



**MISSOURI HIGHWAYS AND TRANSPORTATION
COMMISSION**

Official Minutes

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**MINUTES OF THE REGULARLY SCHEDULED HIGHWAYS AND
TRANSPORTATION COMMISSION MEETING HELD IN JEFFERSON CITY,
MISSOURI, WEDNESDAY, JANUARY 8, 2014**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Wednesday, January 8, 2014, at the Missouri Department of Transportation Building, 105 West Capitol Avenue, Jefferson City, Missouri, with attendance by videoconference available at various other Missouri Department of Transportation offices throughout the state. Lloyd J. Carmichael, Chairman, called the meeting to order at 1:00 p.m. The following Commissioners were present by videoconference: Chairman Lloyd J. Carmichael, Vice-Chairman Stephen R. Miller, Kenneth H. Suelthaus, Gregg C. Smith, and Bryan T. Scott. Commissioner Kelley M. Martin was present by teleconference.

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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Dave Nichols, 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, January 8, 2014.

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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(2) – Lease, purchase or sale of real estate.

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 Carmichael, Aye
Commissioner Miller, Aye
Commissioner Suelthaus, Aye
Commissioner Martin, Aye
Commissioner Smith, Aye
Commissioner Scott, Aye

The Commission met in closed session on Wednesday, January 8, 2014 from 9:00 a.m. until 12:00 p.m.

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-- OPEN MEETING --

COMMISSION WORKSHOP

The Commission postponed the new Commissioner orientation scheduled for Tuesday, January 7, 2014, at Courtyard by Marriot, Varsity Room, 3301 Lemone Industrial Boulevard, Columbia, Missouri, due to inclement weather.

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COMMISSION REORGANIZATION

Missouri Transportation Finance Corporation – In keeping with the Commission’s policy regarding the Missouri Transportation Finance Corporation (MTFC), members of the MTFC Board of Directors are appointed by the Commission and the President of the Board of Directors is appointed by the Commission Chairman. One of the three Commission-held positions on the Board is vacant due to the expiration of Rudolph Farber’s term on the Commission.

Upon motion by Commissioner Suelthaus, seconded by Commissioner Smith, Commissioner Scott was unanimously elected to serve on the MTFC Board of Directors. Commissioner Miller will continue to serve as President of the Board of Directors.

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APPROVAL OF MINUTES

Upon motion by Commissioner Smith, seconded by Commissioner Martin, the Commission unanimously approved the minutes of electronic ballot meeting held December 2, 2013. The Chairman and Secretary to the Commission were authorized and directed to sign and certify said minutes and to file same in the office of the Secretary.

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CONSENT AGENDA

Consent Agenda Process

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

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

Consideration of January 8, 2014, Consent Agenda

No items were removed from the consent agenda. Upon motion by Commissioner Scott, seconded by Commissioner Smith, the consent agenda items were unanimously approved by a quorum of Commission members present. Commissioner Suelthaus abstained from Consent Agenda item number 2, Rescission of Approval of Route U.S. 69, Platte County Location and Design.

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COMMISSION COMMITTEES AND COMMISSION RELATED BOARDS

The Commission has two standing committees: Audit and Legislative. In addition, it elects Commission representatives to two boards: Missouri Transportation Finance Corporation Board of

Directors and MoDOT and Patrol Employees' Retirement System Board of Trustees. The following committee and board reports were made during the January 8, 2014, meeting.

Audit Committee – Commissioner Suelthaus stated that while the Audit Committee has not met since November 6, 2013, he wanted to note the State Auditor's Office started an audit on December 18, 2013. The audit is expected to last several months and will review internal controls over significant management and financial functions; compliance with certain legal provisions; and the economy and efficiency of certain management practices and operations, including certain financial transactions. Commissioner Suelthaus noted State Auditor Tom Schweich issued a press release announcing the start of this audit, which is part of his standard practice.

Legislative Committee – Commissioner Miller noted the 2014 session of the Missouri General Assembly officially began on January 8. Some of the legislative issues that could be discussed this session include reducing the individual income tax rate, reforming some of the state's tax credit programs, and debating campaign finance laws. At this time there are no specific transportation-related items that have risen to the top of the legislature's agenda. The Commission and department staff are ready to participate in any legislative dialogue relating to an increase in funding for transportation purposes. Commissioner Miller also reminded everyone the Missouri Chamber of Commerce and Industry will host its annual Transportation Conference in Jefferson City on January 23, 2014. The conference is a great opportunity for stakeholders to discuss the challenges facing the state's transportation infrastructure and strategies to improve the system.

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

MoDOT and Patrol Employees' Retirement System – Commissioner Suelthaus stated the MPERS Board met on November 21, 2013. The Board reviewed the executive director evaluation process and criteria, and he noted investments were up approximately fourteen percent for the year ended June 30, 2013. The Board continues to follow an aggressive policy to bring the retirement system to a fully funded status and he explained the system is up to forty-four percent funded, and the total underfunded liability is \$1.8 billion. Commissioner Martin noted the workshop, board meeting, and investment committee meeting were very productive.

