

**MISSOURI HIGHWAYS AND TRANSPORTATION
COMMISSION**

Official Minutes

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**MINUTES OF THE REGULARLY SCHEDULED HIGHWAYS AND
TRANSPORTATION COMMISSION MEETING HELD IN SPRINGFIELD,
MISSOURI, WEDNESDAY, SEPTEMBER 12, 2012**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Wednesday, September 12, 2012, at the Springfield-Branson Regional Airport, Board Room, 2300 North Airport Boulevard, Springfield, Missouri. Rudolph E. Farber, Chairman, called the meeting to order at 11:00 a.m. The following Commissioners were present: Grace M. Nichols, Lloyd J. Carmichael, Stephen R. Miller, and Kenneth H. Suelthaus. On February 2, 2012, Governor Nixon withdrew the appointment of Commissioner Joseph J. Hunt; at the time of the September 12, 2012, meeting, a replacement had not been appointed.

The meeting was called pursuant to Section 226.120 of the 2000 Revised Statutes of Missouri, as amended. The Secretary verified that notice of the meeting was posted in keeping with Section 610.020 of the 2000 Revised Statutes of Missouri, as amended.

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Kevin Keith, 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 Wednesday, September 12, 2012.

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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.
4. Section 610.021(14) – Matters protected from disclosure by law.
5. Section 610.010(6) – Deliberative decision making process.

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 Farber, Aye
Commissioner Nichols, Aye
Commissioner Carmichael, Aye
Commissioner Miller, Aye
Commissioner Suelthaus, Aye

The Commission met in closed session from 8:30 a.m. until 11:00 a.m.

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-- OPEN MEETING --

APPROVAL OF MINUTES

Upon motion by Commissioner Nichols, seconded by Commissioner Suelthaus, the Commission unanimously approved the minutes of the regular meeting held August 8, 2012. The Chairman and Secretary to the Commission were authorized and directed to sign and certify said minutes and to file same in the office of the Secretary.

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CONSENT AGENDA

Consent Agenda Process

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

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

Consideration of September 12, 2012, Consent Agenda

One item was removed from the consent agenda, Report and Recommendation Regarding Notice of Proposed Amended Rulemaking – Scenic Byways. Upon motion by Commissioner Carmichael, seconded by Commissioner Miller, the remaining 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 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 reports were made during the September 12, 2012, meeting.

Audit Committee – Commissioner Suelthaus stated there was no report.

Legislative Committee – Commissioner Miller stated there was no report and noted the General Assembly's veto session is scheduled to start today.

Special MHTC Committee – MoDOT/MSHP Medical and Life Insurance Plan – Commissioner Farber reported the committee met on September 10, 2012, to further discuss the need to balance an affordable benefit that can be sustained in the future with a benefit that is sufficient for the employee. The next meeting is scheduled for October 26, 2012.

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

MoDOT and Patrol Employees' Retirement System – Commissioner Suelthaus reported Scott Simon was selected as the Executive Director of the retirement system.

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DIRECTOR'S REPORT

During the September 12, 2012, Commission meeting, Director Kevin Keith provided the following report:

America's Transportation Awards Competition – Director Keith announced a St. Louis highway project was selected as one of 10 national finalists in the 2012 America's Transportation Awards competition. A panel of national transportation experts picked the department's Interstate 270 Dorsett-Page project from 49 entries representing 34 states in the categories of on-time, under budget, innovative management and best recovery act. The awards are co-sponsored by AASHTO, AAA and the U.S. Chamber of Commerce. MoDOT redesigned and reconstructed three roadway projects under one contract in St. Louis, all of which reduced congestion for drivers. The project was completed more than a month ahead of schedule and almost \$2.4 million under the estimated \$34.8 budget. The 10 transportation projects now compete for the America's Transportation Awards' Grand Prize, selected by a panel of judges. A People's Choice Award will be decided through online voting. Voting began September 10, 2012, and continues through October 19, 2012, at www.americastransportationaward.org. The two awards will be presented November 18, 2012, at the AASHTO Annual Meeting in Pittsburgh. Winners of both the Grand Prize and the People's Choice Award will be awarded \$10,000 each, which must be donated to a charity or scholarship of the state DOT's choice.

American Association of State Highway Transportation Officials (AASHTO) Executive Director Search – Director Keith reported to the Commission that he is serving on a panel that will interview and select the next AASHTO Executive Director. He will be attending interviews in Washington, D.C. over the next couple of months and anticipates an announcement will be made at the AASHTO Annual meeting in November 2012.

