, Investment Management and Security Safekeeping Services Request for Proposals process.

As mandated by the Missouri Constitution, the State Treasurer's Office holds custody of all state moneys, specifically, those that get appropriated by the legislature. The State Treasurer's Office Investment Committee is responsible for developing and reviewing the investment process of the State Treasurer's Office within the framework provided by the Constitution and statutes of the State of Missouri. The State Treasurer's Office Investment Committee shall set and monitor policies, set general strategies, and implement necessary monitoring mechanisms.

Non-state funds include the Local Fund, Medical and Life Insurance Fund, Self Insurance Fund, Missouri Transportation Finance Corporation (MTFC) highway and transportation accounts, and Department of Revenue-Motor Carrier Services.

Investments through external programs, facilities and professionals operating in a manner consistent with this policy will constitute compliance.

## I. Scope

The purpose of the Investment Policy shall be to establish the investment objectives of MoDOT and provide a set of investment parameters to govern the type, quality, diversification and term of investments in order to realize those objectives. To assist in accomplishing investment objectives, MoDOT shall employ an Investment Advisor to act in a fiduciary capacity as custodian for the interest and benefit of MoDOT and to, among other responsibilities, develop, implement and execute an investment strategy consistent with this Investment Policy.

The Investment Advisor and MoDOT shall have an agreement defining the duties expected of them as MoDOT's Investment Advisor. In developing and implementing any investment strategy for the assets, the Investment Advisor shall comply with the investment parameters set forth in this policy.

## II. General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

1. **Safety.** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective is to mitigate credit risk and interest rate risk.
  - a. **Credit Risk.** MoDOT's Investment Advisor will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:
    - limiting investments to the safest types of securities, as defined in Section V; and
    - diversifying the investment portfolio so that potential losses on individual securities will be minimized, as defined in Section VI.
  - b. **Interest Rate Risk.** MoDOT's Investment Advisor will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio, so securities mature to meet cash requirements for ongoing operations; thereby, avoiding the need to sell securities on the open market prior to maturity.
2. **Liquidity.** The investment portfolio shall remain sufficiently liquid to meet all reasonably anticipated operating requirements. This is accomplished by structuring the portfolio so securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in money market mutual funds, local government investment pools or overnight repurchase agreements that offer next day liquidity for short-term funds. In the event a security must be sold prior to maturity, all measures will be taken to preserve loss of principal.
3. **Yield.** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is the least important objective. The core investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

## III. Standards of Care

1. **Delegation of Authority.** Responsibility for the operation of the investment program and execution of documents in accordance with this Investment Policy is hereby delegated to the Director, Deputy Director/Chief Engineer, and Chief Financial Officer and his or her delegate(s), hereinafter referred to as MoDOT personnel. MoDOT personnel shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this Investment Policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting,

repurchase agreements, wire transfer agreements and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this Investment Policy and the procedures established by MoDOT personnel. MoDOT personnel shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate employees.

The Director, Deputy Director/Chief Engineer, and the Chief Financial Officer may execute documents in accordance with the Investment Policy, including those listed in Section IX of this policy, and may delegate authority as needed per written notification to the Commission Secretary's Office.

2. **Prudence.** The standard of prudence to be used by MoDOT personnel shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The standard of prudence to be used by the Investment Advisor shall be the "prudent expert" standard and shall be applied in the context of managing an overall portfolio.
  - Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety, liquidity and yield to be derived.
3. **Ethics and Conflicts of Interest.** Investment Advisors, MoDOT personnel and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. MoDOT personnel and employees involved in the investment process shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. MoDOT personnel and employees involved in the investment process shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of MoDOT.

