



**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, FEBRUARY 11, 2014**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Wednesday, February 11, 2014, at the Missouri Department of Transportation Building, 105 West Capitol Avenue, Jefferson City, Missouri. Lloyd J. Carmichael, Chairman, called the meeting to order at 1:00 p.m. The following Commissioners were present: Stephen R. Miller and Gregg C. Smith. Kenneth H. Suelthaus participated via teleconference. On February 6, 2014, Governor Nixon withdrew the appointment of Commissioners Kelley M. Martin and Bryan T. Scott; at the time of the February 11, 2014 meeting, replacements had not been appointed.

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

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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, February 11, 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.
Section 610.021(11), (12) – Competitive bidding specs, sealed bids, or negotiated contracts.

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

Commissioner Carmichael, Aye
Commissioner Miller, Aye
Commissioner Suelthaus, Aye
Commissioner Smith, Aye

The Commission met in closed session on Wednesday, February 11, 2014 from 9:00 a.m. until 12:00 p.m.

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-- OPEN MEETING --

ROTATION OF CHAIR AND VICE CHAIR

In keeping with Section 226.030.2 of the Revised Statutes of Missouri, Commission leadership rotated. Commissioner Miller, formerly Vice Chair, will serve as Chair until March 1, 2015. Commissioner Carmichael, formerly Chair, will serve as Vice Chair until March 1, 2015. Commissioner Carmichael expressed his appreciation to his fellow Commissioners, MoDOT senior management and staff for their support during the past remarkable and challenging year. Commissioner Miller thanked Commissioner Carmichael for his leadership over the past year with a steady hand and an understated manner that allowed the commission to navigate some difficult issues: the transition to a new MoDOT management team, continued implementation of the Bolder Five-Year Direction, possibilities for getting a funding proposal before the Missouri voters, changes to the health care and retirement programs, and the financial forecast that forced the commission to make the tough decision to stop adding projects to the five-year construction program and to suspend the cost-share program. All of that in one short year in a very congenial form of leadership.

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GREGG C. SMITH QUALIFIED AS A MEMBER OF THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION

On June 3, 2013, Governor Jeremiah (Jay) Nixon appointed Gregg C. Smith of Clinton to the Missouri Highways and Transportation Commission for a term ending March 1, 2019, or until his successor is duly appointed and qualified. He was duly sworn on June 5, 2013, by Judge Joyce Otten at Truman State University in Kirksville. Later, on December 2, 2013 the Governor withdrew the appointment immediately prior to calling a special session of the General Assembly to help bring next-generation commercial aerospace production to Missouri. Then on December 6, 2013 the Governor appointed Mr. Smith to the Commission for a term ending March 1, 2019, or until his successor is duly appointed and qualified. The Senate confirmed Mr. Smith's appointment on February 6, 2014.

Mr. Smith will take the position held by Grace M. Nichols whose term expired.

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APPROVAL OF MINUTES

Upon motion by Commissioner Miller, seconded by Commissioner Smith, the Commission unanimously approved the minutes of the regular meeting held November 7, 2013; the special meeting held December 27, 2013; and the amended minutes for April 6, 2011. 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 February 11, 2014, Consent Agenda

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

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COMMISSION COMMITTEES AND COMMISSION RELATED BOARDS

The Commission has two standing committees: Audit and Legislative. In addition, it elects Commission representatives to two boards: Missouri Transportation Finance Corporation Board of Directors and MoDOT and Patrol Employees' Retirement System Board of Trustees. The following committee and board reports were made during the February 11, 2014, meeting.

Audit Committee – Commissioner Suelthaus stated there was no report.

Legislative Committee – Commissioner Miller noted the legislature is in full swing and legislative committees have been meeting, and house and senate floor debates have begun. He stated House Joint Resolution (HJR) 68 is co-sponsored by Representative Hinson and Representative Schatz, and Senate Joint Resolution (SJR) 48 is sponsored by Senator Kehoe. Both pieces of legislation are identical in their provisions. They would raise the state's sales tax by one percent for a period of ten years. After the ten year sunset, the temporary sales tax would be resubmitted to the voters for renewal. The House Transportation Committee held a hearing on HJR 68 on February 4, 2014, with MoDOT Director Dave Nichols and eighteen groups testifying in support of the proposal. Two groups were opposed, not to the need for additional transportation funding, but because they do not favor the sales tax as the mechanism to generate additional funding. In Washington, the current federal transportation bill – MAP-21 – expires in September. Commissioner Miller said all indications are that it will be kept in force through a series of continuing resolutions until Congress' "lame-duck" session following the 2016 presidential election.