Safe and Sound Bridge Improvement Program – Director Keith updated the Commission on the status of the Safe and Sound program and explained it is on track to be completed early and under

budget and that plans are underway to celebrate the program in conjunction with the October 2012 Commission meeting.

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SPRINGFIELD-BRANSON NATIONAL AIRPORT WELCOME

Brian Weiler, Director of Aviation Springfield-Branson National Airport, welcomed the Commission and the department to the airport, a state of the art facility that was built in 2009 in partnership with MoDOT. Mr. Weiler shared a few facts about the airport including that it employs 1,800 people, and has an annual economic impact of \$200 million in the Springfield region. He explained the airport has 800,000 passengers fly on annual basis, the airline service is provided by American, Delta, United, and Allegiant. The airport also serves as an air cargo hub and transported 27 million pounds of cargo through nightly UPS and FedEx flights. Mr. Weiler expressed his appreciation for MoDOT being a total transportation organization and for its partnership with the airport. Commissioner Miller thanked Mr. Weiler for his comments.

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SPRINGFIELD AREA CHAMBER OF COMMERCE

Greg Burris, Springfield City Manager, thanked the Commission and MoDOT for the work accomplished in Springfield and southwest Missouri in the past year. Mr. Burris stated the City endorses MoDOT's continued collaboration with the Chamber of Commerce, City of Springfield, Greene County, and the Ozarks Transportation Organization on transportation improvements that will support growth and development in the region. Mr. Burris described how the region is able to achieve more together through cost share projects and the local 1/8 cent sales tax for transportation in the Springfield region. The transportation sales tax was most recently approved by 80% of the voters even during the times of economic uncertainty in 2012. The passage of the transportation sales tax indicates Southwest Missouri values transportation and has allowed the region to accelerate a variety of projects.

The Springfield partnership appreciates the shared planning and funding of important road projects as a common-sense approach to improving infrastructure such as the six-laning of U.S. 65 through Springfield and the upcoming conversion to a Diverging Diamond Interchange of the Kansas Expressway/U.S. 60 interchange. The partnership believes that a safe, reliable road and street network facilitates economic activity and encourages economic development. Transportation improvements ease travel for commuters going to and from work, patients on their way to medical care, families going to activities and tourists visiting the region. They also ensure on-time delivery of goods and materials for business. Commissioner Farber appreciated Mr. Burris' dedication to improving infrastructure, which is evident from his current advocacy to facilitate safe and reliable travel. The Commission thanked Mr. Burris for his presentation.

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MISSOURI DEPARTMENT OF TRANSPORTATION PROPOSED FISCAL YEAR 2014 APPROPRIATION REQUEST

On behalf of the Director, Brenda Morris, Financial Services Director, presented the Fiscal Year 2014 appropriations request for \$2.70 billion. Ms. Morris explained the department is required by law to submit an appropriations request to the Office of Administration by October 1 of each year. This appropriations request is the basis of the Governor's recommendation to the legislature for the state budget. Under the state constitution, the State Road Fund (SRF) stands appropriated without legislative action. However, the department continues to follow the process and shepherd the request through the legislative session. Typically, very little time is spent on SRF appropriations. The majority of the time is spent discussing appropriations for other modes of transportation from the General Revenue Fund; those appropriations are controlled by the legislature.

Ms. Morris noted Congress passed the federal transportation bill called Moving Ahead for Progress in the 21st Century Act (MAP-21). While MAP-21 did not have a significant impact on

highway and bridge programs, transit programs, such as Job Access and Reverse Commute and the New Freedom Program, were consolidated into other sections of the bill and bus facility program funds are no longer discretionary, but are formula funds. MAP-21 also provided increased federal funds for transit.

Ms. Morris explained this appropriation request reflects the actions taken to downsize MoDOT under the Bolder Five-Year Direction. The personal services; fleet, facilities, and information system; and expense and equipment items are on a downward trend to meet the commitment of savings. The changes from last year's appropriations request include a decrease of \$13 million in personal services, and an \$8 million decrease in expense and equipment items. Ms. Morris noted fringe benefits are increasing \$4 million due to the increasing retirement contribution rate.