#### IV. Safekeeping and Custody

1. **Authorized Financial Dealers and Institutions.** MoDOT's Investment Advisor will serve as MoDOT's Financial Dealer and Institution. The Investment Advisor shall retain principal collection subject to MoDOT's direction and shall distribute income to MoDOT. All securities will be registered in the name of the Missouri Highways and Transportation Commission (MHTC) unless otherwise instructed. Reviews of the financial condition and registration of MoDOT's Investment Advisor will be conducted by MoDOT personnel. MoDOT's Investment Advisor will supply the following information as requested:
  - Audited financial statements; and
  - Certification of having read and understood and agreeing to comply with MHTC's Investment Policy.
2. **Internal Controls.** MoDOT personnel are responsible for establishing and maintaining an internal control structure designed to ensure the assets of MoDOT are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance these objectives are met. The concept of reasonable assurance recognizes (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, MoDOT personnel, as a part of its annual review of all of the Department's internal controls, shall establish a process for an annual review to ensure compliance with policies and procedures. The internal controls shall address the following points:

- Separation of transaction authority from accounting and record keeping;
- Custodial safekeeping;
- Avoidance of physical delivery securities;
- Clear delegation of authority to subordinate staff members;
- Written confirmation of transactions for investments and wire transfers; and
- Sufficiency check of repurchase agreement collateral.

In addition, as part of the Department’s annual financial statement audit, the financial statement auditors will review investments to determine they are fairly presented in the financial statements.

3. **Delivery vs. Payment.** All trades where applicable will be executed by delivery vs. payment (DVP) to ensure securities are deposited in an eligible financial institution prior to the release of funds. All securities will be held to avoid custodial credit risk as defined by Governmental Accounting Standards Board (GASB) standards. DVP is the industry standard, and it is the Investment Advisor’s responsibility to notify MoDOT personnel of any changes to this standard.

## V. **Suitable and Authorized Investments**

1. **Investment Types.** In accordance with and subject to restrictions imposed by current statutes, the following list represents the entire range of investments MoDOT will consider. MoDOT may directly invest in or purchase money market mutual funds with the following as underlying securities:

- a. **United States Treasury Securities.** MoDOT may invest in obligations of the United States government for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- b. **United States Agency Securities.** MoDOT may invest in obligations issued or guaranteed by any agency of the United States Government as described below:
  - - i. **U.S. Govt. Agency Coupon and Zero-Coupon Securities.** Bullet coupon bonds with no embedded options.
    - ii. **U.S. Govt. Agency Discount Notes.** Purchased at a discount.
    - iii. **U.S. Govt. Agency Callable Securities.** Restricted to securities callable at par or above.
    - iv. **U.S. Govt. Agency Step-Up Securities.** The coupon rate is fixed for an initial term. At specific future rate reset dates, the coupon rate changes to a new pre-determined rate, for a specific period of time.
    - v. **U.S. Govt. Agency Floating Rate Securities.** The coupon rate floats off one index and resets at least quarterly.
    - vi. **U.S. Govt. Mortgage Backed Securities.** Restricted to securities with average life of five (5) years or less at time of purchase. Collateralized Mortgage Obligations must pass the Federal Financial Institutions Examination Council (FFIEC) test at the time of purchase.
- c. **Repurchase Agreements.** MoDOT may invest in contractual agreements between MoDOT and commercial banks or primary government securities dealers for periods of ninety (90) days or less. The purchaser in a repurchase agreement (repo) enters into a contractual agreement to purchase U.S. Treasury and government agency securities while simultaneously agreeing to resell the

securities at predetermined dates and prices. This includes the purchase of reverse repurchase agreements for not longer than ninety (90) days.

- d. Collateralized Public Deposits (certificates of deposit). MoDOT may invest in instruments issued by financial institutions, which state that specified sums have been deposited for specified periods of time, and at specified rates of interest. The certificates of deposit are required to be backed by acceptable collateral securities as dictated by State statute.
- e. Bankers' Acceptances. Definition - Bills of exchange or time drafts on and accepted by a commercial bank, otherwise known as bankers' acceptances. MoDOT may invest in bankers' acceptances issued by domestic commercial banks possessing the highest rating issued by at least two nationally recognized statistical rating organizations (NRSRO's).