Missouri Transportation Finance Corporation – Commissioner Miller stated the MTFC Board met earlier in the morning and reviewed and approved an amendment to the bylaws. This amendment was necessary because of revisions made to the Commission policies approved at its November 7, 2013,

Commission meeting and to resolve an inconsistency between the Articles of Incorporation and the bylaws related to bylaw approvals.

MoDOT and Patrol Employees' Retirement System – Commissioner Suelthaus stated there was no report.

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DIRECTOR'S REPORT

During the February 11, 2014, Commission meeting, Director Dave Nichols provided the following report:

Snow Removal – Director Nichols reported on MoDOT's snow fighting efforts this winter, and thanked Governor Nixon for making two appearances in Springfield and Kansas City to salute the efforts of MoDOT and the Missouri State Highway Patrol in keeping Missourians safe and the state's roadways open for commerce. Director Nichols said a key to MoDOT's success is the effective partnerships it has with the patrol, local law enforcement agencies, and the State Emergency Management Agency.

Mississippi River Bridge – Director Nichols commended St. Louis District Engineer Greg Horn and his team for successfully completing the new Stan Musial Veterans Memorial Bridge over the Mississippi River, ahead of schedule and under budget. He specifically thanked District Engineer Greg Horn, Project Director Randy Hitt, Project Manager Jim Middleton, and Resident Engineer John Grana for their leadership. Director Nichols further noted the lighting and ribbon cutting ceremonies celebrating the completion of this landmark project were held on February 7 and 8, 2014.

Commission – Director Nichols congratulated Commissioner Gregg Smith for his confirmation by the Missouri Senate. Commissioner Smith's term will expire March 1, 2019.

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ELECTRONIC CONTRACT EXECUTION FOR HIGHWAY CONSTRUCTION PROJECTS

Natalie Roark, Bidding and Contract Services Engineer, stated through innovation and partnering with industry, MoDOT is now able to offer fully electronic means for the bidding process, from the development of plans to bidding to electronic execution of contracts. In January 2007, the department implemented optional internet bidding. Because of the efficiencies with internet bidding and contractors' familiarity with the process as well as confidence in the process, in May 2013, the

department required mandatory internet bidding on projects. Ms. Roark stated the department saw an opportunity for improved efficiency in the process not only for MoDOT but also for the contractors. At the 2012 AGC / MoDOT Co-op meeting, staff inquired if contractors were interested in pursuing the ability to execute contracts electronically. Overall, the response was a positive one.

Ms. Roark described benefits of electronic contract execution such as reduced printing and mailing costs. For example, approximately eleven copies of a contract are generated for the department and the contractor for one project. Those copies are then mailed to the contractor for execution and returned to the department. Electronic contract execution not only reduces printing and mailing costs, it also allows the department the ability to execute contracts expeditiously for emergency projects or urgent bid lettings. This process allows contracts to be executed with minimal coordination with the contractors.

To move forward with the process of electronic execution, the department worked with Bid Express as contractors were familiar with the website from electronic bidding and staff is confident in the system. Ms. Roark stated the process to execute contracts electronically is very similar to the process for submitting electronic bids. The contractor signs the contract with a digital ID signature, which is also use to submit electronic bids. Bid Express verifies the bid bonds and contractors can verify the payment and performance bond very similar to the process used for bid bonds. Select department staff have digital ID signatures to execute the contracts. The electronic contract is routed to Chief Counsel's Office for legal review and approval as to form, and then to executive management for signature, and finally to the Commission Secretary for attestation. Both the contractors and department staff will have the ability to obtain fully executed contracts from the Bid Express website.

Ms. Roark explained the process has been fully vetted with the industry including contractors and sureties. The department has completed four phases of testing with five different pilot contractors over the last year. Ms. Roark noted the department held three statewide webinars with contractors to

explain how the process is going to work and to raise awareness that it will be a new tool for contractors to utilize. Contractors will be required to execute a bi-party agreement with the department that indicates by signing any contract electronically, it does in fact represent a legally binding contract.

Ms. Roark noted for the January bid letting, one of the pilot contractors – APAC Missouri – is the low bidder on seven of the projects and the contractor is fully engaged and ready to execute those contracts electronically. Beginning with the February bid letting, electronic contract execution will be an option for all contractors.

Ms. Roark reported that thirty-eight states in the nation use Bid Express for electronic bidding. Missouri will be the first state in the nation to use Bid Express for the electronic contract signature process. MoDOT is very excited about this opportunity to lead the way in innovative bidding and contracts.