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DIRECTOR'S REPORT

During the January 8, 2014, Commission meeting, Director Dave Nichols provided the following report:

Snow Removal – Director Nichols stated this is a challenging time of year for members of Team MoDOT who are involved in snow removal. The last big shopping weekend prior to Christmas, the state was hit with snow and ice in the north, ice across the middle of the state, and flooding in the south. Good advance planning enabled the department to meet the challenge. Snow removal crews were called out again on New Year's Day. The weekend prior to the Commission meeting, the state suffered bitterly cold temperatures in addition to snow, which increases the difficulties involved with snow removal. Director Nichols commended the members of Team MoDOT for their dedication and selflessness.

Beyond the Call of Duty – Director Nichols commended David Winship, senior maintenance worker in Kansas City, for going above and beyond the call of duty. Mr. Winship was treating bridges when he saw smoke rising over the side of the guardrail. Upon investigation, he discovered a smoking vehicle with the driver's side resting against some trees. After calling 911 for emergency assistance, he used his pocket knife to cut a hole in the convertible top large enough to pull the motorist from the vehicle.

Snow Removal Costs – Director Nichols reported that one ton of salt costs the same as one ton of asphalt. One ton of salt helps clear about ten miles of road; MoDOT crews clear about 76,000 lane-miles. Over the last five year, the department spent about \$42 million per year for snow removal. This cost includes overtime, fuel, salt and other de-icing agents, and equipment maintenance. This fiscal year to date, the department has spent nearly \$30 million on snow removal; several weeks of winter still remain.

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PRESENTATION BY THE CITY OF COLUMBIA

Mike Matthes, City Manager, welcomed the Commission and expressed regret that the Commission meeting plans had to be altered due to the inclement weather and uncertain forecast for the day, but was grateful to participate in the meeting via teleconference. Mr. Matthes commended the department for some significant projects to improve safety and traffic flow in the Columbia area in the past few years. He specifically expressed appreciation to MoDOT for constructing the first diverging

diamond interchange (DDI) in central Missouri at Interstate 70 and Stadium. He stated transportation improvements like the DDI improve the quality of life for Missourians.

Mr. Matthes reemphasized the city's concerns regarding the safety of I-70 and the need to rebuild the aging interstate. He also highlighted the importance of expanding Columbia Regional Airport's infrastructure and the vital role other modes of transportation play in serving and supporting Columbia's citizens.

Mr. Matthes said as the host of the first *On the Move* listening session, the City of Columbia recognizes the state's transportation funding dilemma and acknowledges the need for a viable solution. He referred to the tremendous gap between what Missourians need and want and what MoDOT can continue to fund.

Commissioner Smith thanked Mr. Matthes for his presentation and recognized there are a great many transportation needs in Columbia, and certainly I-70 is a statewide concern.

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PRESENTATION BY REGIONAL ECONOMIC DEVELOPMENT, INC.

Vicki Russell, Publisher of Columbia Daily Tribune and Chairman of the Board of the Regional Economic Development, Inc., noted the state transportation network can enhance economic growth and business recruitment. Targeted investment is necessary to attract and retain businesses. All levels of government should, in partnership with economic development experts and the private sector, plan and design transportation investments to accommodate the needs of Missouri businesses. It means investing in facilities that provide connections between highways, rails, airports and ports so that products can be moved efficiently within the state, across the country and around the globe. The Regional Economic Development, Inc. (REDI) was organized in 1988 to promote positive economic expansion in Columbia and Boone County, and is a nonprofit, public/private partnership that works to provide increased economic opportunities for the area while maintaining a high quality of life.

Ms. Russell started her presentation with a little bit of local history and then illustrated the importance of I-70 and other Missouri highways to local businesses; Ms. Russell discussed three privately owned companies operating in Boone County. The three examples Ms. Russell discussed are representative of hundreds of enterprises in the region. These three companies differ in size and mission but have one thing in common – they cannot survive without I-70 and a network of highways that can safely handle traffic 24 hours a day, seven days a week – today and into the future.

She described how Dorhn Trucking relies on a transportation network to deliver supplies and parts to farm implement stores and other businesses throughout Missouri, typically on a next-day basis. She shared how Machens Automotive Group, with a staff of more than 900 people, has become the fourth largest private employer in Columbia. Machens receives thousands of truckloads of motor vehicles each year, serving a national customer base whose vehicles get shipped via I-70 to Columbia; additionally, thousands of buyers must come to Columbia to get their vehicles.

Finally, Ms. Russell noted what I-70 means to the Tribune Publishing Company, which was founded back when the concept of the great national highway system was gaining steam. Ms. Russell said the company operates a newspaper division to produce the Columbia Daily Tribune and a national commercial printing division, called Tribune Publishing. Collectively the company employs about 225 people, as well as numerous contractors and subcontractors. Trucks and carriers have but a few hours to get the newspapers from the company's docks to the doorsteps of readers in Columbia, Springfield, St. Louis, Kansas City, Des Moines, Lincoln, Wichita, and beyond. She noted carriers drive more than 1.1 million miles per year on Missouri's highways, and that at least 50 percent of the carriers use I-70 during their daily deliveries. The Tribune also imports 13 million pounds of paper a year from Canada and the states of Washington, Tennessee, and Mississippi to use for printing. Some of the paper is shipped in containers to Kansas City by rail and then trucked to Columbia. The rest come by truck directly from manufacturers.