**2. Investment Restrictions and Prohibited Transactions.** To provide for the safety and liquidity of MoDOT's funds, the investment portfolio will be subject to the following restrictions:

- a. Borrowing for investment purposes ("Leverage") is prohibited.
- b. Instruments known as Structured Notes having internal leverage (e.g., inverse floaters, leveraged floaters and equity-linked securities) are not permitted. Investment in any instrument, which is commonly considered a "derivative" instrument (e.g., options, futures, swaps, caps, floors, and collars), is prohibited.
- c. Contracting to sell securities not yet acquired in order to purchase other securities for purposes of speculating on developments or trends in the market is prohibited.
- d. No more than five (5) percent of the total market value of the portfolio may be invested in bankers' acceptances issued by any one commercial bank.
- e. The portfolio shall not invest, directly or indirectly, in cryptocurrencies, digital tokens, or any other blockchain-based digital assets, including but not limited to Bitcoin, Ethereum, stablecoins, non-fungible tokens (NFTs), or any derivative or pooled investment vehicle (e.g., ETFs, trusts, or funds) whose underlying assets are primarily composed of such instruments.

**3. Collateralization.** Collateralization will be required on the following types of investments: demand deposit accounts, certificates of deposit and repurchase agreements. The market value (including accrued interest) of the collateral should be at least 100 percent. For certificates of deposit, the market value of collateral must be at least 100 percent or greater of the amount of certificates of deposits plus demand deposits with the depository, less the amount, if any, which is insured by the Federal Deposit Insurance Corporation, or the National Credit Union Administration. All securities, which serve as collateral against the deposits of a depository institution, must be safekept at a non-affiliated custodial facility. Depository institutions pledging collateral against deposits must, in conjunction with the custodial agent, furnish the necessary custodial receipts by the next business day from the settlement date. MoDOT shall have a *pledgee agreement* with each safekeeping bank. This will ensure that MoDOT's security interest in collateral pledged to secure deposits is enforceable against the receiver of a failed financial institution.

**4. Repurchase Agreements.** The securities for which repurchase agreements will be transacted will be limited to U.S. Treasury and government agency securities that are eligible to be delivered via the Federal Reserve's Fedwire book entry system. Securities will be delivered to MoDOT's designated Custodial Agent. Funds and securities will be transferred on a delivery vs. payment basis.

## VI. Investment Parameters

**1. Diversification.** The aggregate investments shall be diversified to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed. At a minimum, diversification standards by security type and issuer shall be:

- a. U.S. treasuries and securities having principal and/or interest guaranteed by the U.S. government  $\leq 100\%$
- b. Collateralized time and demand deposits  $\leq 100\%$
- c. U.S. Government agencies, and government sponsored enterprises (with no more than 50% of the portfolio in any one Government-sponsored enterprise)  $\leq 100\%$
- d. Collateralized repurchase agreements  $\leq 100\%$
- e. U.S. Government agency callable securities  $\leq 50\%$
- f. Bankers' Acceptances  $\leq 20\%$

**2. Maximum Maturities.** To the extent possible, MoDOT shall attempt to match its investments with anticipated cash flow requirements. MoDOT shall adopt weighted average life limitations for the individual portfolios as defined below:

- a. Self-Insurance Plan – the weighted average life should not exceed two (2) years and is consistent with the investment objectives.
- b. Medical & Life Insurance Plan – the weighted average life should not exceed three (3) years and is consistent with the investment objectives.
- c. Missouri Transportation Finance Corporation – the weighted average life for the Transportation and Highway account investments should not exceed three (3) years and is consistent with the investment objectives.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio shall be continuously invested in readily available funds such as in bank deposits or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

## VII. Reporting

1. **Methods.** MoDOT personnel shall maintain monthly investment and market value reports tracking investment performance and verifying the market value of the investment portfolio has been reviewed by the State Treasurer's Office. MoDOT personnel shall also prepare a management summary investment report at least quarterly that provides an analysis of the status of the current investment portfolio. Timing of the management summary investment report will be as of month-end January, April, July and October. This management summary will be prepared in a manner that will allow MoDOT to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The management summary investment report will include the following:
  - A portfolio summary by investment type of the securities held at the end of the reporting period.