Commissioner Carmichael thanked Ms. Roark for her presentation, commented the process sounds exciting, and noted the contracting community seems to be on board. Director Nichols remarked he was involved in this process for many years and applauded the team for the direction the department is heading. Director Nichols stated MoDOT will be the only department of transportation in the country that has a fully integrated online paperless process beginning with the plans that are published for informational purposes through the bidding process and now electronic contract execution.

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CONSIDERATION OF PROPOSAL FOR MEDICAL AND LIFE INSURANCE PLAN CONTRIBUTION STRATEGY

Jeff Padgett, Director of Risk and Benefits Management, noted at the January 8, 2014, Commission meeting, he recommended to the Commission a consideration of a proposal to make changes to the current funding strategy for active employees and retirees. These charges are projected to reduce the actuarial value of the MoDOT and Patrol Medical and Life Insurance Plan's (Plan) unfunded

liability from \$1.317 billion to \$1.191 billion. Mr. Padgett stated the recommendation is necessary given the serious financial challenges faced by the Commission in delivering a safe and efficient transportation system.

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.

Staff analyzed the issues that influence both current cost and unfunded liabilities for the Plan. Changes in the medical and life insurance plan retiree contribution strategy 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 explained the process that was implemented to engage employees and retirees and shared feedback that was received. Director Nichols sent a message to all MoDOT employees on January 10, 2014, advising them of the recommendation and that additional information on providing feedback would be available shortly. Mr. Padgett sent a follow up message that same day providing a link that connected interested parties to an overview document of the recommended changes, a frequently asked questions document, and a premium calculator function that allowed potentially affected employees to see how the proposed changes might affect them individually. The MSHP also provided similar communication to their employees at that time.

Mr. Padgett noted the communication was followed by articles in *Connections*, which is the newsletter available to MoDOT employees and retirees. Staff also met with the statewide Employee Advisory Council (EAC) and made frequent updates to the frequently asked questions document online.

Interested parties could provide feedback through the EAC comment submission process by a survey that was open to MoDOT and MSHP employees and retirees, or simply by emailing Mr. Padgett.

Mr. Padgett stated feedback was gathered through the end of January 2014, and summarized as follows: Staff received a total of 128 comments and questions. Thirty-two of those, or twenty-five percent, supported the proposal; some actually supported implementing it sooner. Twenty-nine of those, or twenty-three percent, believed there should be other ways to save money and that those should be implemented before reducing the benefits and the employer share of the premium. Seventeen percent support basing the contribution on years of service, but believe the cap should be at a higher level, mostly at sixty percent. Finally, eight of those or about six percent of the respondents support the alternative proposal that was presented by Sergeant Broniec at the January 8, 2014, meeting, which would cap the percentage at fifty-five percent. Mr. Padgett thanked the MSHP and MoDOT EAC for their assistance in gathering this feedback as it was instrumental in being able to provide this information at today's Commission meeting.

Mr. Padgett made the following recommendation which was also provided at the January 8, 2014, Commission meeting:

- 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.

Upon motion by Commissioner Smith, seconded by Commissioner Miller, the Commission unanimously approved the above recommendation for the medical and life insurance plan contribution strategy.

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A VISION FOR MISSOURI’S TRANSPORTATION FUTURE

Director Nichols reminded the Commission that the Draft Long Range Transportation Plan (LRTP) was presented for their review at the November 7, 2013, Commission meeting in Kansas City. The general public submitted comments regarding the draft LRTP from November 7 to December 31, 2013. During the comment period, MoDOT met with individuals and groups throughout the state to share the draft LRTP and seek comments.

The LRTP is a vision for Missouri’s transportation future and a culmination of approximately six months of field work to collect Missourians’ view on what a twenty year vision of transportation means to them. Director Nichols reported the LRTP continues to be the vision with four themes that are

comprehensive and cover all of transportation, and are very important for the department in setting the future direction.

The first theme is Missourians want the department to continue to take care of the current system and services provided before any investing in new transportation systems and services. Director Nichols commented the Commission took action at the January 8, 2014, Commission meeting to suspend the cost share/economic development program and suspend the addition of new highway improvement projects to the Statewide Transportation Improvement Program (STIP). Missourians have said there is no sense in adding new projects to the STIP if the department does not have the revenues to take care of the current system.

