



**MISSOURI HIGHWAYS AND TRANSPORTATION
COMMISSION**

Official Minutes

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June 26, 2018

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**MINUTES OF THE SPECIAL HIGHWAYS AND TRANSPORTATION
COMMISSION MEETING HELD IN JEFFERSON CITY, MISSOURI,
TUESDAY, JUNE 26, 2018**

A special meeting of the Missouri Highways and Transportation Commission was held on Tuesday, June 26, 2018, at the Missouri Department of Transportation Building, 105 West Capitol Avenue, Jefferson City, Missouri. Gregg C. Smith, Chairman, called the meeting to order at 9:30 a.m. The following Commissioners were present: Michael B. Pace, Michael T. Waters, Jr., John W. Briscoe, Terry L. Ecker, and Robert G. Brinkmann, P.E.

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 Tuesday, June 26, 2018.

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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(3), (13) – Personnel administration regarding particular employees.

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 Smith, Aye
Commissioner Pace, Aye
Commissioner Waters, Aye
Commissioner Briscoe, Aye
Commissioner Ecker, Aye
Commissioner Brinkmann, Aye

The Commission met in closed session on Tuesday, June 26, 2018 at 12:45 p.m. and adjourned at 1:45 p.m.

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-- OPEN MEETING --

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 June 26, 2018, Consent Agenda

No items were removed from the consent agenda. Upon motion by Commissioner Waters, seconded by Commissioner Ecker, the consent agenda item was unanimously approved by a quorum of Commission members present.

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COMMISSION WORKSHOP – ANNUAL CALENDAR

There is a desire to improve the scheduling of agenda items for Commission meetings. There are core business items that are part of the annual calendar, and there are additional various informational items that may be selected for an agenda. In order to make sure that the meeting agendas address the priorities of the Commission and the department, staff will review with the Commission at each meeting a schedule of agenda items for future meetings. Coordination of agenda items will improve communication and efficiency for both the Commission and the department.

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COMMISSION WORKSHOP – MHTC STRATEGIC PLAN

A discussion took place about when a strategic planning session may occur and what subjects will be discussed. Some items considered included: the Commission may wish to consider reviewing and updating its mission statement, conducting self-evaluations, and selecting a facilitator to assist with a future strategic planning meeting. Following discussion the Commission tabled this item for additional consideration at a future meeting.

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COMMISSION WORKSHOP – POLICY

On November 7, 2013 the Commission completed its comprehensive policy review. Since then, policies have been presented to the commission periodically for review and revision. It is important for Commissioners to have a good understanding of Commission policies and how the department implements the policies. A discussion took place for consideration of a monthly review of select policies that would allow the Commission to review all polices within a two-year period. Reviewing select policies each month would allow the Commission to read the policies and determine if further review, edits or changes need to be made to keep the policies

up-to-date and relevant. Additionally, the Commission considered a proposed new policy regarding social events; the Commission requested a draft policy be presented for adoption at its next regularly scheduled meeting. The Commission also discussed the Statewide Perspective policy, the Financial Forecast, the Statewide Transportation Improvement Program Development and how those are instrumental functions of the Commission that impact MoDOT's daily business. A consensus was reached to begin reviewing Commission policies each month, starting in October, and continuing this review over a 24 month period. Further consideration will need to be given regarding how often to conduct a periodic review.

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COMMISSION WORKSHOP – PROGRAM ENGINEER ESTIMATES AND PROGRAM AMOUNTS

Staff presented an overview of estimating and bid analysis at MoDOT. This overview provided an explanation of the various phases and methodology used for estimating projects throughout the project delivery process. The Statewide Transportation Improvement Program (STIP) and amendments require approval by the Commission. Commission action is required to award contracts necessary to construct improvements in the STIP. Project estimates are critical in developing a fiscally constrained STIP. The engineer estimate is used to ensure low bids reflect an accurate view of current market value for construction work. Program construction estimates are published in the STIP for public viewing, however, the final engineer's estimate is confidential. Final bid tabulations are published on MoDOT's website after project award. Annual unit bid prices are published by MoDOT.