Ms. Russell said a dependable and adequate I-70 simply means everything to these businesses. She emphasized that a practical and equitable plan to fund the rebuilding on I-70 and other important highway projects must be adopted. She stated a sales tax seems the most likely option for a host of reasons too complex to itemize, and that she believes voters will support a plan that is reasonable and achievable. The bottom line is that I-70 is vital to the health, welfare, quality of life and jobs of all Missourians, even those who may never drive on I-70.

Chairman Carmichael thanked Ms. Russell for the interesting historic and economic perspective and for raising the important issue of I-70. Commissioner Scott thanked Ms. Russell for her presentation and commented study after study notes that companies look for two things when they look to re-locate or expand – quality of workforce and proximity to critical transportation corridors.

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PRESENTATION BY THE UNIVERSITY OF MISSOURI, DIVISION OF ACUTE CARE SURGERY

Dr. Jeffrey Coughenour, Assistant Professor of Surgery and Emergency Medicine; Medical Director of the Frank L. Mitchell, Jr. MD Trauma Center; and Associate Medical Director of the Staff for Life Helicopter Service, said keeping travelers safe is one of the department’s highest priorities. Over the last few years, fatalities and serious injuries have experienced a significant decline, largely due to safety improvements on roadways, focused enforcement efforts, and educational campaigns that have kept these issues in front of motorists. Still, 826 people died on Missouri highways in 2012 and the number of fatalities for 2013 stands at 711. As a trauma surgeon, Dr. Coughenour witnesses firsthand the fatalities and injuries that result from traffic crashes.

Dr. Coughenour stated rural trauma typically involves motor vehicle crashes with a higher rate of speed; decreased use of seatbelts, helmets, and airbags; prolonged discovery, response, and transport times; and higher prevalence of alcohol and substance abuse. Twenty percent of the population is rural

and accidents in rural areas account for sixty percent of trauma deaths. The rural death rate is three times that of urban areas.

Dr. Coughenour said decreased injuries and fatalities would be possible with increased restraint and helmet use, law enforcement driving while intoxicated initiatives, older driver screening, infrastructure engineering, and more acute care centers with trauma systems.

Commissioner Carmichael thanked Dr. Coughenour for his presentation. Director Nichols reiterated the department's goal is zero lives lost. He explained during the last decade, the department made considerable strides to make the system safer by using temporary funding sources that are no longer available. He emphasized that it will be very difficult to deliver the kinds of safety projects that Missourians want, and MoDOT would like to deliver, without an increase in funding for transportation.

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PRESENTATION BY SCENIC MISSOURI

John Regenbogen, Executive Director of Scenic Missouri, stated the National Scenic Byways Program is a Federal Highway Administration (FHWA) program to recognize and steward America's distinctive roads. National scenic byways must have exceptional intrinsic qualities such as, scenic, historic, cultural, archeological, recreational, and/or natural. There are three types of scenic byways: All American Roads, National Scenic Byways, and State Scenic Byways. Mr. Regenbogen said Missouri's program is less developed, but is growing. Missouri has two National Scenic Byways – the Little Dixie National Scenic Byway of the Great River Road and Crowley's Ridge. There are seven Missouri Scenic Byways – Old Trails, Sho-Me Sante Fe Trail, Route 66, Stars and Stripes, Ozark Mountain Parkway, Cliff Drive, and Ozark High Road. Local byway leaders are working toward the national scenic byway status for Route 66, and also state and national scenic byway status for expanded Old Trails Byway from Boonville to Fort Osage.

The Scenic Byways Advisory Committee's primary function is to review byway designations and grant applications, and is comprised of Scenic Missouri, Missouri Outdoor Advertising Association, AAA, Mizzou Historic Preservation, Tourism, Missouri Department of Conservation, and Missouri Department of Natural Resources. Mr. Regenbogen provided some examples of national scenic byway grants including the Cliff Drive Scenic Byway grant of \$641,990 that provided overlooks, trails, and bike routes.

Mr. Regenbogen stated the national Scenic Byway Discretionary Program that provided federal funding specifically for scenic byways was eliminated in 2012 with the passage of the Moving Ahead for Progress in the 21st Century Act (MAP-21). The national scenic byway program still exists but there is no longer a designated source of federal funding for the program. Scenic byways are eligible to compete with other local public agencies for federal transportation alternative funds that are awarded through a regional competitive selection process. Scenic Missouri wants to help Missouri's scenic byways program become one of the nation's best programs, to serve as a productive member of the Advisory Committee, and to assist local initiatives and communication between the department and local byways.

On behalf of Scenic Missouri, Mr. Regenbogen recommend the following:

- Eliminate unnecessary burdens on local stakeholders.
- Emphasize cooperative nature of the program, i.e., it is not a regulatory/land use program.
- Provide basic byways marketing support, such as having a web presence and providing printed materials at Visitors Centers with statewide byway information.