The second theme is Missourians are delighted with the safety improvements made across the highway system. From guard cable improvements to rumble strips, those improvements have made a dramatic impact on the reduction in fatalities. Missouri has recently had the lowest number of fatalities, 757, which is the lowest number since the early 1940's. It is the comprehensive safety programs the department has been able to provide with partners in law enforcement, educators, and emergency medical services personnel. Missourians are telling the department to continue to make safety improvements across the transportation system.

The third theme is Missourians want the department to invest in transportation infrastructure projects that bring economic development and job creation opportunities to communities. Every community is struggling in trying to lure new businesses to their community so jobs can be created and the economy can grow in that area. Companies are looking for (1) what is the access to the transportation systems whether highways, rail, or ports, depending on business needs; and (2) the quality of the work force. Missourians want to invest in transportation to help grow the economy.

The fourth and final theme is Missourians want a comprehensive transportation system. MoDOT has historically been funded and focused on the highway and bridge system in Missouri. Missourians

want more transportation modal options. It is not just urban transit services, but also rural Missouri having multiple days of OATS service in their community. Missourians want the option to be able to bike or walk to work and school. Businesses want multiple options for transporting their goods, services, and workforce.

Director Nichols noted the feedback received through the public meetings and from MoDOT's website have been positive and supportive of the plan. He noted that eighty percent of the comments support the LRTP, and indicate Missourians understand the need for investment in transportation. Although there are a lot of different views on funding transportation services, Missourians understand investment in transportation is needed. Director Nichols provided a couple of examples of the ten percent of comments received opposing the LRTP. Most indicated opposition to a specific area, for example, one comment indicated rural people thought there was too much focus on bicycle and pedestrian opportunities. The department believes in order to provide a comprehensive transportation system; bicycle and pedestrian transportation needs need to be included. Another comment said urban people felt there was not enough attention paid to public transit needs. Director Nichols noted the department worked hard to include other modes of transportation in the LRTP and addressed transit in a robust manner. He summarized the department did receive a little feedback in opposition to the LRTP, but overwhelmingly, Missourians support it.

Director Nichols discussed revisions that were made since the draft was presented in November 2013. With the change in the financial forecast that was reported to the Commission at the January 8, 2014, Commission meeting, the financial section of the LRTP was modified to reflect the anticipated change and current uncertainty in federal funding. This change reduced the estimate for funding available over 20 years from \$17.3 billion to \$14.4 billion. Four hundred thirty-eight new transportation needs, wants, and wishes were added totaling \$3.5 billion. Fuel efficiency trend data was also incorporated in the LRTP because fuel tax revenue will continue to decline as vehicles become more

fuel efficient. The benefits of the comprehensive state aviation study were incorporated and a link to the statewide freight plan was added.

Director Nichols said the stark reality is the department will not be able to afford to deliver transportation needs and wants to Missourians unless a transportation funding solution is found. The department is going to have a \$325 million construction program that needs \$485 million to just keep the highway system in the current condition. Director Nichols stated the LRTP is a robust vision that Missourians have said is encompassing and represents the transportation system needs over the next twenty years.

Commissioner Carmichael noted in addition to being a worthwhile document, the LRTP is federally required to develop a long-range transportation plan (LRTP) periodically. Commissioner Miller thanked Director Nichols for his presentation and the department's hard work to gather input from all over the state and condense it into this small but important document. Upon motion by Commissioner Smith, seconded by Commissioner Miller, the Commission unanimously approved the Long Range Transportation Plan as presented.

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PUBLIC COMMENT – BRENT HUGH

Brent Hugh, Missouri Bicycle and Pedestrian Federation, expressed appreciation for the excellent job in putting together the long range transportation plan. Mr. Hugh showed a graph since the invention of the automobile, and noted the almost uninterrupted upward trend. Mr. Hugh stated the long range transportation plan and funding proposal is the kind of major readjustments the department has made in response to how much people are driving, revenue streams, and the changes in society. Mr. Hugh noted the department, the Commission, and the long range plan are doing an amazing job of dealing with a very difficult and historically unprecedented situation. The Missouri Bicycle and Pedestrian Federation strongly support the four parts of the plan. Society is changing and some

Missourians want to be able to walk, ride their bike, take a train, or take transit to get to their destination. Missourians want to have those options, and Mr. Hugh and the Missouri Bicycle and Pedestrian Federation strongly support the direction of the department and the Commission. Mr. Hugh ended his comments by requesting the next step to improve a diverse and inclusive transportation system is to develop a statewide bicycle/pedestrian plan.

Commissioner Carmichael thanked Mr. Hugh for his comments. Commissioner Miller noted the Commission appreciates the involvement and support of the bicycle/pedestrian community.