Ms. Morris reviewed the breakdown of the appropriations request:

- \$1.3 billion for program delivery
- \$585 million for refunds and transfers
- \$479 million for system management
- \$82 million for fleet, facilities, and information systems
- \$196 million for multimodal
- \$48 million for administration

Ms. Morris outlined some of the differences from this appropriations request compared to last year's request. The Construction Program is decreasing by \$28 million due reduced contractor payments as the program declines. Contractor payments are declining \$67 million compared to fiscal year 2013, due to completing American Recovery and Reinvestment Act projects and construction awards falling off the cliff from \$1.2 billion to \$700 million. The federal pass through money is increasing \$27 million to better align the appropriation amount with reimbursement requests made by local public agencies. Design and Bridge Consultant Payments and Right of Way are increasing \$5 million each due to estimated consultant and right of way costs. The accelerated program, which is associated with the cost share program, allows entities to front load payment for a project for the

department, and when funds are available the department reimburses that entity. The accelerated program is increasing \$2 million due to reimbursing entities for accelerating MoDOT's portion of cost share projects, such as St. Charles County for the second phase of Page Avenue and City of Kansas City for a new interchange at Route 150 and Botts Road.

The total request for the multimodal programs is \$193 million and is divided into five different areas of transportation. The rail program request is \$50.0 million, transit request is \$85 million, aviation request is \$52 million, port request is \$3 million, and freight request is \$2 million. Multimodal funds are primarily federal funds; \$157 million of the total \$193 million request for multimodal is federal funds. The department will seek an increase in general revenue for four of the five modes. For rail, MoDOT is requesting an increase of \$3 million in general revenue to meet contractual obligations in a timely manner. For transit, MoDOT is requesting an increase of \$2.5 million in general revenue to assist public transportation providers in Missouri. For ports, MoDOT is requesting a \$3 million increase in general revenue for capital improvements infrastructure development. For freight, MoDOT is requesting an increase of \$850,000 for enhancement projects in St. Louis, Kansas City, Springfield, and Pemiscot County to develop infrastructure to increase commerce in Missouri, improve connections between transportation modes, and continue economic growth.

Ms. Morris recommended approval of the proposed Fiscal Year 2014 appropriations request totaling \$2.74 billion. Following discussion, and upon motion by Commissioner Miller, seconded by Commissioner Carmichael, the Commission unanimously approved the Missouri Department of Transportation Fiscal Year 2014 Appropriations Request, as noted in the table below, and authorized staff to release the request to the Office of Administration – Division of Budget and Planning.



Fiscal Year 2014 Appropriations Request Summary by Operating Budget Category (Dollars in Thousands)

<u>Categories</u>	<u>Fiscal Year 2013 Appropriation Request</u>	<u>Fiscal Year 2013 TAFP¹ Budget</u>	<u>Fiscal Year 2013 Operating Budget²</u>	<u>Fiscal Year 2014 Appropriation Request</u>
Administration³	\$ 47,809	\$ 48,071	\$ 48,504	\$ 48,268
System Management				
Maintenance Operations ³	452,707	455,294	414,746	454,559
Motor Carrier Services	7,182	7,235	6,241	6,241
Highway Safety	32,971	32,977	33,019	17,977
Total System Management	492,860	495,506	454,006	478,777
Program Delivery				
Construction Operations ³	128,898	130,033	130,376	121,956
Contractor Payments	756,408	756,408	899,234	689,487
Design and Bridge Consultant Payments	10,000	10,000	20,000	15,000
Accelerated Program (Reimbursements)	14,000	14,000	18,413	15,869
Right of Way	15,000	15,000	20,000	20,000
Federal Pass-Through	130,000	130,000	157,220	157,220
Debt Service on Bonds	290,814	290,814	290,829	292,819
Total Program Delivery	1,345,120	1,346,255	1,536,072	1,312,351
Fleet, Facilities and Information Systems				
Operations ³	39,479	39,726	30,684	32,339
Capital Improvements Investments	7,200	7,200	7,200	7,200
Information Systems Investments	20,000	20,000	20,000	20,000
Fleet Investments	22,083	22,083	22,251	22,251
Total Fleet, Facilities and Information Systems	88,762	89,009	80,135	81,790
Multimodal^{3,4}	107,924	171,022	101,097	196,347
Refunds and Transfers	555,125	555,125	0⁵	585,125
Total Disbursements for MoDOT	\$ 2,637,600	\$ 2,704,988	\$ 2,219,814	\$ 2,702,658

This schedule categorizes the appropriations into MoDOT's major operating budget categories and illustrates the changes that occur between the initial appropriations request, the TAFP budget and the operating budget approved by the Commission in June.

¹ Fiscal year 2013 Truly Agreed and Finally Passed (TAFP) budget.

² Fiscal year 2013 operating budget includes transfer appropriations administered by the Office of Administration. The majority of these amounts are the Commission's match for Social Security contributions and are included as part of operations.