Chairman Carmichael thanked Mr. Regenbogen for his presentation and expressed pleasure that MoDOT staff is currently working with Mr. Regenbogen to make positive changes to the Scenic Byway Agreement. He also acknowledged the work that Scenic Missouri is doing to encourage tourism in Missouri.

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FINANCIAL FORECAST UPDATE – SUSPENSION OF COST-SHARE/ECONOMIC DEVELOPMENT PROGRAM – SUSPENSION OF STIP ADDITIONS

Roberta Broeker, Chief Financial Officer, reported the department prepares an annual financial forecast to estimate future revenues and disbursements. The forecast is the basis for MoDOT's operating budget and the funding targets provided to planning partners and department staff to select projects for the Statewide Transportation Improvement Program (STIP). Staff typically provides the forecast to the Commission in April, prior to the operating budget and STIP presentations and approvals at the May, June, and July meetings. Due to the ongoing uncertainty associated with federal funding and the continued erosion of state transportation revenues, staff provided the forecast information and related recommendations at this earlier date, which will, in turn, give staff and planning partners additional time to prepare for reduced funding.

Ms. Broeker stated future federal funding is uncertain. The current federal transportation bill, MAP-21, was signed into law on July 6, 2012. MAP-21 funds surface transportation programs for federal fiscal years 2013 and 2014; it will expire September 30, 2014. At the same time, the federal Highway Trust Fund, which is the revenue source for the transportation bill, is projected to be insolvent. Significant infusions of general revenue will be necessary to continue federal funding at the level provided by MAP-21, or even the reduced level assumed in this financial forecast; therefore, the staff assumed a reduction in federal funding.

Based on current financial projections, the department will be able to match anticipated federal funds through fiscal year 2019. However, if federal funds are greater than the amount in this forecast, the department's inability to match federal funds could occur sooner than fiscal year 2019. In fiscal year 2020, MoDOT will need additional state funding totaling an estimated \$46.6 million to match all

anticipated federal funds. The state loses \$4 of federal funds for every \$1 of state match that is unavailable; therefore, lost federal funds in fiscal year 2020 are estimated at \$186.4 million.

Funding available to contractors for highway improvements are projected to drop from approximately \$720 million in fiscal years 2014 and 2015, to approximately \$600 million in fiscal year 2016, and slightly over \$300 million in subsequent years.

In the staff's continual assessment of funding to ensure all project commitments can be met, Ms. Broeker reported there are currently uncommitted funds in the Cost-Share/Economic Development Program totaling approximately \$17 million in state fiscal year 2016, \$39 million in 2017, \$45 million in 2018, and \$45 million in 2019.

In order to ensure that project commitments in the current STIP can be met given the certainty of declining transportation funding, Ms. Broeker recommended the Commission:

- Suspend the Cost Share/Economic Development Program for all projects not approved by the Cost-Share Committee at, or prior to, its November 15, 2013, meeting.
- Suspend the addition of new highway improvement projects to the STIP, **EXCEPT** (1) projects in Safety and Taking Care of the Existing System categories where funds are already committed in the STIP, but the specific projects have not been identified; (2) projects funded with federal sub-allocated funds matched with local agency funds; and (3) projects approved by the Cost-Share Committee at, or prior to, its November 15, 2013, meeting when the applicable project agreements with the local sponsors are completed.

Chairman Carmichael thanked Ms. Broeker for bringing this forward; Commissioners Miller and

Suelthaus commented her presentation will help the Commission be realistic and ensure we honor the commitments in the STIP.

After consideration and upon motion by Commissioner Miller, seconded by Commissioner Smith, the Commission unanimously suspended the Cost Share/Economic Development Program for all projects not approved by the Cost-Share Committee at, or prior to, the Cost-Share Committee's November 15, 2013, meeting.

Upon motion by Commissioner Miller, seconded by Commissioner Smith, the Commission

unanimously suspended the addition of new highway improvement projects to the STIP, EXCEPT (1) projects in Safety and Taking Care of the Existing System categories where funds are already committed in the STIP, but the specific projects have not been identified; (2) projects funded with federal sub-allocated funds matched with local agency funds; and (3) projects approved by the Cost-Share Committee at, or prior to, its November 15, 2013, meeting when the applicable project agreements with the local sponsors are completed.

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CONSIDERATION OF PROPOSAL FOR MEDICAL AND LIFE INSURANCE PLAN CONTRIBUTION STRATEGY

Jeff Padgett, Director of Risk and Benefits Management, stated the Commission has always made it a priority to provide excellent, affordable medical insurance benefits for the department's active and retired employees. Unfortunately rising costs for those benefits and rapidly declining revenue will require some changes be made to the plan to sustain affordable, high quality medical coverage.

At the Commission's request, staff has been analyzing the issues that influence both current cost and unfunded liabilities for the department's medical and life insurance plan (Plan). Changes in the medical and life insurance plan retiree contribution strategy are necessary. These changes are intended to ensure the sustainability, affordability, and sufficiency of medical benefits for retirees of the Missouri Department of Transportation (MoDOT), the Missouri State Highway Patrol (MSHP), and the MoDOT and Patrol Employees' Retirement System (MPERS).