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**REPORT AND RECOMMENDATION REGARDING FINAL ORDERS OF RULEMAKING –
OUTDOOR ADVERTISING**

On behalf of the Director, Kelly Lucas, Right of Way Director, presented the final orders of rulemaking, 7 CSR 10-6.010 through 7 CSR 10-6.100, Outdoor Advertising. She explained the Missouri Highways and Transportation Commission (MHTC), in accordance with the Highway Beautification Act of 1965, 23 U.S.C. § 131, and Section 226.500, RSMo, is required to develop rules and regulations for outdoor advertising in areas along the interstate and primary highway systems. The General Assembly enacted in 2012, Truly Agreed and Finally Passed (TAFP) House Bill 1402, which requires the Commission to promulgate rules regarding outdoor advertising and the use of digital signs.

On October 2, 2013, the Commission approved and authorized staff to file proposed amended administrative rules regarding Title 7 CSR 10-6.010 through 10-6.090, Outdoor Advertising. After Commission approval, staff filed these rules with the Joint Committee on Administrative Rules (JCAR) and the Secretary of State (SOS), who published the proposed rules in the *Missouri Register* for public comment. The public had from November 15, 2013, through December 15, 2013, to submit comments in support of or in opposition to the notice of proposed amended rulemaking. A total of seven comments were received during the public comment period. Six companies submitted comments

requesting that the minimum ad copy duration remain at 8 seconds, rather than change to 10 seconds. Based on the desire to minimize driver distraction for the safety of the traveling public, guidance provided by the Federal Highway Administration, and information gathered from other States, staff did not change the minimum ad copy duration of 10 seconds; therefore, no changes were made to the amended rules. One company submitted a comment requesting that the maximum brightness level be consistent with the standards established by the Illuminating Engineering Society of America and adopted by the Outdoor Advertising Association of America. Based on research and recommendations from a nationwide report and the status of existing digital billboards in Missouri, as well as considering the safety of the traveling public and MoDOT employees, staff did not change the maximum brightness level of 300 candelas per square meter in full white, therefore, no changes were made to the amended rules.

The department supports this final order of rulemaking to carry out the purposes of the TAFP House Bill 1402. After consideration, the Commission, via approval of the consent agenda, unanimously approved the final orders to complete the rulemaking, authorized the Secretary to the Commission to file the final orders of 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, Chief Financial Officer, or Assistant Chief Engineer to execute documents to initiate the rulemaking process.

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REPORT AND RECOMMENDATION REGARDING NOTICE OF PROPOSED RESCINDED AND PROPOSED NEW RULEMAKING – ORGANIZATION

On behalf of the Director, Micki Knudsen, Human Resources Director, presented the notice of proposed rescinded and proposed new rulemaking, 7 CSR 10-1.010, Description, Organization, and Information, which outlines the Department’s organizational structure, and should be consistent with the

department's current business practices. Staff propose to rescind the existing rule and propose the following significant changes in the new rule: (1) revise MoDOT's responsibilities to include accommodation for non-motorized transportation; (2) revise general management job titles and responsibilities to reflect how the Department conducts business; (3) revise the number, names, and descriptions of divisions to reflect changes made to the organizational structure; (4) revise the number and names of districts, and update the counties associated with each district; and (5) update the district offices' contact information.

The department supports this notice of proposed rescinded and proposed new rulemaking to update the department's organizational structure to depict its current business practices. The public will have an opportunity to submit comments in support of or in opposition to this proposed rescinded and proposed new rulemaking. All comments received from the public will be considered and summarized in the orders of rulemaking.

After consideration, the Commission, via approval of the consent agenda, unanimously authorized the Secretary to the Commission to file the notice of the proposed rescinded rulemaking and the proposed new 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, Chief Financial Officer, or Assistant Chief Engineer to execute documents to initiate the rulemaking process.

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CONSIDERATION OF BIDS FOR ROADWAY IMPROVEMENTS

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

Mr. Schroeter recommended (1) Award of contracts to the lowest responsive bidders for bids received at the January 24, 2014, letting, as recommended and noted in Table I below. (2) Rejection of bids received on Calls C07 and D07, as noted in Table II below, due to the bids being excessive per Section 102.15 of the Missouri Standard Specifications for Highway Construction. (3) Declare the bid by Euro Paint, LLC for Call F06 as non-responsive per Section 102.8 of the Missouri Standard Specifications for Highway Construction due to not providing a bid guaranty with their bid. (4) Concurrence in award of contract to the lowest responsive bidder for bids received at the special November 26, 2013, letting for the Terminal Railroad Association of St. Louis, as recommended and noted in Table III below.

