



**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, APRIL 5, 2017**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Wednesday, April 5, 2017, at 105 West Capitol, Jefferson City, Missouri. Michael B. Pace, Chairman, called the meeting to order at 2:15 p.m. The following Commissioners were present: Gregg C. Smith, and Michael T. Waters, Jr. The following Commissioners were present via teleconference: Mary E. Nelson, and John W. Briscoe.

On January 30, 2017 Governor Eric Greitens withdrew the appointment of Commissioner Edward D. Hillhouse; at the time of the April 5, 2017 meeting, a replacement 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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Patrick McKenna, Director of the Missouri Department of Transportation; Rich Tiemeyer, Chief Counsel for the Commission; and Pamela J. Harlan, Secretary to the Commission, were present on Wednesday, April 5, 2017.

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*“Department” or “MoDOT” herein refers to Missouri Department of Transportation.
“Commission” or “MHTC” herein refers to Missouri Highways and Transportation Commission.*

-- CLOSED MEETING --

VOTE TO CLOSE MEETING

The agenda of the closed meeting was posted in keeping with Sections 610.020 and 610.022, RSMo, including the following statutory citations allowing the meeting to be closed:

1. Section 610.021(1) – Legal actions and attorney-client privileged communications.
2. Section 610.021(3), (13) – Personnel administration regarding particular employees.
3. Section 610.021(11), (12) – Competitive bidding specs, sealed bids, or negotiated contracts.
4. Section 610.021(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 Pace, Aye
Commissioner Smith, Aye
Commissioner Waters, Aye
Commissioner Nelson, Aye
Commissioner Briscoe, Aye

The Commission met in closed session on Wednesday, April 5, 2017 at 9:00 a.m. and adjourned at 11:00 a.m.

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-- OPEN MEETING --

APPROVAL OF MINUTES

Upon motion by Commissioner Waters, seconded by Commissioner Briscoe, the Commission unanimously approved the minutes of the regular meeting held March 8, 2017. The Chairman and Secretary to the Commission were authorized and directed to sign and certify said minutes and to file same in the office of the Secretary.

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CONSENT AGENDA

Consent Agenda Process

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

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

Consideration of April 5, 2017, Consent Agenda

No items were removed from the consent agenda. Upon motion by Commissioner Smith, seconded by Commissioner Waters, 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 April 5, 2017, meeting.

Audit Committee – Commissioner Waters stated there was no report.

Legislative Committee – Commissioner Smith reported with less than twenty-one legislative days remaining in this year's session, both chambers of the legislature are actively pursuing the passage of a fiscal year 2018 budget.

Two of the Commission's legislative agenda items are still moving through the process. The first proposal is about the innovation that permits two commercial motor vehicles to use blue tooth technology to communicate in terms of accelerating and braking when traveling in tandem on the state's highways. Senator Dan Hegeman (Cosby) and Rep. Charlie Davis (Joplin) have both proposed the legislation, known as Platooning. The second proposal is a federal mandate bill. This bill would allow auto transporters to haul longer length loads when hauling automobiles or boats. Currently, the federal law limits auto transporters to seventy-five feet in length. This legislation would allow the vehicle to operate up to 800 feet in length. Sen. Gary Romine (Farmington) and Rep. Bart Korman (High Hill) are champions on this legislative proposal.

Unfortunately, legislation to prohibit the use of hand-held electronic wireless communication devices while driving and the passage of a primary enforcement of the seat belt law have not received support to advance through the legislative process this session. Another proposal that appears to have very little legislative support this session is allowing the Commission to have tolling authority to rebuild I-70.

Missouri Transportation Finance Corporation (MTFC) – Commissioner Smith stated there was no report. The next MTFC meeting will be in May.

MoDOT and Patrol Employees’ Retirement System – Commissioner Pace stated there was no report but the board is meeting later in April.