Mr. Padgett stated the department contracted with Aon/Hewitt Consulting to conduct an actuarial review and analysis of retiree medical obligations. This liability, known as Other Post-Employment Benefits (OPEB), is the estimated cost to provide health care benefits to retirees of the Plan. To comply with government accounting standards, OPEB liability must be reported on the department's financial statements. The OPEB liability at July 1, 2013, was calculated at \$1.317 billion, based on existing Plan

provisions. No money has been set aside to pre-fund this liability. Mr. Padgett stated changes to health care funding would be needed to moderate predicted future increases in the Commission's contributions to the Plan. The staff proposal set out below is projected to reduce the Plan's unfunded OPEB liability to \$1.191 billion, or a reduction of \$126 million.

Mr. Padgett recalled that on September 14, 2011, the Commission approved the medical plan premiums and benefits for calendar year 2012. Following this action by the Commission, concerns were raised by MoDOT and MSHP employees and retirees. The Missouri State Troopers Association (MOSTA) presented a counter proposal both by letter on February 23, 2012, and in a presentation to the Commission on April 3, 2012. In response to the concerns, on May 2, 2012, the Commission (1) rescinded its September 14, 2011, action changing the funding strategy for the medical plan; (2) adopted a resolution to maintain employer/employee contribution shares at the 2012 levels; and (3) created a Special MHTC Committee to review the medical plan's sustainability, affordability, and sufficiency. Membership of the Committee included the Commission, MoDOT, and MSHP representatives.

The Special MHTC Committee met on July 16, 2012; September 10, 2012; October 26, 2012; and November 14, 2012. While the Committee could not reach a consensus on the employer share of premiums for existing retirees, it did support (1) establishing the employer share of premiums for active employees at 80 percent employer and 20 percent employee, and (2) basing the employer contribution for future retirees upon years of service. The Committee also recommended that each rate group (active, pre-Medicare retirees, and Medicare retirees) be self-sustaining, i.e., not subsidized by the other rate groups.

Mr. Padgett presented the following preliminary recommendation to the Commission; the Superintendent of the State Highway Patrol concurs with the recommendation.

Proposed Recommendation

- The Commission approves the employer contribution to the Medical and Life Insurance Plan. The contributions are subject to the financial resources deemed by the Commission to be appropriate for this employee benefit and the Commission’s financial situation. Effective January 1, 2015, and extending until such time as the Commission determines it to be prudent to increase or decrease its share of the total medical insurance plan premium, the following percentages of employer participation will apply:
 - **Active employees and Work Related Disability Recipients** - (all rate categories): 80 percent.
 - **Retirees who retire on or after January 1, 2015:** Two percent per full year of creditable service in the retirement system capped at 50 percent. The percentage will be applied to the premium applicable to the rate category in which the retiree is enrolled.
 - **Retirees who retired or will retire prior to January 1, 2015:** Employer percentage of total premium will be the same percentage in effect for calendar year 2014, as shown below.

Non-Medicare	
Subscriber Only	57%
Subscriber/Family	44%
Subscriber/Spouse	40%
Subscriber/Child	44%
Subscriber/2 Children	40%
Subscriber/Medicare Child	46%
Subscriber/Medicare Spouse	45%

Medicare	
Subscriber Only	57%
Subscriber/Non-Medicare Spouse	40%
Subscriber/Medicare Spouse	45%
Subscriber/Non Medicare Family	44%
Subscriber/Medicare Family	49%
Subscriber/Child	44%
Subscriber/Medicare Child	46%
Subscriber/2 Children	40%

- Each rate group (Active Employees, Pre-Medicare Retirees, and Medicare Retirees) shall be self-sustaining.

The Commission concurred in Mr. Padgett’s proposal for the staff to seek input from all employees on the preliminary recommendation, make any adjustment in the recommendation that may be warranted by the input, and present the Commission with a final recommendation for consideration at its February 11, 2014, meeting.

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PUBLIC COMMENT – SERGEANT MATTHEW BRONIEC

Matthew Broniec, Missouri State Highway Patrol Sergeant and President of the Missouri State Troopers Association (MOSTA), thanked the Commission for allowing public comment on the medical and life insurance plan retiree contribution strategy before approving any changes to the plan. Sgt. Broniec stated he was a member of the Special MHTC Committee and reviewed various proposals of changes to the plan. He said MOSTA does not support a merger of the Plan with the Missouri Consolidated Health Care Plan. He explained the members of MOSTA agreed with the change to tie future retirees’ medical benefit to their credible years of service. He expressed appreciation for the Commission including the MSHP Superintendent on medical benefits discussions. He also noted employees are looking at total benefit packages, and the state needs to maintain its competitiveness to attract the most qualified individuals. He asked the Commission to approve a 55% employer contribution/45% retiree contribution to attract and maintain quality employees while still reducing the OPEB liability.