**Table I
Award of Contracts
January 24, 2014, Bid Opening**

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
A01	Various	Various	J9P2264K	\$1,265,265.65	\$0.00	Collins & Hermann, Inc.	Signing Improvements
			J9P2264L				
			J9P2264M				
			J9P2264N				
			J9P2264O				
			J9P2264P				
			J9P2264Q				
			J9P2264R				
			J9P2264S				
A04	29	Holt, Andrew	J1I2212	\$8,986,842.31	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Resurfacing (SP, BP), Guardrail
B01	Bus 54	Audrain	J3P2232	\$1,285,748.05	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Coldmilling and Resurfacing
B02	70 OR	Montgomery	J2S3063	\$860,181.62	\$0.00	Mid-River Asphalt, Inc.	Grading, Optional Pavement
C01	13	Ray	J3P3000	\$413,842.12	\$0.00	Leath & Sons, Inc.	ADA Improvements
C02	U	Pettis	J5S2150	\$736,898.72	\$0.00	Widel, Inc.	Bridge Deck Replacement
C03	150	Jackson	J4S2194	\$1,243,751.25	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Grading, Optional Pavement, Add Shoulders, Thin Lift Overlay (SL)

C04	635	Platte	J4I2353	\$11,226,799.01	\$0.00	Comanche Construction, Inc.	UBAWS and Guardrail
	29		J4I2374				Bridge Rehabilitation & Deck Replacement (20 Bridges)
	635		J4I3020C				Drainage Improvements
C05	24	Jackson	J4P2191C	\$4,815,971.80	\$0.00	L. G. Barcus and Sons, Inc.	Bridge Rehabilitation
			J4P3096G				
C06	J	Cass	J4P3096E	\$130,071.75	\$0.00	Sosaya & Sons Construction, Inc.	Signal Improvements
D01	133	Pulaski	J9S2247	\$97,903.90	\$0.00	Reinhold Electric, Inc.	Signal Improvements
D02*	163	Boone	J5S2230	\$2,064,572.19	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Coldmilling and UBAWS
			J5S3011				UBAWS
D04	Various	Boone, Howard, Callaway	J5P2236B	\$2,942,346.94	\$0.00	APAC-Missouri, Inc.	Bridge Rehabilitation (10 Bridges)
D05 **	J	Dent	J9S2248	\$758,000.00	\$0.00	Pace Construction Company, LLC	Grading, Drainage, Optional Pavement, Thin Lift Overlay (BP)
D06	41	Cooper	J5S2197	\$2,218,705.02	\$0.00	Lehman Construction, LLC	Bridge Replacement
D08 ***	54	Camden	J5P3080	\$443,279.46	\$10,000.00	APAC-Missouri, Inc.	Grading, Optional Pavement and Drainage
D09	D	Cole	J5S2199	\$1,025,577.70	\$0.00	Don Schnieders Excavating Company, Inc.	Grading, Optional Pavement and Bridge Replacement
D10	7	Benton	J5P2211	\$4,684,798.04	\$0.00	APAC-Missouri, Inc.	Thin Lift Overlay (BP), Add Shoulders
		Camden	J5P2211B				
F01	67	Jefferson	J6P3015	\$214,950.87	\$0.00	Jokerst Paving & Contracting, Inc.	Grading and Optional Pavement
	61		J6S3013				
F02	370	St. Louis	J6P2367E	\$174,982.70	\$0.00	TraMar Contracting, Inc.	Striping
F03	67	St. Louis	J6P2031	\$1,942,572.00	\$0.00	Monoko, LLC	Bridge Painting
F04	A	Franklin	J6S2194	\$2,408,357.26	\$0.00	N.B. West Contracting Company	Resurfacing (SP), Add Shoulders
F05	370	St. Charles	J6P2126	\$873,433.68	\$0.00	L. F. Krupp Construction, Inc. dba Krupp Construction	Soil Stabilization
F06	21	Jefferson	J6M0256	\$241,850.00	\$0.00	K.V.K. Contracting, Inc.	Bridge Painting