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DIRECTOR’S REPORT

During the April 5, 2017, Commission meeting, Director Patrick McKenna provided the following report:

Work Zone Safety Awareness Week – the Director thanked the St. Louis district for hosting a Work Zone 5K to honor the workers who lost their lives in the line of duty and create awareness of workers in work zones. He also commended the maintenance crew from the Kansas City District who displayed their innovation called an Automated Flagger Assistant Device for the Commission today. This equipment is used to alert distracted drivers to a work zone ahead and to do so in a way that is safer for the maintenance worker.

Employee Recognition – Director McKenna saluted Right of Way Director, Kelly Lucas for her more than 30 years of service to MoDOT, both in the former District 2 and in Central Office. Ms. Lucas is retiring at the end of April. The director also recognized Natalie Roark who in January became the new assistant district engineer in the Central District.

Administrative Rules – In accordance with Governor Eric Greitens’ executive order issued in January, the department has launched a comprehensive review of its administrative rules. An important element of the review is public input. Director McKenna announced the department will begin its sixty-day e-comment period on April 6. The director thanked Assistant Chief Engineer Kathy Harvey and Assistant Chief Counsel John Cauwenbergh for their work on this very important effort that will culminate in a final report to the Governor in May 2018.

DOMInno – The annual Design, Operations, Maintenance, and Innovation (DOMInno) conference will take place in Springfield in two weeks. Part of this meeting includes the Innovations Challenge Showcase where MoDOT employees demonstrate the innovations they have developed to enable them to do their work better, faster, cheaper, and safer. The department will recognize the teams that have developed the best innovations and work to implement them across the state as best practices.

Emergency Bridge Repair – Director McKenna reported on the expansion joint failure on the Missouri River Bridge at Rocheport on I-70. He explained this required emergency repair work by MoDOT crews. This situation is just one example of the deficiencies in the system, the age of the infrastructure, and the high use of the system. The director recognized the four maintenance superintendents that represent the teams that spearheaded the bridge repair efforts: Mike Belt, Jim Williams, Jim Hager, all from the Central District and Gary Goss from the St. Louis District. The department is currently evaluating the cost of rehabilitating the bridge compared to replacement. While replacement is preferred, due to resource constraints replacement will most likely be postponed for a period of time.

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UPDATE ON MODOT’S WORKFORCE

On behalf of the Director, Micki Knudsen, Human Resources Director, noted MoDOT has a truly exceptional workforce. There are many trailblazers and innovators as evidenced at the meeting today, making MoDOT a great organization.

However, the department does have its challenges and Ms. Knudsen explained one of those is turnover. She explained turnover is down, for calendar year 2016 the turnover rate is 10.2 percent, compared to 11.4 percent in 2015 and 2014. The turnover rate for 2017 is projected to continue to decrease to 9.86 percent. There are still significant challenges for maintenance in the metro areas; they are experiencing a turnover rate of 20 percent in maintenance in St. Louis and Kansas City. This is down from 22 percent in 2015, but it is still high. The top reason for employees leaving the department is pay.

Ms. Knudsen reminded the Commission that turnover is costly. For fiscal year 2016 turnover cost approximately \$25 million, while most of that is lost productivity it is very expensive. Ms. Knudsen noted while MoDOT’s turnover is significant, it is not as high as what you may see for other state agencies. For the rest of state government, their annual turnover rate is 18.5 percent at a total cost of \$347 million annually. She stated when you make pay changes it can drive down turnover and reduce turnover costs, this is important to remember when considering efficiency in state government.

Ms. Knudsen highlighted the number of employees who are eligible for public assistance, 13.7 percent of MoDOT employees could be eligible. There are also a high percentage of employees that have a second job, 11.4 percent have a second job that does not include those that farm or are self-employed. What is concerning about second employment is the impact that it has on an employee's work/life balance, their stress levels, and ultimately the safety and health concerns it can cause when people work that many hours.