³ Operations include personal services, fringe benefits and expense and equipment.

⁴ Include disbursements for the American Recovery and Reinvestment Act of 2009 (ARRA).

⁵ Refunds and transfers are netted against revenue for the fiscal year 2013 operating budget.

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A REPORT CARD FROM MISSOURIANS – 2012

On behalf of the Director, Mara Campbell, Customer Relations Director, presented the Report Card from Missourians, which was compiled based upon Heartland Market Research's comprehensive statewide customer satisfaction study for the department. The purpose of the study was to assess customer perceptions of MoDOT's overall performance and to identify and prioritize transportation services and improvements that are most important to Missourians. Results were contrasted with the previous five years of annual customer satisfaction ratings. The study conducted phone interviews with a stratified random sample of 3,554 households in the State of Missouri, with a minimum of 500 interviews conducted in each district. Ms. Campbell stated this is the eighth year conducting annual statewide telephone interviews of Missouri adults.

Ms. Campbell reported Missourians are satisfied with the job MoDOT is doing with overall satisfaction at 85 percent, up 2 percent from last year, which ties the highest recorded satisfaction level previously recorded in 2009. The level of agreement among customers remained virtually unchanged from last year on many topics. However in terms of communication attributes, the department is at the highest level ever in spite of the major organizational changes that occurred over the past year with the Bolder Five-Year Direction. Missourians rated MoDOT at 94 percent for providing accurate information. Ms. Campbell noted one trend that surfaced this year was a shift from Strongly Agree to Somewhat Agree, which means Missourians are riding the fence on satisfaction and can easily sway back to Strongly Agree or to Disagree so the department must be diligent in continuing to provide outstanding customer service. Missourians rated MoDOT at 91 percent for providing timely information and 93 percent for providing understandable information. For those satisfied with the department, respondents listed road conditions and completed projects as the things they are most satisfied. For

those dissatisfied with the department, respondents listed road conditions as their issue of most concern. Potholes dropped to 8 percent, compared to 38 percent last year.

When questioned about funding, 96 percent of Missourians indicated funding should increase or remain the same. Missourians continue to choose tolling as the most acceptable revenue generating method for transportation at 26 percent, which is the same as last year. The second choice among residents was “None of These” at 25 percent. This method was the only one that gained significant support over the years, up 9 percent from 2009. A sales tax increase remained unchanged in third place at 18 percent. Increased fuel tax moved from fifth to fourth at 13 percent, an increase of 2 percent from last year. Increase car registration and license fees dropped from fourth to fifth at just 10 percent, down 4 percent from last year.

Ms. Campbell stated Missourians continue to be satisfied with the job MoDOT is doing in spite of undergoing the biggest change in the department’s history, MoDOT is at the highest level of satisfaction ever recorded, the department has changed how it interacts with customers, and Missourians support funding transportation but are not in agreement on how to pay for it.

The Commission thanked Ms. Campbell for her presentation.

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REALLOCATION OF UNOBLIGATED BALANCES FROM 2003-2006 CONGRESSIONAL EARMARKS

On behalf of the Director, Don Hillis, Assistant Chief Engineer, reported the United States Department of Transportation authorized states to reallocate unobligated balances from 2003-2006 Congressional earmarks. Nationally, this amounts to \$473.3 million. Missouri has a total of \$6.3 million in these unobligated balances to reallocate to projects. Missouri’s list of projects with associated unobligated balances, as of August 15, 2012, is shown Table 1 below. All of these funds must be obligated by December 31, 2012, as balances remaining after that date will be redistributed to other

states that met this deadline. When determining how to reallocate the funds, the department took into consideration that all funds allocated to Missouri will stay in Missouri, all funds will be spent on construction to put people to work and so the public can see the results, and the earmarks would remain within the MoDOT district that the earmark was originally allocated to. Mr. Hillis noted that this reallocation of unobligated funds does not solve Missouri's transportation funding problems. Mr. Hillis recommended the Commission approve the use of the federal funds, within the MoDOT District in which they originated, as indicated in the project plan shown in Table 2 below.