Commissioner Carmichael thanked Sgt. Broniec for his comments, and said we are under budgetary constraints and that the Commission will make a decision on this issue at the February meeting.

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PUBLIC COMMENT – GWEN MOORE

Gwen Moore, citizen, provided a brief presentation to the Commission regarding an alternative to a tax increase. Ms. Moore stated the total of all public road miles in Missouri is very close to the average of the surrounding states, based on either land area or per capita. This included all roads whether owned by a state, county, town, township, municipal, any other jurisdiction, or a federal agency. Ms. Moore said Missouri is the third highest of percentage of roads being minor rural routes, following

West Virginia and Kentucky. Missouri would need to maintain 18,725 fewer minor rural roads to be at the median of 55 percent.

Ms. Moore noted the Missouri Constitution, Article IV, Section 32 states, “The funds which are allotted by the commission to the construction or acquisition of supplementary state highways and bridges in each of the counties of the state shall be apportioned to the several counties as follows...” Ms. Moore recommended the Commission significantly reduce funding for supplementary state highways and bridges as they typically represent about 70 percent of maintenance, but only handle about 20 percent of the travel. She also encouraged the Commission to decommission roads to reduce the rural routes currently owned and maintained by the Commission.

Commissioner Carmichael thanked Ms. Moore for her comments.

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MHTC POLICY REVISION – EXECUTION OF DOCUMENTS – ELECTRONIC SIGNATURES

On behalf of the Director, Eric Schroeter, State Design Engineer, recommended the Commission’s policy on Execution of Documents be revised by adding paragraph 6 as printed below:

6. **Electronic Signature:** The signatures and seal of the Commission that are authorized to be affixed to all documents pursuant to the Execution of Documents policy, may be affixed by facsimile or electronic means to said documents for purposes only of executing and attesting to these documents as authorized herein. Furthermore, the Commission delegates authority to the Secretary to establish procedures and directives necessary to implement execution of documents pursuant to this Execution of Documents Policy via electronic signatures in accordance with what is acceptable and allowed by Missouri law.

Mr. Schroeter stated that allowing contracts to be signed electronically would minimize printing and mailing costs and result in expedient execution of contracts. MoDOT partnered with five contractors in 2013 to test the electronic signature process.

Via approval of the consent agenda, the Commission unanimously approved the revision to its Execution of Documents Policy by the addition of the paragraph 6, “Electronic Signature,” as recorded above.

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REPORT AND RECOMMENDATION REGARDING NOTICE OF PROPOSED AMENDED RULEMAKING – SCENIC BYWAYS

On behalf of the Director, Eric Schroeter, State Design Engineer, presented the notice of proposed rulemaking, 7 CSR 10-12.010 through 7 CSR 10-12.030, Scenic Byways, which outlines definitions and procedures to nominate roads and highways as scenic byways for presentation to the Commission for approval or rejection. The proposed significant changes to the aforementioned rules: (1) add the Missouri Chamber of Commerce and Missouri Retailers Association as members of the Scenic Byways Advisory Committee; (2) correct name references throughout to the Missouri Highways and Transportation Commission and the Missouri Department of Transportation, as appropriate; and (3) clarify that Commission approval for scenic byway designation may be made if the Commission determines the road or highway will promote a continuous system of scenic byways for the public health and welfare. If rejected, the applicant has 90 days upon receipt of Commission rejection to correct any deficiencies in the nomination.

The department supports this notice of proposed amended rulemaking to add the Missouri Chamber of Commerce and Missouri Retailers Association as members of the Scenic Byways Advisory Committee. This change was approved by the Commission in June of 1998, but the administrative rules were not subsequently amended. John Regenbogen, chairman of the Scenic Byway Advisory Committee (SBAC), recommended proposed rulemaking changes to the Commission at the March 1, 2012, meeting and supports the proposed amended rulemaking, provided the scenic byways agreement required by 7 CSR 10-12.030(10) between the Commission and the affected governing bodies located along the scenic byways is modified to address SBAC's concerns. The Missouri Farm Bureau, Missouri Outdoor Advertising Association, Missouri Chamber of Commerce, and Missouri Retailers Association have been contacted and support the proposed rule changes. At a meeting on

November 27, 2013, Missouri Farm Bureau asked to participate in any revisions to the scenic byways agreement.

After consideration, the Commission, via approval of the consent agenda, unanimously authorized the Secretary to the Commission to file the notice of the proposed amended rulemaking with the Joint Committee on Administrative Rules and the Office of the Secretary of State for publication in the *Missouri Register*, and authorized the Director, Chief Engineer, or Chief Financial Officer to execute documents to initiate the rulemaking process.

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FISCAL YEAR 2014 BUDGET AMENDMENT

On behalf of the Director, Brenda Morris, Financial Services Director, recommended increasing disbursements \$80,000 for the Fiscal Year 2014 budget. Ms. Morris also recommended transfers between operating budget categories to address changing priorities and provide greater flexibility to districts and divisions in funding program priorities.

Via approval of the consent agenda, the Commission unanimously approved the Fiscal Year 2014 budget amendment described above.