Ms. Knudsen also shared the example of John, an employee whose weighted average salary is about \$42,700. In this example John is married and has two children after paying the basic expenses of housing, utilities, transportation, food, and childcare, there is about \$1,060 left to cover the remaining expenses of clothing, emergencies, school supplies, medical care, etc. Ms. Knudsen noted that when the department is able to implement a cost of living adjustment (COLA), the employee can keep pace with basic living expenses but there is not a lot left to meet other expenses, let alone get ahead. That is why many employees are working second jobs. The situation is worse for employees who are single wage earners.

To address this, the department must keep working at what we are doing with moving the pay strategy forward. The first step of the pay strategy is a one-step increase that will go through the legislative process. Additionally, the department hopes to see COLAs come through the process in the future. Ms. Knudsen noted while the administration is very interested in pay for performance that is a great tool that must be layered on top of some fundamental issues with the pay structure. The COLAs help address pay compression by moving folks through the range, then you can easily layer performance based pay on top of that.

Recruiting and retaining good employees is not just about pay, it also involves the workplace culture and the talent pipeline. There are three specific areas: safety culture, employee development culture, and diversity and inclusion culture. It is one person at a time, one day at a time to create the

best environment possible for employees so they may continue to shine and choose to stay working for MoDOT than somewhere else. In addition to having a workplace culture that encourages people to stay with the department, there also needs to be a focus on recruiting talent to come work for the department. This is recruiting the youngest generation all the way up through people who are seeking a second or third career.

Commissioner Smith inquired about the volume of employees who are retirement eligible and the pipeline to fill leadership roles in the department as they are vacated due to these retirements. Ms. Knudsen responded there is coverage for employees moving into senior management positions; however, there are gaps for filling the district management team level positions. The reasons for that include the loss of civil engineers who only stay for three years where the department needs them to stay for five years and longer. In addition, there is a gap due to the hiring freeze that was in place for three years. The challenges in the maintenance workforce is to keep people long enough to work all the way up through the crew leader positions and into maintenance supervision. Chairman Pace thanked Ms. Knudsen for her presentation.

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2017 WORK ZONE SAFETY AWARENESS CAMPAIGN

On behalf of the Director, Julie Stotlemeyer, Traffic Liaison Engineer, stated work zone safety is at the center of MoDOT's safety culture and is the driving force in all maintenance and construction work. Unfortunately, the roads that MoDOT repairs for the customers are the places where the customer is most likely less attentive. On average there are about 1,500 crashes in work zones with the top five contributing circumstances being (1) distracted and inattentive driving, (2) following too close, (3) driving too fast for the conditions, (4) substance impairment, and (5) improper lane usage.

In 2016 there were eight people killed in work zone crashes compared to nine in 2015. From 2010 to 2016, forty-three people lost their lives in work zone crashes. These fatal crashes not only affect

Missouri families, they affect the MoDOT family. Since 2000, eighteen MoDOT workers have been killed in the line of duty and unfortunately a worker has been killed in a MoDOT work zone for each of the last three years. Two of those workers were flagging when they were struck by motorists.

These fatalities affected the MoDOT family who in turn use the tragedy to inspire innovations to make their jobs safer. Travis Teter, MoDOT Maintenance Supervisor from Warrensburg and his fellow innovators, David Eppright, Russell Fischer, and Chris Zurn built an Automated Flagger Assistant Device (AFAD). This flagger innovation has a message board with lights and horns, a stop/slow paddle, and a stop/caution light all to get the attention of a distracted driver approaching a work zone. Another innovation being pilot tested is the use of green lights on moving operations such as striping, sweeping, pothole patching, and bridge flushing. These are some of the operations most involved with motorists striking a truck mounted attenuator (TMA). Every year approximately twenty-five TMAs are hit. The green lights attract the attention of the driver at a much greater distance, getting driver attention sooner, making it safer for these moving operations.