- Market value of cash and investments of the portfolio.
- Realized and unrealized gains or losses resulting from appreciation or depreciation of the market value of securities held during the reporting period.
- Average weighted yield to maturity of the portfolio as compared to applicable benchmarks.
- Average weighted life of the portfolio.

The report shall be provided to the Director, Chief Financial Officer, Financial Services Director, and his or her delegate(s). MoDOT, at their discretion, will meet with the Investment Advisor to review and discuss investment activities as needed.

- 2. Performance Standards.** The investment portfolio will be managed in accordance with the parameters specified within this Investment Policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis.

Commercial paper and bankers’ acceptances must be reviewed monthly to determine if the rating level has changed. The commercial paper and bankers’ acceptances should be reviewed for possible sale if the securities are downgraded below the minimum acceptable rating levels.

### VIII. Policy Considerations

- 1. Exemption.** Any investment currently held that does not meet the guidelines of this Investment Policy shall be exempted from the requirements of this Investment Policy. At maturity or liquidation, such monies shall be reinvested only as provided by this Investment Policy.

### IX. List of Documents

The following documents are associated with this Investment Policy and should be in-place, reviewed and updated on a regular basis:

- Commercial Banking, Investment Management and Security Safekeeping Services Contract Agreement, including any safekeeping agreements, wire transfer agreements, and BusinessLink agreements
- Listing of authorized personnel as identified in the Delegation of Investment Authority memorandum,
- Relevant investment statutes and ordinances,
- Repurchase agreements,
- Credit ratings for securities purchased,
- Pledgee Agreement Form with the Federal Reserve Bank of Boston, and
- Portfolio stress testing if necessary

Effective Date: May 6, 2026

Supersedes Policy Dated:

Last Reaffirmed:

Date of Origin: May 6, 2026

Related Commission Minutes: May 6, 2026.

Via approval of the consent agenda, the Commission unanimously approved the policy revisions described above.

\* \* \* \* \*

**BUSINESS ISSUES**

**FISCAL YEAR 2026 BUDGET AMENDMENT**

On behalf of the Director, Doug Hood, Financial Services Director, recommended increasing the budget for fiscal year 2026 by \$11.5 million. The budget increase is for Program Delivery Assembly Designated and Funded Projects and Multimodal General Assembly Designated and Funded Projects. The Governor by law can restrict General Revenue spending making appropriations unavailable. Via approval of the consent agenda, the Commission unanimously approved the fiscal year 2026 budget amendment described above.

\* \* \* \* \*

**STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM (STIP)**

**CONSIDERATION OF BIDS FOR TRANSPORTATION IMPROVEMENTS**

On behalf of the Director, Sarah Kleinschmit, State Design Engineer, presented the following recommendations pertaining to bids received on federal aid and state highway and bridge projects during the past month.

Ms. Kleinschmit recommended: (1) Award of contracts to the lowest responsive bidders for bids received at the April 17, 2026, letting, as recommended, and noted in Table I below.

**Table I  
Award of Contracts  
April 17, 2026, Bid Opening**

<b>Call No.</b>	<b>Route</b>	<b>Counties</b>	<b>Job No.</b>	<b>Bid Amount</b>	<b>Non-Contractual Costs</b>	<b>Contractor</b>	<b>Description</b>
A01	I-35	Various	JNW0108	\$350,000.00	\$0.00	Herzog Contracting Corp.	Job Order Contract for Asphalt Pavement Repair
A02	I-29, I-229	Various	JNW0109	\$250,000.00	\$0.00	Herzog Contracting Corp.	Job Order Contract for Asphalt Pavement Repair