Table I
Unobligated Balances From 2003-2006 Congressional Earmarks

Federal Demo ID	District	Project Status	Project Description	Appropriations Act	Allocated Amount	Obligated Amount	Unobligated Balance
MO054	CD	Complete	I-44, Phelps County, Missouri	2003 Section 330 Surface Transportation Projects	\$2,235,375.00	\$2,235,355.86	\$19.14
MO061	SW	Construction Underway	Highway 60 and Highway 65 Interchange Replacement (Missouri)	2004 Section 115 Designated Projects	\$1,250,000.00	\$1,203,716.00	\$46,284.00
MO064	KC	Design complete, R/W underway	Lewis and Clark Expressway, Jackson County, Missouri	2004 Section 115 Designated Projects	\$1,000,000.00	\$49,713.00	\$950,287.00
MO065	SE	Complete	Scott City Missouri Access Ramp	2004 Section 115 Designated Projects	\$250,000.00	\$247,916.43	\$2,083.57
MO067	SE	Construction Underway	Cape Girardeau I-55 Corridor, Missouri	2005 Section 117 Surface Transportation Projects	\$98,393.00	\$49,000.00	\$49,393.00
MO073	SW	Construction Underway	Interchange Improvements on US 60, Missouri	2005 Section 117 Surface Transportation Projects	\$2,951,785.00	\$2,896,847.00	\$54,938.00
MO074	KC	Design complete, R/W underway	Lewis & Clark Expressway, Missouri	2005 Section 117 Surface Transportation Projects	\$491,964.00	-	\$491,964.00
MO075	KC	Design complete, R/W underway	Lewis and Clark Expressway, Missouri	2005 Section 117 Surface Transportation Projects	\$983,928.00	-	\$983,928.00
MO076	SE	Complete	Nash Road Extension, Missouri	2005 Section 117 Surface Transportation Projects	\$983,928.00	\$975,391.56	\$8,536.44
MO078	SL	Complete	River Des Peres Greenway, Missouri	2005 Section 117 Surface Transportation Projects	\$491,964.00	\$484,598.29	\$7,365.71
MO079	NW	Complete	Riverside Road Expansion to Highway 169, St. Josephs, Missouri	2005 Section 117 Surface Transportation Projects	\$9,445,710.00	\$9,292,101.60	\$153,608.40

Federal Demo ID	District	Project Status	Project Description	Appropriations Act	Allocated Amount	Obligated Amount	Unobligated Balance
MO081	NW	Construction Underway	St. Joseph Regional Port Authority, Missouri	2005 Section 117 Surface Transportation Projects	\$983,928.00	\$916,369.34	\$67,558.66
MO082	SW	Complete	Terminal Access Road Right-of-Way Acquisition, Missouri	2005 Section 117 Surface Transportation Projects	\$983,928.00	\$560,905.19	\$423,022.81
MO176	SL	Complete	Bridgeton Trail/Park, MO	2006 Section 112 Surface Transportation Projects	\$792,000.00	\$776,153.44	\$15,846.56
MO177	SW	Complete	Greene Co. Demonstration Bridge, MO	2006 Section 112 Surface Transportation Projects	\$146,520.00	-	\$146,520.00
MO178	KC	Complete	Highway 7 Improvements, Blue Springs, MO	2006 Section 112 Surface Transportation Projects	\$2,524,500.00	\$2,524,499.83	\$0.17
MO184	NE	Complete	Mexico Branch Line Improvements, MO	2006 Section 112 Surface Transportation Projects	\$1,980,000.00	\$1,956,941.02	\$23,058.98
MO185	SL	Complete	New Haven Missouri River bore project, MO	2006 Section 112 Surface Transportation Projects	\$990,000.00	-	\$990,000.00
MO192	SL	Complete	St. Louis Science Center Streetscape Improvements, MO	2006 Section 112 Surface Transportation Projects	\$742,500.00	\$216,289.21	\$526,210.79
MO193	SL	Complete	St. Louis Zoo Public Safety and Transportation Improvements Project, MO	2006 Section 112 Surface Transportation Projects	\$4,950,000.00	\$4,714,399.22	\$235,600.78
MO196	KC	Study completed	Truman Boulevard Planning Improvements to I-670, MO	2006 Section 112 Surface Transportation Projects	\$495,000.00	\$293,444.56	\$201,555.44
MO197	SE	Design Completed	U.S. Highway 67 Eastern Outer Road in Desloge, MO	2006 Section 112 Surface Transportation Projects	\$1,732,500.00	\$789,197.20	\$943,302.80
MO200	SW	Construction Underway	Zora and Main Street Interchange, Joplin, MO	2006 Section 112 Surface Transportation Projects	\$5,821,200.00	\$5,817,193.30	\$4,006.70
						TOTAL UNOBLIGATED BALANCE	\$6,325,090.95