The department's efforts to instruct motorists with traffic control devices, protecting workers with equipment, and making work zones more visible are not always enough. Motorists have a responsibility to drive unimpaired, respect others, and pay attention. No one reminds drivers of this more than a law enforcement officer. MoDOT's strong relationship with law enforcement partners continues and the department will continue to use law enforcement in work zones to encourage drivers to obey the work zone speed limit and to move over to improve the safety of the workers and the traveling public. Ms. Stotlemeyer introduced Captain Murphy with the Missouri State Highway Patrol (MSHP) a partner in traffic safety. Captain Murphy stated the MSHP share a common goal with MoDOT of highway safety, enforcement, and improving the roadways. The MSHP is dedicated to supporting MoDOT and being in the work zones to provide safety as much as possible and to get drivers to slow down.

This construction season there will be approximately 20 work zones on interstates and major routes that are expected to cause traffic delays. Many of these will include lane closures during the overnight hours to reduce the delays to motorists and improve safety. There will also be rural bridge construction across the state that will close bridges and detour traffic. Motorists are encouraged to consult MoDOT's traveler information map on MoDOT's website, www.modot.mo.gov, and an app available on smart phones to identify any work zones which may impact their travels.

National work zone safety awareness week is April 3 – 7, 2017. News conferences were held around the state and employees wore orange on Monday commemorating the week. The department will spread the safety message and educate the public through social media and outreach throughout the construction season April through September. The messages will be conveyed via radio, internet, and social media. The emphases of these messages are to buckle up, put the phone down, and move over for road workers. With distracted and inattentive driving being one of the top five contributing circumstances of work zone crashes, MoDOT will be posting "Work Zone, No Phone Zone" signs in some of the work zones as well as a public safety message sharing the same sentiment.

Chairman Pace noted the MSHP is in the same business as MoDOT, traffic safety, and anything that can be done do further enhance that is supported by the Commission. The chairman requested the captain pass along the Commission's thanks to all the men and women in the patrol that assist MoDOT in construction work zones. Chairman Pace thanked Ms. Stotlemeyer for her presentation and the captain for his remarks.

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CONTRACT WITH UNIVERSITY OF NEBRASKA-LINCOLN TO PERFORM CRASH TESTING

On behalf of the Director, Kathy Harvey, Assistant Chief Engineer, reported a Request for Proposal (RFP) was developed to help implement five devices from MoDOT's Innovations Challenge, Solutions at Work, and field recommendations for Temporary Traffic Control. For MoDOT and

contractor forces to use these ideas, the device must meet the crash testing criteria of the Manual for Assessing Safety Hardware (MASH). The selected proposer will conduct the necessary testing prior to implementation of the devices statewide.

Two proposals were received in response to the solicitation, both from out of state Universities. The Federal Highway Administration (FHWA) provides accreditation of laboratories to crash test roadside safety hardware. There are ten laboratories accredited within the United States, none of which are located in Missouri.

In accordance with MoDOT's Code of State Regulations, 7 CSR 10-11.020 (3) (C), proposals received in response to an RFP shall not be available for public review until after a contract is executed or all proposals are rejected. A team of MoDOT employees which included Central Office and District Operation staff reviewed the proposals. After evaluation of the proposals, the team selected the University of Nebraska-Lincoln to provide the crash testing of the five devices.

Commission policy requires all unique, sensitive and/or controversial transactions be submitted to the Commission for consideration. This agreement is unique as it is taking the next step in implementing some of the innovative devices department employees have created.

Via approval of the consent agenda, the Commission unanimously approved the agreement with University of Nebraska-Lincoln for crash testing five Innovations Challenge work zone devices at a cost of \$1,061,895; and authorized the Director, Chief Engineer, Chief Financial Officer or Assistant Chief Engineer to execute the agreement, with approval as to form by the Chief Counsel's Office.

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FISCAL YEAR 2017 BUDGET AMENDMENT

On behalf of the Director, Brenda Morris, Financial Services Director, recommended decreasing disbursements \$2.1 million for the fiscal year 2017 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 2017 budget amendment described above.

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EXTENSION OF MODOT FINANCIAL STATEMENT AUDIT CONTRACT

On behalf of the Director, Brenda Morris, Financial Services Director, recommended the Commission approve the final one-year extension for the fiscal year 2017 audit with RubinBrown, and authorize the Director, Chief Engineer, Chief Financial Officer or Assistant Chief Engineer to execute the one-year renewal of the independent audit contract for the fiscal year 2017 audit, with approval as to form by the Chief Counsel’s Office.