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REPORT AND RECOMMENDATION REGARDING DECEMBER 2, 2013 SPECIAL COMMISSION MEETING

On behalf of the Director, Pamela J. Harlan, Secretary to the Commission, recommended the Commission reaffirm its approval of all items on December 2, 2013, Special Commission Meeting Open Session-Regular and Consent Agendas except for the item under consent agenda item number 7 for location approval of the Route 69, Platte County project. On December 2, 2013, the regularly scheduled meeting of the Missouri Highways and Transportation Commission of December 4, 2013, was cancelled by Chairman Joe Carmichael. A Special Commission Meeting was scheduled and the notice was posted for 2:00 p.m. December 2, 2013. Subsequent to the Commission's approval of the agenda items

presented on the open session-regular and consent agendas, it was determined that the notice of the special meeting was inadvertently inconsistent with the Commission's standard practice.

Via approval of the consent agenda, the Commission unanimously reaffirmed its approval of all items on December 2, 2013, Special Commission Meeting Open Session-Regular and Consent Agendas except for the item under consent agenda item number 7 for location approval of the Route 69, Platte County project.

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RESCISSION OF DECEMBER 2, 2013 APPROVAL OF LOCATION OF HIGHWAYS – ROUTE U.S. 69 IN PLATTE COUNTY

On behalf of the Director, Dan Niec, Kansas City District Engineer, recommended the Commission rescind its action taken at the December 2, 2013 special meeting. The Commission approved the department staff's recommendation on the Request for Approval of Location and/or Design of Highways for Route 69 in Platte County agenda item by its vote on the open session-consent agenda, item number 7, at its December 2, 2013 Special Commission meeting. The Commission's action on this item was controversial. It was subsequently determined that while public notice of the Special Commission Meeting was posted, it was inadvertently inconsistent with the Commission's standard practice in posting notice of its meetings.

Via approval of the consent agenda, the Commission unanimously rescinded its action on the Request for Approval of Location and/or Design of Highways for Route 69 in Platte County agenda item taken at the December 2, 2013 Special Commission meeting.

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2014 – 2018 STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM, AMENDMENT

On behalf of the Director, Ed Hassinger, Chief Engineer, recommended addition or modification of six projects to the 2014-2018 Statewide Transportation Improvement Program (STIP) that was approved in July 2013, as noted in the tabulation below.

**2014 – 2018 STIP
Highway and Bridge Construction Schedule
January Amendments
Projects Added or Modified**

District County Job No.	Route	Description of Improvement/Location	Tentative Award State Fiscal Year and Change by Type	Change in Construction and Right of Way Funds (Dollars in Thousands)	Change in Engineering Funds (Dollars in Thousands)
NE Macon J2S3066	J	Bridge maintenance on Route M in Shelby County; Routes 61, E, and H in Lincoln County; Route K in Montgomery County; and Route C in Lewis County.	2014 CN	\$133	\$11
NE Montgomery J2S3063	Outer Road 70	Pavement and intersection improvements from 0.8 mile east of Route Y in Montgomery County to 0.4 mile west of Route B in Warren County near Jonesburg.	2014 CN	\$985	\$133
NE Ralls J2P3067	61	Replace expansion joints on Route 61 over Salt River in Ralls County, Route 79 over Big Calumet Creek, Route D over Route 61 in Pike County, and Route 24 over South Fabius River in Marion County.	2014 CN	\$180	\$15
KC Johnson J4S3102Z	DD	Payment to Johnson County for the construction of a shared use trail along Route DD from Pembroke Drive to SE 491 Road.	2015 CN	\$715	\$11
SE St. Francois J0S2182	W	Pavement and sidewalk improvements from Westmount Drive to Route 32 in Farmington.	2014 CN	\$1,133	\$80
			TOTAL:	\$3,146	\$250

**2014 – 2018 STIP
Multimodal Operations
January Amendments
Project Modified**

District County Job No.	Description of Improvement/Location	Tentative Award State Fiscal Year and Change by Type	Change in Project Funds (Dollars in Thousands)
CD Cooper	Construct partial parallel taxiway and remove obstructions at Boonville Jesse Viertel Memorial Airport.	2014	\$450
		TOTAL:	\$450

Via approval of the consent agenda, the Commission unanimously approved the amendment to the 2014 – 2018 STIP as noted in the tabulations above.

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U.S. 69 BRIDGES OVER THE MISSOURI RIVER ENVIRONMENTAL ASSESSMENT PRESENTATION AND REQUEST FOR APPROVAL OF LOCATION

Dan Niec, Kansas City District Engineer, presented to the Commission the purpose and need of construction of the U.S. 69 bridge over the Missouri River, which includes two bridges – the Platte Purchase Bridge handling traffic northbound and the Fairfax Bridge handling traffic southbound. The Environmental Assessment’s preferred alternative is to replace the existing two-lane bridges with a single, four-lane structure upstream from the existing location. Construction is scheduled for the next three years and the Environmental Assessment for the U.S. 69 Missouri River bridge was signed on November 15, 2013.