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
F07	44	St. Louis	J6I2417	\$597,743.31	\$0.00	Gershenson Construction Co., Inc.	Pavement Repair, Diamond Grinding, and Drainage Improvements
F08	V	St. Charles	J6M0257	\$504,000.00	\$0.00	Pace Construction Company, LLC	Coldmill, Resurfacing (BP)
F09	Various	St. Charles	J6M0258	\$323,999.00	\$0.00	N.B. West Contracting Company	Thin Lift Overlay (BP) and Seal Coat
G01 ****	I-49	Barton	J7P0797U	\$2,277,904.77	\$0.00	APAC-Missouri, Inc.	Grading, Optional Pavement and Bridge
G02	171	Jasper	J7P0820	\$2,491,472.76	\$10,000.00	APAC-Missouri, Inc.	Grading and Optional Pavement
G03	P	Barton	J7S3024	\$259,994.24	\$0.00	Lehman Construction, LLC	Bridge Deck Replacement
G04	M	Jasper	J7S3025	\$660,919.70	\$0.00	Lehman Construction, LLC	Bridge Deck Replacement (2 Bridges)
G05	Various	Vernon, Dade	J7P2225	\$1,349,599.20	\$0.00	APAC-Missouri, Inc.	Bridge Deck Replacement (4 Bridges)
G06	B/MM	Greene	J8S2396	\$1,810,832.00	\$0.00	L. F. Krupp Construction, Inc. dba Krupp Construction	Grading, Optional Pavement and Bridge Replacement
G07 **** *	160	Greene	J8S0690	\$749,078.37	\$0.00	APAC-Missouri, Inc.	Grading and Optional Pavement
G08	Various	Various	J8M0255	\$3,170,972.33	\$0.00	Blevins Asphalt Construction Company, Inc.	Seal Coat, Surface Sealing with 2 Add Alternates
G10 **** **	M	Greene	J8S3037	\$202,560.00	\$0.00	Blevins Asphalt Construction Company, Inc.	Grading, Optional Pavement
G11 **** ***	Bus 65	Greene	J8P3013	\$4,498,271.85	\$0.00	Leo Journagan Construction Co., Inc.	Grading, Optional Pavement, Resurfacing (SP)
H01	51	Perry	J0P2293	\$862,486.60	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Resurfacing (BP)
H02	34	Bollinger, Cape Girardeau	J0P2196	\$8,991,025.15	\$5,065.28	Apex Paving Co.	Grading, Optional Pavement Thin Lift Overlay (BP), Add Shoulders

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
H04 **** ****	Z	Stoddard	J9P2245C	\$1,730,618.68	\$0.00	Apex Paving Co.	Thin Lift Overlay (SL)
	E		J9S3041				
	AF		J9S3052				
	H	New Madrid	J9S3031				
H05 **** **** *	Z	St. Francois	J0S2284	\$393,757.41	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Thin Lift Overlay (BP)
	O		J0S2290				
	P		J0S2299				
	8		J9P3090				
			TOTAL:	\$81,931,937.41	\$25,065.28		

- * Call D02 – Funding by City of Columbia – \$175,000.00
- ** Call D05 – Funding by City of Salem – \$392,027.00
- *** Call D08 – Funding by City of Osage Beach – \$99,318.00
- **** Call G01 – Funding by County of Barton – \$1,138,952.39
- ***** Call G07 – Funding by City of Springfield – \$375,361.00
Funding by County of Greene – \$67,056.00
- ***** Call G10 – Funding by City Utilities of Springfield – \$152,560.00
Funding by BNSF – \$25,000.00
- ***** Call G11 – Funding by City of Springfield – \$1,125,567.96
Funding by County of Greene – \$1,125,567.96
- ***** Call H04 – Funding by City of Bernie – \$3,000.00
- ***** Call H05 – Funding by City of Park Hills – \$42,035.00
Funding by City of Leadwood – \$43,825.00
Funding by City of Desloge – \$24,760.00

**Table II
Rejection of Bids
January 24, 2014, Bid Opening**

Call No.	Route	County	Job No.	Description
C07	58	Cass	J4P3096D	Sidewalk and Signal Improvements
D07	5	Camden	J5P2187	Grading, Optional Pavement, Drainage and Resurfacing (SP)

**Table III
Award of Contracts
November 26, 2013, Bid Opening**

County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
St. Louis	--	\$4,144,555.00	\$0.00	Fred Weber, Inc.	Construct a Third Main Track Connecting Grand Avenue and Gratiot Street for the Terminal Railroad Association
TOTAL:		\$4,144,555.00	\$0.00		

Project funded at 80% by MoDOT's High Speed Rail Grant received from Federal Railroad Administration as part of the American Recovery and Reinvestment Act.