Section 21.795.3(1), RSMo, requires an annual audit of MoDOT’s financial statements performed by independent certified public accountants. Audited financial statements are also required by the Commission’s bond covenants. During August and September 2012, proposals were solicited to conduct the fiscal year 2013 audit. The Request for Proposal (RFP) included a three-year proposal with the option of two one-year renewals. RubinBrown was selected as the department’s independent auditor.

The Audit Committee’s Charter gives the Commission’s Audit Committee the responsibility of recommending the appointment of the independent auditor to the Missouri Highways and Transportation Commission (MHTC). The Audit Committee concurred with staff’s recommendation for the appointment of RubinBrown for the fiscal year 2017 audit at the November 2, 2016 meeting.

Via approval of the consent agenda, the Commission unanimously approved the one-year extension for the fiscal year 2017 audit with RubinBrown and delegated authority as described above.

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MEDICAL AND LIFE INSURANCE PLAN: APPOINTMENT OF BOARD MEMBER

The Commission established and approved guidelines for a self-insured Medical and Life Insurance Plan for employees of the Department and the State Highway Patrol on November 9, 1977. The guidelines established a board of trustees to manage the operations of the Plan. Potential board members, and the board chairman, are recommended by either the Department Director or the State Highway Patrol Superintendent and are subject to Commission approval.

On behalf of the Director, Jeff Padgett, Risk and Benefits Management Director, recommended approval of the appointment of Holly Haarmann as the Missouri State Highway Patrol active employee representative for a term ending May 2022 or until a successor is named. Due to Lieutenant Colonel Karsten’s promotion to Colonel she will terminate her membership on the Board. Ms. Haarmann has been recommended by Colonel Sandy Karsten, Superintendent of the Missouri State Highway Patrol to fulfill the remainder of her term, which expires May 2022.

Via approval of the consent agenda, the Commission unanimously approved the appointment of Holly Haarmann as the Missouri State Highway Patrol active employee representative for a term ending May 2022 or until a successor is named.

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THE SOUTHWEST I-470 TRANSPORTATION DEVELOPMENT DISTRICT, CONSIDERATION OF THE PROJECT AND APPOINTMENT OF AN ADVISOR

On behalf of the Director, Don Wichern, Interim Kansas City District Engineer, advised the Commission that in response to a petition filed by the city of Lee’s Summit, on May 24, 2016, the Circuit Court of Jackson County established the Southwest I-470 Transportation Development District (TDD) as a new political subdivision on September 12, 2016. The proposed project includes construction, reconstruction, installation, repair and maintenance of improvements around View High Drive, View High Parkway, View High Boulevard, River Road, 98th Street, I-470 and View High

interchange, and refinancing the debt of the I-470 and 350 Highway TDD. I-470 is part of the state highways and transportation system and, therefore, under the jurisdiction of the Commission.

In keeping with Sections 238.220.4 and 238.225.1, RSMo, the Commission via approval of the consent agenda, (1) appointed the Kansas City District Engineer, or his (her) designee, as the Commission advisor to the Southwest I-470 TDD board of directors, and (2) found the improvements to the area noted above, to be a necessary and desirable extension of the state highways and transportation system, subject to the TDD making any revisions on the plans and specifications required by the Commission and subject to the TDD entering into a mutually satisfactory agreement with the Commission regarding development and future maintenance of the project. In keeping with the Commission's Execution of Documents Policy and Financial-Project Funding and Financing Alternative (Cost-Share) Policy, the Director, Chief Engineer, Chief Financial Officer, or respective business unit director may execute the related agreements.

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CONSIDERATION OF BIDS FOR TRANSPORTATION IMPROVEMENTS

On behalf of the Director, Eric Schroeter, State Design Engineer, presented the following recommendations pertaining to bids received on federal-aid and state highway and bridge projects during the past month. He noted Calls D01 and D05 have local funding, as noted in Table I below, and the department received all of the necessary concurrences.