The department wants to provide an improved river crossing that satisfies the following transportation needs in the region: maintain infrastructure, support movement of goods and freight, maintain regional transportation linkages, support accessibility for non-motorized transportation, and support continued economic vitality on both sides of the river. Mr. Niec stated the first step, planning, was conducted between January 2012 and September 2012. The second step, the environment process, was conducted between October 2012 and September 2013. Between October 2013 and November 2013, the Federal Highway Administration reviewed the project and provided final approval. The department is at the final step of design and build.

At the November 7, 2013 commission meeting, Mayor Rose of the City of Riverside stated the city supported specific improvements to be included with the replacement of the existing U.S. 69 bridges over the Missouri River. The City of Riverside desired the construction of the new U.S. 69 bridge to include a realignment of Argosy Parkway (local route) and improved access from NW Tremont Trafficway (local route) to U.S. 69. The current Argosy Parkway alignment is a loop road under the U.S. 69 bridges. Mayor Rose said the Argosy Parkway realignment would provide more

direct access to current and future development and would spur economic development and help serve existing business.

Various bridge alternatives were considered during the planning and assessment phases. Alternative one was to remove the Fairfax bridge only. The second alternative was to remove the Fairfax bridge and build a new two-lane companion bridge, with different options for the bridge location. The third alternative was to remove both bridges and replace with a new two or four-lane bridge, with different options for the bridge location. The final alternative was to leave the existing bridges in place while doing continued bridge maintenance.

Mr. Niec recommended approval of the location as presented at the September 17, 2013, public hearing, including modification of the access from NW Tremont Trafficway to U.S. 69 and realignment of Argosy Parkway to address comments received during the public comment period. Mr. Niec further stated the district has been coordinating this project with the City of Riverside and will continue to work cooperatively with the city during the design-build process.

Upon motion by Commissioner Martin, seconded by Commissioner Scott, the Commission unanimously approved the location as presented at the September 17, 2013, public hearing, including modification of the access from NW Tremont Trafficway to U.S. 69 and realignment of Argosy Parkway.

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REQUEST FOR APPROVAL OF LOCATION AND/OR DESIGN OF HIGHWAYS

**Route I-35, Clay County
Job No. J4I3005 & J4I3023
Public Hearing Held November 26, 2013**

The proposed improvement will reconstruct the I-35/US 69/Pleasant Valley Road interchange and add auxiliary lanes along Route I-35 from Vivion Road to just north of Pleasant Valley Road. The project is 4.2 miles in length.

On behalf of the Director, Dan Niec, Kansas City District Engineer, recommended approval of the location and design as presented at the public hearing.

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

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CONSIDERATION OF EXCESS PROPERTY DISPOSAL, ROUTE 54 IN CAMDEN COUNTY, EXCESS PARCEL NUMBERS CD-0765 AND CD-0766

In keeping with the Commission's November 7, 2013, 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, David Silvester, Central District Engineer, recommended conveyance of no more than 4.16 acres of land at the northwest corner of the Route 54 and Jeffries Road Intersection in Osage Beach, which is currently being used to maintain the roadway, to Entertainment Properties, LLC and Marina Properties, LLC, for a proposed development for \$3.05 per square foot.

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

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CONSIDERATION OF EXCESS PROPERTY DISPOSAL, ROUTE I-44 IN PULASKI COUNTY, EXCESS PARCEL NUMBER CD-E9-0287

In keeping with the Commission’s November 7, 2013, 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, David Silvester, Central District Engineer, recommended conveyance of 2.50 acres of land located in the northeast quadrant of I-44 and Route Y, north of ramp 2 and exit 161 in St. Robert, to DRD, LLC, for a consideration of \$252,600.

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

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CONSIDERATION OF EXCESS PROPERTY DISPOSAL, ROUTE I-270 AND ROUTE 30 IN ST. LOUIS COUNTY, EXCESS PARCEL NUMBERS SL-0060 AND SL-0060A

In keeping with the Commission’s November 7, 2013, policy regarding disposition of Commission-owned property or property rights, the sale of all properties owned by the Commission with appraised or sale values of \$200,000 or more must be approved by specific Commission action.

On behalf of the Director, Greg Horn, St. Louis District Engineer, recommended conveyance of 2.86 acres of land located in the southeast quadrant of the intersection of Weber Hill Road and Old Gravois Road in the City of Sunset Hills, to Enosnas Family Holdings, LLC, for a consideration of \$1,031,580 and a 9.50 acre new commuter lot.

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.

**FINANCIAL – BUDGET – REPORTS
YEAR-TO-DATE FINANCIAL REPORT, PERIOD ENDING NOVEMBER 30, 2013**

Brenda Morris, Financial Services Director, submitted a written financial report for fiscal year-to-date ended November 30, 2013, with budget and prior year comparisons.

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CONSULTANT SERVICES CONTRACT REPORT

Eric Schroeter, State Design Engineer, submitted a written report of consultant contracts executed in the month of November 2013, 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. Three engineering consultant services contracts were executed in November 2013, for a total cost of \$464,038. Two non-engineering consultant contracts were executed in November 2013, for a total cost of \$124,326.

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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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