Commission Consideration and Action

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

1. Awarded contracts to the lowest responsive bidders for bids received on the January 24, 2014, bid opening, as recommended and noted in Table I above. Non-contractual costs for these projects are shown on the above tabulation.
2. Rejected the bids received on Calls C07 and D07, as noted in Table II above, because they were considered excessive.
3. Declared the bid by Euro Paint, LLC for Call F06 as non-responsive per Section 102.8 of the Missouri Standard Specifications for Highway Construction due to not providing a bid guaranty with their bid.
4. Concurred in the award of the contract to the lowest responsive bidder for bids received on the special November 26, 2013 bid letting, as recommended and noted in Table III above. Non-contractual costs for these projects are shown on the above tabulation.
5. Authorized the Director, Chief Engineer, Chief Financial Officer, or Assistant Chief Engineer to execute the contracts awarded above.

Commissioner Carmichael abstained from voting on Calls A01, C07, G02, and G08. Commissioner Miller abstained from voting on Calls A01 and G11. Commissioner Suelthaus abstained from voting on Calls D05 and F08.

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REQUEST FOR APPROVAL OF LOCATION AND/OR DESIGN OF HIGHWAYS

Route 19, Montgomery County Job No. J3P2198 Public Hearing Held November 5, 2013

The proposed improvement to Route 19 consists of realigning the highway and constructing a new bridge over the Norfolk Southern Railroad. The proposed Route 19 pavement and bridge will feature two 12-foot lanes and six-foot paved shoulders. The project will have normal and controlled access right of way. Route 19 will remain open to traffic during construction. The project length is 1.2 miles.

On behalf of the Director, Paula Gough, Northeast District Engineer, recommended approval of the location and design as presented at the public hearing.

**Route 47, Franklin/Warren Counties
Job No. J6P2321
Public Hearing Held December 5, 2013**

This proposed improvement provides for replacement of the bridge over the Missouri River, including two 12-foot lanes with 10-foot shoulders and a 10-foot protected bike/pedestrian path with a connection to the Katy Trail. The project will have controlled access right of way. The roadway and existing bridge will remain open to traffic during construction. The project length is 0.8 mile.

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

**Route Business 65 (Chestnut Expressway), Greene County
Job No. J8P2196
Public Hearing Held December 16, 2013**

The proposed improvements provide a railroad overpass at Chestnut Expressway and BNSF Railway, a traffic signal at Ingram Mill Road, left turn lanes and new city streets for access to adjacent properties. The city streets will be 32 feet wide with curb and gutter. The turn lane width will be 12 feet wide. The project will have controlled access right of way. Construction will be completed under traffic and will require a reduction to one-lane traffic in each direction. The project length is 0.5 mile.

On behalf of the Director, Becky Baltz, Southwest 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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RATIFICATION AND APPROVAL OF PLANS FOR CONDEMNATION

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

<u>County</u>	<u>Route</u>	<u>Job Number</u>
St. Charles	Route 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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CONSIDERATION OF EXCESS PROPERTY DISPOSAL, ROUTE 133 IN OSAGE COUNTY, EXCESS PARCEL NUMBER CD-0648

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 25.46 acres of land located along the south side of Route 133 in the town of Meta, which once served as the Meta Maintenance Facility, to Cody Goeller and Abigayle R. Knaebel, for a consideration of \$200,000.

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.

AUDITS AND INVESTIGATIONS' ANNUAL REPORT

Bill Rogers, Director of Audits and Investigations, provided to the Commission the Audits and Investigations 2013 Annual Report.

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A BOLDER FIVE-YEAR DIRECTION REPORT

Dave Nichols, 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 December 31, 2013, MoDOT has vacated 123 facilities. Of that total, 105 facilities have been conveyed, which includes the termination of five leases and the establishment of long-term leases with other parties for five facilities that MoDOT previously occupied. The department is successfully operating in a seven-district configuration, has a significant presence in every county in the state, and has put the right people in the right jobs. As of December 31, 2013, the department realized a total savings of \$506 million.

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FINANCIAL ACCOUNTABILITY REPORT – QUARTERLY REPORT

Brenda Morris, Financial Services Director, provided to the Commission the written Quarterly Financial Accountability Report for the period ending December 31, 2013.

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**FINANCIAL – BUDGET – REPORTS
YEAR-TO-DATE FINANCIAL REPORT, PERIOD ENDING DECEMBER 31, 2013**

Brenda Morris, Financial Services Director, submitted a written financial report for fiscal year-to-date ended December 31, 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 December 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. Fourteen engineering consultant services contracts were executed in December 2013, for a total cost of \$999,676. Two non-engineering consultant contracts were executed in December 2013, for a total cost of \$10,500.

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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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