<b>Call No.</b>	<b>Route</b>	<b>Counties</b>	<b>Job No.</b>	<b>Bid Amount</b>	<b>Non-Contractual Costs</b>	<b>Contractor</b>	<b>Description</b>
B01	J, 15, 22, AA, BU 54	Audrain	J2P3396	\$4,272,501.19	\$0.00	Magruder Paving, LLC	Coldmill, Resurface and ADA Improvements
B02	47	Lincoln	JNE0003	\$18,884,174.74	\$0.00	Magruder Paving, LLC	Pavement Widening
C01	Various	Clay, Jackson, Platte	J4P3093	\$3,232,643.73	\$0.00	Comanche Construction, Inc.	9 Bridge Rehabilitations
C02	Various	Jackson	J4P3268I	\$1,365,591.40	\$0.00	Primetime Contracting Corp.	ADA Improvements
C04	50	Pettis	JKRM0123	\$66,976.13	\$0.00	Capital Paving & Construction, LLC	Drainage Improvements
C06	291	Clay	JKU0125	\$1,997,220.19	\$0.00	Comanche Construction, Inc.	Bridge Deck Replacement
C07	I-49	Jackson	JKU0198	\$3,806,878.81	\$0.00	Superior Bowen Asphalt Company, LLC	Resurface
C09	I-29	Platte	JKU0455	\$2,031,453.53	\$0.00	Leavenworth Excavating & Equipment Company, Inc.	Slide Repairs
D01	I-44	Crawford, Laclede, Phelps, Pulaski	JCD0009	\$350,000.00	\$0.00	N.B. West Contracting Company	Job Order Contract for Asphalt Pavement Repair
D02	I-44	Crawford, Laclede, Phelps, Pulaski	JCD0010	\$500,000.00	\$0.00	Geromini Concrete Paving, LLC dba GC Paving	Job Order Contract for Concrete Pavement Repair
D03	763, 163, PP	Boone	JCD0125	\$1,362,809.88	\$0.00	Ti-Zack Concrete, LLC	ADA Improvements
D05	B	Dent	J5S3559	\$996,609.65	\$0.00	Joe's Bridge & Grading, Inc.	Bridge Replacement
F02	67	St Louis	J6S3625C	\$4,935,777.00	\$0.00	Pace Construction Company, LLC	Resurface and ADA Improvements
F03	Various	Various	JSL0097	\$1,500,000.00	\$0.00	Pace Construction Company, LLC	Job Order Contract for Asphalt Pavement Repair
F04	Various	Various	JSL0099	\$2,750,000.00	\$0.00	Above And Below Contracting, LLC	Job Order Contract for Concrete Pavement Repair

<b>Call No.</b>	<b>Route</b>	<b>Counties</b>	<b>Job No.</b>	<b>Bid Amount</b>	<b>Non-Contractual Costs</b>	<b>Contractor</b>	<b>Description</b>
F05	30	Jefferson, St Louis	JSLM0105	\$961,127.11	\$0.00	CSD Environmental Services, Inc.	Slide Repairs
F06	I-44	St Louis City	JSL0285	\$342,248.90	\$0.00	R. V. Wagner, Inc.	Diamond Grinding
G01	CC	Christian	J8S0736E	\$2,550,020.95	\$0.00	Radmacher Brothers Excavating Co., Inc.	Turn Lane, Intersection, ADA Improvements and Box Culvert Extension
G02	76	Taney	JSR0326	\$6,686,015.97	\$0.00	KCI Construction Company	Grading, Paving, and Slide Repair
G03	54	Vernon	JSR0340	\$797,000.00	\$0.00	Hunter Chase & Associates, Inc.	ADA Improvements
	Various	Henry	JSR0338				
H02	AA	Oregon	J9S3809	\$2,465,000.00	\$0.00	Pace Construction Company, LLC	Resurface
	K	Texas	JSE0042				
	ZZ	Howell	J9S3845				
H03	OO	Cape Girardeau	JSE0030	\$2,834,748.85	\$0.00	Penzel Construction Company, Inc.	Bridge Replacement
H04	Various	Various	JSE0173	\$100,000.00	\$0.00	Putz Construction, LLC	Job Order Contracting for ADA Improvements
H05	Various	Various	JSE0174	\$500,000.00	\$0.00	Putz Construction, LLC	Job Order Contract for Concrete Pavement Repairs
H06	I-55, I-57, I-155	Various	JSE0175	\$500,000.00	\$0.00	Putz Construction, LLC	Job Order Contract for Concrete Pavement Repairs
H07	Various	Various	JSE0176	\$2,250,000.00	\$0.00	Collins & Hermann, Inc.	Job Order Contract for Guardrail/Guard Cable Repair
H08	Various	Various	JSE0177	\$500,000.00	\$0.00	Collins & Hermann, Inc.	Job Order Contract for Guardrail/Guard Cable Repair
H09	Various	Various	JSE0179	\$1,000,000.00	\$0.00	H.R. Quadri Contractors, LLC	Job Order Contract for Erosion Control Repairs