**Table 2
Reallocation of Unobligated Balances
From 2003-2006 Congressional Earmarks**

District	County	Route	Project Description	Reallocation
NW	Mercer	N	New project - 4.9 mile thin lift overlay from Route V to Route B.	\$221,167.06
NE	Marion, Ralls	Z	Job No. 3L1300H existing SFY2013 project. Thin lift overlay from Route C west junction in Marion County to Route 36 interchange at Monroe City in Ralls County	\$23,058.98
KC	Jackson	Lewis and Clark Expressway	Local Agency Project 3400(408). Construct intersection improvements along Sterling Avenue in Sugar Creek. Project is ready to construct.	\$2,426,179.00

District	County	Route	Project Description	Reallocation
KC	Jackson	Main Street Bridge over I-670	Local Agency Project. Consultant design services for the replacement of the Main Street Bridge over I-670. Construction of the trolley system begins in 2013 and will be completed by 2014. The bridge design complements this effort.	\$201,555.61
CD	Osage	E	Job No. 5L1701D existing SFY2013 project. Pavement improvements from Route 63 to Route 89.	\$19.14
SL	Jefferson County	H	Job No. 6S3004 existing SFY2015 project. Bridge improvements over Big River.	\$1,242,999.34
SL	Various	Various	Job No. 6S3010 existing SFY2015 project. 10 miles of pavement improvements on various minor routes and I-70 outer road improvements in St. Charles County.	\$532,024.50
SW	Newton	Zora and Main Street Interchange	Job No. 7S0788. Cost participation project with the City of Joplin is under construction	\$4,006.70
SW	Lawrence	96	New project – pavement improvement on various sections from west of Route UU to County Road 1155. Add alternate from County Road 1155 to east of Route M (South). Provides up to 8.3 miles overlay.	\$670,764.81
SE	St. Francois	OR 67	Job No. STP-9900(021) & OS0966. Construct east outer road. This is a cost share project; the City of Desloge will let the project.	\$943,302.80
SE	Cape Girardeau	I-55	Job No. 0I0010B. Bridge improvements. This project is under construction.	\$49,393.00
SE	Pemiscot	J	Job No. 0S2263 existing SFY2013 project. Pavement improvements from Route NN to Route Z.	\$10,620.01
TOTAL				\$6,325,090.95

Commission Consideration and Action

After consideration, and upon motion by Commissioner Nichols, seconded by Commissioner Suelthaus, the Commission approved the reallocation of federal funds as recommended in Table 2 above. Commissioner Carmichael abstained from voting on the Zora and Main Street interchange, a local project in Newton County.

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CONSIDERATION OF PROPOSAL FOR MEDICAL AND LIFE INSURANCE PLAN BENEFITS, CALENDAR YEAR 2013

On behalf of the Director, Jeff Padgett, Risk and Benefits Management Director, presented the MoDOT/MSHP Medical and Life Insurance Plan (Plan) Board of Trustees (Board) recommendation regarding the Medicare Part D option available to retirees. In June 2012, consultants for the Plan recommended offering an additional Medicare Part-D option to offer more affordable premiums to subscribers while taking advantage of additional federal subsidies. In August 2012, the Commission approved the optional Medicare Part-D alternative benefit. The Centers for Medicare and Medicaid Services (CMS) has now revised their guidance on the Medicare Part D subsidies available and the alternative Medicare Part D option will not provide the level of savings previously projected. At the same time, the revisions to the subsidies will provide a greater savings to the existing Medicare Part D benefit. The change will decrease the benefit cost to both the plan and subscriber.

Via approval of the consent agenda, the Commission unanimously approved offering of only one Medicare Part D benefit plan for calendar year 2013 and reducing retiree premiums for the existing Medicare Part D benefit plan according to actuarial recommendations. This will not change the actuarial retained earnings projections that were provided to the Commission in August 2012.

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MISSOURI DEPARTMENT OF TRANSPORTATION PROPOSED FISCAL YEAR 2013 SUPPLEMENTAL APPROPRIATIONS REQUEST

On behalf of the Director, Brenda Morris, Financial Services Director, recommended a Fiscal Year 2013 supplemental appropriations increase for an appropriation associated with a Multimodal program and for hazard elimination projects. The appropriations budget for Fiscal Year 2013 was truly agreed and finally passed at \$2.70 billion. MoDOT is requesting an increase of \$15.60 million in the Fiscal Year 2013 appropriations budget. Additional funds of \$5.6 million are being requested for the