Mr. Schroeter recommended (1) award of contracts to the lowest responsive bidders for bids received at the March 24, 2017, letting, as recommended and noted in Table I below. (2) Rejection of bid received from Jerry Landing on Call F04 due to the bid being nonresponsive per Section 102.7.4 of the Missouri Standard Specifications for Highway Construction due to the bid exceeding the lowest specified maximum award.

**Table I
Award of Contracts
March 24, 2017, Bid Opening**

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
B01	79	Pike	J2P3082	\$2,547,908.56	\$0.00	L.F. Krupp Construction, Inc. dba Krupp Construction	Bridge Replacement
			J2P3086				
B02	79	Ralls	J2P3118	\$295,670.05	\$0.00	County Contractors, Inc.	Bridge Rehabilitation
			J2P3119				
B03	161	Montgomery	J2S3072	\$914,427.05	\$0.00	Don Schnieders Excavating Company, Inc.	Bridge Replacement
B04	156	Lewis	J2S3112	\$957,555.00	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Bridge Replacement
			J2S3113				
C01	M	Pettis	J3S3050	\$1,552,708.83	\$0.00	Widel, Inc.	Bridge Replacement
			J3S3051				Bridge Deck Replacements
C02	131	Lafayette	J3S3052	\$433,526.28	\$0.00	E & C Bridge, LLC	Bridge Deck Replacement
C03	58	Johnson	J4P1431	\$584,892.32	\$0.00	Boone Construction Co.	Bridge Replacement
D01*	68	Phelps	J5P3030	\$862,382.29	\$0.00	N.B. West Contracting Company	ADA and Signal Improvement
			J5P3120				Microsurfacing
D03	54	Camden, Miller	J5P3221	\$269,269.00	\$0.00	The Truesdell Corporation of Wisconsin dba Truesdell Corporation	High Friction Surface Treatment
D04	J/M	Cole	J5S3146	\$1,259,328.25	\$0.00	Phillips Hardy, Inc.	Bridge Replacement
D05**	B	Cole, Miller, Osage	J5S3149	\$5,094,816.23	\$0.00	Capital Paving & Construction, LLC	Resurface and Add Shoulders
F01	Various	Various	J0I3003K	\$627,600.00	\$0.00	R. V. Wagner, Inc.	JOC - Concrete Pavement Repair on Various Interstate Routes
F02	270	St Louis, St Louis City	J6I3136	\$4,645,000.00	\$0.00	Pace Construction Company	Coldmill and Resurface
F03	Various	St Charles	J6I3197	\$715,923.50	\$0.00	R. V. Wagner, Inc.	8 Bridge Rehabilitations
F04	Various	Franklin, Jefferson	J6P3117	\$537,867.10	\$0.00	Collins & Hermann, Inc.	JOC - Guardrail Repair
F05	Various	St Charles	J6P3118	\$347,229.60	\$0.00	Collins & Hermann, Inc.	JOC - Guardrail Repair