<b>Call No.</b>	<b>Route</b>	<b>Counties</b>	<b>Job No.</b>	<b>Bid Amount</b>	<b>Non-Contractual Costs</b>	<b>Contractor</b>	<b>Description</b>
H10	60, 63, 67	Various	JSEM0117	\$1,767,657.07	\$0.00	Reynolds Sealing and Striping, Inc.	Pavement Marking
H11	I-57	Mississippi	JSEM0125	\$48,365.00	\$0.00	Midwest Mechanical and Welding, LLC	Pipe Extension and Rock Ditch Liner
H12	38	Wright	J9S3689	\$2,030,000.00	\$0.00	West Plains Bridge & Grading, LLC	Bridge Replacement
			<b>TOTAL:</b>	<b>\$73,984,820.10</b>	<b>\$0.00</b>		

After consideration, and upon motion by Commissioner Smith, seconded by Commissioner Boatright, the Commission took the following action with abstentions noted below.

1. Awarded contracts to the lowest responsive bidders for bids received at the April 17, 2026, bid opening, as recommended, and noted in Table I above. Non-contractual costs for these projects are shown on the above tabulation.

Commissioner Erdman abstained from voting on Calls B01, C01, C02, and C06. Commissioner Smith abstained from voting on Call G03. Commissioner Hegeman abstained from voting on Calls A01, A02, C02, and D03. Commissioner Slay abstained from voting on Call F06.

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**APPROVAL OF PLANS FOR CONDEMNATION**

On behalf of the Director, Sarah Kleinschmit, State Design Engineer, recommended the Commission approve the following detailed project plans, approved by the Chief Engineer, for filing as necessary for the condemnation of right of way.

<u>County</u>	<u>Route</u>	<u>Job Number</u>
Lafayette and Johnson	13	J4P2333
St. Louis	340	JSL0076B
St. Louis and St. Charles	Various	J6P3510C

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 them to be filed as necessary for the condemnation of right of way.

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**-- REPORTS --**

**REPORTS**

The Commission received the following written reports.

**FISCAL YEAR 2026 QUARTERLY FINANCIAL STATEMENTS**

Doug Hood, Financial Services Director, provided to the Commission the written Quarterly Financial Accountability Report for the period ending March 31, 2026.

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**MODOT BRIEFING REPORT**

Ed Hassinger, Director, provided to the Commission the written monthly Issue Briefs that are sent from the department to the Governor since the previous MoDOT Briefing Report. There were no briefing reports to the Governor for the past month.

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**MISSOURI DEPARTMENT OF TRANSPORTATION FINANCIAL REPORT – FISCAL YEAR 2026**

Doug Hood, Financial Services Director, submitted a written financial report for fiscal year to date March 31, 2026, with budget and prior year comparisons.

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**CONSULTANT SERVICES CONTRACT REPORT**

Sarah Kleinschmit, State Design Engineer, submitted a written report of consultant contracts executed in the month of March 2026, 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 668 active contracts held by individual engineering consultant firms prior to March 1, 2026.

Twenty engineering consultant services contracts were executed in March 2026, for a total of \$7,076,322.

There were zero non-engineering consultant contracts executed in March 2026.

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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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