Multimodal capital improvements for the elderly transit program. This appropriation does not have an “E” (Estimated) designation that provides the flexibility to increase it during the fiscal year without a legislative vote. With the passage of the new federal authorization bill, Moving Ahead for Progress in the 21st Century (MAP-21), the Federal Transit Administration released all of its federal fiscal year 2012 funds in July 2012, after the fiscal year 2013 appropriations were finalized. MoDOT now has access to those federal funds. The only way to spend the money this fiscal year is by increasing the appropriation through a supplemental request to be approved by the legislature. The increase in the appropriation will allow vehicles to be ordered and delivered to transit providers in this fiscal year, thereby improving transportation facilities for the traveling public, and reducing operating costs through fleet upgrades. The request also includes an increase of \$10.0 million for the Traffic and Highway Safety Division’s hazard elimination projects. In the 2013-2017 Statewide Transportation Improvement Program (STIP), more hazard elimination projects have been programmed in 2013 to utilize existing balances.

Via approval of the consent agenda, the Commission unanimously approved the proposed Fiscal Year 2013 supplemental appropriations increase as described above.

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CONSIDERATION OF BIDS FOR ROADWAY IMPROVEMENTS

On behalf of the Director, Eric Schroeter, Assistant State Design Engineer, presented the following recommendations pertaining to bids received on federal-aid and state highway and bridge projects during the past month. He noted Calls D01 and G01 have local funding, as noted in Table I below, and the department received all of the necessary concurrences. Mr. Schroeter recommended award of contracts to the lowest responsive bidders for bids received at the August 24, 2012, letting, as recommended and noted in Table I below.

**Table I
Award of Contracts
August 24, 2012, Bid Opening**

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
C02	69	Clay	J4S2392B	\$2,757,480.76	\$0.00	Ideker, Inc.	Coldmilling and Resurfacing
C03	635	Platte	J4M0252	\$74,264.87	\$0.00	Clarkson Construction Company	Culvert and Slide Repair
D01*	50	Osage	J5P0951B	\$25,541,654.86	\$2,806.96	Iron Mountain Trap Rock Co./dba Iron Mountain Const. Service	Grading, Drainage, Alternate Pavement and Bridges
D02	I-44	Pulaski	J5M0255	\$76,664.70	\$0.00	APAC-Missouri, Inc.	Pavement Replacement (SP or PCCP)
D03	50	Cole	J5P0966	\$1,055,099.53	\$0.00	APAC-Missouri, Inc.	Resurfacing EBL with Type C UBAWS
			J5P0965				Resurfacing WBL with Type C UBAWS
			J5M0257				Resurfacing with Type C UBAWS
F01	30	Jefferson, St. Louis	J6P2373F	\$303,030.30	\$0.00	Collins & Hermann Inc.	Install Guardrail and Signing
F02	TT, AA	Jefferson	J6S2086	\$412,539.62	\$0.00	N. B. West Contracting Company	Replace Drainage Structures
F03	Various	St. Louis, Franklin, St. Charles, St. Louis City	J6P2406	\$696,748.00	\$168,200.00	Gerstner Electric Inc.	ITS installation
G01* *	13	Greene	J8P3012	\$2,571,600.00	\$0.00	Hartman and Company, Inc.	Grading, Drainage, Bridge, Opt. Pvm. for Diverging Diamond Interchange
H01	51	Bollinger	J9S2254	\$3,253,384.90	\$0.00	Magruder Paving LLC	Resurfacing and Add Shoulders
H02	K & 74	Cape Girardeau	J0P2277	\$1,091,591.95	\$510,750.00	RL Persons Construction Inc.	Bicycle/Pedestrian Improvements
			TOTAL:	\$37,834,059.49	\$681,756.96		

* Call D01 – Funding by County of Osage - \$25,700.00

** Call G01 – Funding by City of Springfield - \$1,028,640
Funding by County of Greene - \$257,160

Commission Consideration and Action

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

1. Awarded contracts to the lowest responsive bidders for bids received on the August 24, 2012 bid opening, as recommended and noted in Table I above. Non-contractual costs for these projects are shown on the above tabulation.

Commissioner Miller abstained from voting on Calls C03 and F01. In keeping with the Commission's Delegation of Authority to Execute Documents Policy, the Director, Chief Engineer, Chief Financial Officer, or the Assistant Chief Engineer may execute the contracts awarded above.