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
F06	141	Jefferson	J6P3143	\$1,488,300.50	\$16,000.00	L.F. Krupp Construction, Inc. dba Krupp Construction	Intersection Improvements
F07	Various	Various	J6P3198B	\$1,062,330.00	\$0.00	R. V. Wagner, Inc.	JOC - Concrete Pavement Repair
F08	Various	St Charles, St Louis	J6P3206	\$492,588.70	\$0.00	N.B. West Contracting Company	9 Slide Repairs
G01	37	Jasper	J7P21931	\$246,157.89	\$0.00	APAC-Central, Inc.	ADA Improvements
	W	Barry	J7S3178				
G02	744	Greene	J8P3007B	\$519,111.75	\$0.00	APAC-Central, Inc.	ADA Improvements
			J8P3007C				
H01	Various	Butler, Dunklin, Pemiscot	J0S3017J	\$1,234,875.47	\$0.00	CE Contracting, Inc.	ADA Improvements
H02	55	Pemiscot	J9I3109	\$12,479,150.84	\$0.00	Magruder Paving, LLC	Bridge Rehabilitation
		Pemiscot	J9I3108				Bridge Rehabilitation
		Scott, Pemiscot, New Madrid	J9I3111				Bridge Rehabilitation, Coldmill and Resurface
H05	21	Iron, Reynolds	J9P3162	\$3,692,845.41	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Resurface and Add Shoulders
	A	Carter	J9S3175				Resurface
H06	67	Madison, Wayne	J9P3243	\$425,500.00	\$0.00	H.R. Quadri Contractors, LLC	Slope Repair
H07	67	St Francois, Wayne	J9P3302	\$800,113.00	\$0.00	Gershenson Construction Co., Inc.	6 Bridge Rehabilitations
H10	51	Butler, Stoddard	J9S3179	\$2,261,960.00	\$0.00	Pace Construction Company	Resurface and Add Shoulders
	B	Butler	J9S3249				Resurface
H11	49	Wayne	J9P3124	\$3,994,558.89	\$490.96	Joe's Bridge & Grading, Inc.	Bridge Replacement
	67	Wayne	J9P3132				
	158	Butler	J9S3144				
	CC	Bollinger	J9S3151				
			TOTAL:	\$50,343,596.51	\$16,490.96		

* Call D01 – Funding by the City of St. James – \$4,185.00.

** Call D05 – Funding by the City of Meta – \$17,186.70.

Commission Consideration and Action

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

1. Awarded contracts to the lowest responsive bidders for bids received at the March 24, 2017, bid opening, as recommended and noted in Table I above. Non-contractual costs for these projects are shown on the above tabulation.
2. Rejected the bid received from Jerry Landing on Call F04 due to the bid being nonresponsive per Section 102.7.4 of the Missouri Standard Specifications for Highway Construction due to the bid exceeding the lowest specified maximum award.
3. Authorized the Director, Chief Engineer, Chief Financial Officer, or Assistant Chief Engineer to execute the contracts awarded above.

There were no abstentions.

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CONSIDERATION OF A SUPPLEMENTAL AGREEMENT WITH THE CITY OF WILLOW SPRINGS

On behalf of the Director, Kelly Lucas, Right of Way Director, explained the Commission's policy regarding use of Commission-owned property or property rights authorizes staff to execute leases and agreements for use of real property and its appurtenances. However, the policy further requires that all unique, sensitive and/or controversial transactions be submitted to the Commission for consideration. The proposed supplemental agreement is unique because of the nature of the original agreement previously approved by Commission action. The City of Willow Springs has requested a supplement agreement to allow the Willow Springs Public School to occupy a portion of the former Willow Springs District Office. The agriculture department is outgrowing its current location and this location provides a larger space with the opportunity to grow. The City of Willow Springs is currently working with

Willow Springs Public School to develop a program to offer higher education technical courses where attendees would pay tuition.

On June 8, 2011, as part of its approval of A Bolder Five Year Direction, the Commission directed the Missouri Department of Transportation to utilize the former District 9 office complex for the benefit of the local community to mitigate the effect of the resulting job losses in the area. Willow Springs expressed interest in acquiring the former District 9 office complex for use by the city as a business incubator and continuing education center, in anticipation of encouraging economic development and creating new jobs in the area to mitigate the negative economic impact from the loss of jobs by the closing of the former District 9 office complex.

The economic development activities include job creation and increased student base for higher education. The economic development goal is \$1,305,630. Reasonable progress is calculated based on the city's ability to attain an economic development value in the amount of \$104,450.40 per year for the term of the lease. The city's annual progress is calculated by adding the annual salaries of any new jobs created during the year to the amount of tuition paid to the higher education institutions during the year. The reasonable progress goal has been met through March 2017. The economic development efforts of achieving the reasonable progress goal for 2018 are not required until March 2019.