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COMMISSION WORKSHOP – CONSULTING ENGINEER SELECTION

After the financial forecast and STIP approval, the process continues for projects to be

designed and contractors hired. MoDOT relies on consultants to supplement current workforce to deliver the STIP. Similarly, planning partners, cities, and counties rely on consultants to deliver transportation projects.

Staff presented an overview of the laws and steps involved in selecting consultants. Consultants depend on a fair and transparent process for selection. The department works to ensure the Qualification Based Selection process and regulations are adhered to in coordination with external partners. It is important to have qualified and competent professionals performing work for the department. The Commission allocated \$40 million for consultant expenditures for Fiscal Year 2018. As of June 1, 2018, consultant awards for Fiscal Year 2018 are \$38.4 million. The Commission increased allocation for consultant use to \$55 million for Fiscal Year 2019. Consultants can be paid with federal funds, state revenue, and local contributions. In accordance with Commission policy a report regarding the selection of consultants is prepared for every monthly meeting.

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COMMISSION WORKSHOP – COST SHARE PROGRAM

The Cost Share Program builds partnerships with local entities to pool efforts and resources to deliver state highway and bridge projects. This program is a great way to leverage limited resources to complete projects on the state highway system that are of local significance. The program has been popular with local entities interested in getting highway projects of local significance completed. Since 1997, the Cost Share Committee has approved \$499 million for 193 projects totaling \$1.3 billion. For every \$1 the Cost Share Program has invested, it has generated \$0.98 in leveraged local cash since 2004.

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COMMISSION WORKSHOP – DESIGN BUILD

Staff presented an overview of Design-Build at MoDOT. This overview provided an explanation of the processes and methodology used for determining delivery methods of projects and a description of the design-build statute, and state and federal regulations. Contractors and consultants are keenly interested in the use of design-build and other alternative project delivery methods.

In accordance with state law, the total number of highway design-build project contracts awarded by the commission in any state fiscal year shall not exceed two percent of the total number of all state highway system projects awarded to contracts for construction from projects listed in the commission's approved statewide transportation improvement project for that state fiscal year. See Section 227.107 RSMo. This limits the use of design-build projects to between six and eight projects per year on average. Additionally, there are rules each design-build project must follow in 7 Code of State Regulations 10-24.

Each potential design-build project is vetted through a project delivery determination process and risk assessment to ensure the right projects are identified for design-build. These processes identify opportunities and obstacles of the project aspects – project complexity and innovation, delivery schedule, level of design, project costs, risk mitigation, staff experience and availability, level of oversight and control, and competition and contractor experience – this information is used to determine if a project is appropriate for design-build.

Currently there are two potential design-build projects programmed in the STIP. There are a number of potential design-build projects awaiting funding and/or authorization of use of design-build for these projects. There are four active design-build projects: I-44/Route 141 Interchange, St. Louis Safety Improvements, US 54 Champ Clark Mississippi River Bridge and I-435 South Loop Link.

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COMMISSION WORKSHOP – LOW VOLUME ROADS

MoDOT’s asset management plan has the goal of maintaining the condition of the state roads and bridges, including those on low volume roads. Missouri has 10,889 miles of low volume roads, which is about one-third of the state system. Low volume roads are currently rated at 70 percent good. Low volume roads carry less than 400 vehicles a day and primarily serve local transportation needs. Travel on low volume roads is less than two percent of all state highway travel. Bridges on low volume roads are primarily funded through the STIP. Pavements on low volume roads are primarily funded through the maintenance and operation program.

Cities, counties, planning partners, and citizens are keenly interested in transportation funding and Missouri’s ability to adequately maintain and improve transportation infrastructure. Taking care of the system is one of the system goals expressed by Missourians in the Long Range Transportation Plan.

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FISCAL YEAR 2018 BUDGET AMENDMENT

On behalf of the Director, Brenda Morris, Financial Services Director, recommended increasing contractor payments \$10 million. This increase is needed for the actual payout of construction projects awarded in the current or previous years. Construction projects are paying out faster than originally forecasted. To offset the increase, the Federal Pass-Through budget was decreased \$10.0 million.

Via approval of the consent agenda, the Commission unanimously approved the fiscal year 2018 budget amendment described above.

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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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