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RATIFICATION AND APPROVAL OF PLANS FOR CONDEMNATION

On behalf of the Director, Eric Schroeter, Assistant 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>
Boone	740	J5S0842
Boone	740	J5S0842C
St. Charles	364	J6U1028

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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**DISPOSAL OF EXCESS PROPERTY, BEACON AVENUE, JACKSON COUNTY,
EXCESS PARCEL E4-0695**

In keeping with the Commission's April 3, 2012, Delegation of Authority and Execution of Documents Policy regarding disposition of Commission-owned property or property rights, the sale of all properties owned by the Commission with appraised or sale values of \$200,000 or more must be approved by specific Commission action.

On behalf of the Director, Dan Niec, Kansas City District Engineer, recommended conveyance of 6.04 acres of land located at 3707 Beacon Avenue in Kansas City that once served as the Beacon Avenue Maintenance Facility, to Davie Properties, LLC. for a consideration of \$324,000.

Via approval of the consent agenda, the Commission unanimously approved the property conveyance described above.

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**DISPOSAL OF EXCESS PROPERTY, WELDON SPRINGS MAINTENANCE FACILITY,
ST. CHARLES COUNTY, EXCESS PARCEL E6-1181**

In keeping with the Commission's April 3, 2012, Delegation of Authority and Execution of Documents Policy regarding disposition of Commission-owned property or property rights, the sale of all properties owned by the Commission with appraised or sale values of \$200,000 or more must be approved by specific Commission action.

On behalf of the Director, Ed Hassinger, St. Louis District Engineer, recommended conveyance of 4.55 acres of land located at 7101 West Highway 94 in Weldon Springs that once served as the Weldon Springs Maintenance Facility, to the County of St. Charles in exchange for 3.9 acres needed for the Page Avenue project. The Weldon Springs Maintenance Facility is adjacent to a U.S. Department of Energy (DOE) Superfund site. When the property transfers to the County of St. Charles, the DOE, the U.S. Environmental Protection Agency (EPA), and the Missouri Department of Natural Resources

(MDNR) will retain their right of perpetual access to perform inspection and monitoring, including the installation of monitoring wells.

Via approval of the consent agenda, the Commission unanimously approved the property conveyance described above.

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-- REPORTS --

The Commission received the following written reports.

A BOLDER FIVE-YEAR DIRECTION REPORT

Kevin Keith, Director, provided to the Commission the monthly update of the Bolder Five-Year Direction. On June 8, 2011, the Commission approved the Bolder Five-Year Direction which will reduce staff by nearly 1,200 employees, close 131 facilities, and reduce MoDOT's fleet by more than 740 units.

As of July 31, 2012, there has been a reduction of 1,236 salaried positions since February 28, 2010. The target of 5,106 employees has been reached. However, MoDOT remains understaffed in "boots on the ground" maintenance positions and overstaffed in certain areas of Administration, Program Delivery, and Operations. MoDOT conveyed 35 facilities, terminated five leases, and eliminated 332 pieces of equipment, with an additional 151 pieces of equipment taken out of service. As a result of further evaluation of the department's fleet needs, General Services has raised its targeted equipment reduction number to 752 from 740. As of July 31, 2012, the department realized a total savings of \$352 million.

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**FINANCIAL – BUDGET – REPORTS
YEAR-TO-DATE FINANCIAL REPORT, PERIOD ENDING JULY 31, 2012**

Brenda Morris, Financial Services Director, provided to the Commission the Fiscal Year 2013 monthly financial report for the period ended July 31, 2012, with budget and prior year comparisons.

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CONSULTANT SERVICES CONTRACT REPORT

Eric Schroeter, Assistant State Design Engineer, provided to the Commission the report of consultant contracts executed in the month of July 2012 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. A total of three engineering consultant services contracts were executed in July 2012 for a total expenditure of \$740,918. A total of five consultant contracts were executed in July 2012 for a total expenditure of \$106,000.

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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.

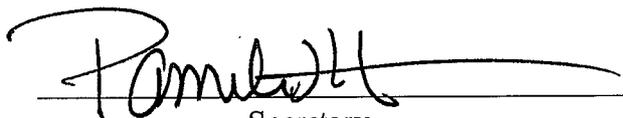
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CERTIFICATION

We, Rudolph Farber, Chair, and Pamela J. Harlan, Secretary to the Missouri Highways and Transportation Commission, hereby certify that the foregoing are full, true, and complete minutes of the regularly scheduled meeting of September 12, 2012, held by said Commission in Springfield, Missouri, as approved by said Commission at its meeting held October 3, 2012.

IN TESTIMONY WHEREOF, we have hereto set our hands and affixed the seal of said Commission on October 3, 2012.


_____ Chair


_____ Secretary