On February 1, 2012, the Commission approved the execution of the initial Lease with Option to Purchase Agreement with the City of Willow Springs. The initial agreement was fully executed on March 30, 2012. The terms of the initial agreement prohibited the City of Willow Springs from using the leased premises as office space to conduct any governmental duties, except for the Willow Springs Economic Development Director.

The City of Willow Springs is currently working with Willow Springs Public School and is in preliminary stages of offering higher education technical classes at the former Willow Springs District Office. The tuition generated by the potential placement of the Willow Springs Public School higher

education technical classes will contribute to the economic development goal established by the initial agreement; however, the placement of the Willow Springs Public School will not contribute to the economic goal.

Staff has reviewed the request by the City of Willow Springs to authorize the Willow Springs Public School to occupy a portion of the facility and finds it would benefit the local community. The execution of this agreement will not result in financial benefits or costs to the department.

Via approval of the consent agenda, the Commission authorized the Director, Chief Engineer, Chief Financial Officer, or Assistant Chief Engineer to execute the Fifth Supplemental Lease with Option to Purchase Agreement with the City of Willow Springs. The Fifth Supplemental Lease with Option to Purchase Agreement will authorize the Willow Springs Public School to occupy a portion of the former Willow Springs District Office. The agriculture department is outgrowing its current location and this location provides a larger space with opportunity to grow.

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-- REPORTS --

The Commission received the following written reports.

MEDICAL AND LIFE INSURANCE PLAN: MISSOURI DEPARTMENT OF TRANSPORTATION AND MISSOURI STATE HIGHWAY PATROL MEDICAL AND LIFE INSURANCE PLAN REPORT

Jeff Padgett, Director of Risk and Benefits Management, provided financial and claims data reports for the period July 2016 through December 2016, and for the most recent five calendar years, to update the Commission on the cost and utilization of the Medical and Life Insurance Plan. There was an increase of 3.3 percent in medical claims, and an increase of 2.3 percent in pharmacy claims processed. The cost of claims have increased by 16.5 percent in total claims expense when compared to calendar year 2015. Pharmacy spending increased over 35 percent over the past 5 years; this is attributed to rapidly escalating costs for specialty drug claims. The State Paid Life Insurance program provides a death benefit equal to the employee's annual salary (rounded up to the next thousand). If the death is work-related, this benefit is three times the employee's annual salary. This benefit is provided at no cost to the employee. For 2016 there were 14 active employee death claims paid. The total operating revenues increased 6.9 percent compared to 2015. This is primarily the result of an increase in medical premiums in 2016. Although operating revenues increased in 2016, operating expenses exceeded operating revenues, resulting in a net loss of \$9.4 million.

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**FINANCIAL – BUDGET – REPORTS
YEAR-TO-DATE FINANCIAL REPORT, PERIOD ENDING FEBRUARY 28, 2017**

Brenda Morris, Financial Services Director, submitted a written financial report for fiscal year to date February 28, 2017, with budget and prior year comparisons.

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CONSULTANT SERVICES CONTRACT REPORT

Eric Schroeter, State Design Engineer, submitted a written report of consultant contracts executed in the month of February 2017, for both engineering and non-engineering related projects. The department utilizes consultants to efficiently manage workload and provide specialized expertise to supplement and support department staff. Expenditures for consultant services are funded from the Commission approved Statewide Transportation Improvement Program and MoDOT Operating Budget. There were 203 active contracts held by individual engineering consultant firms prior to February 1, 2017. Ten engineering consultant services contracts were executed in February 2017, for a total of \$6,511,242. There were no non-engineering consultant contracts reported in February 2017.

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By unanimous consensus of all members present, the meeting of the Commission adjourned.

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The Mission of the Missouri Highways and Transportation Commission is to:

- Represent the citizens of Missouri pursuant to the Constitution by providing independent and nonpartisan governance of the Missouri Department of Transportation; and
- Establish policies, exercise oversight, and ensure accountability in developing and maintaining a world class transportation system in Missouri which fosters safety and economic development.

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