



**MISSOURI HIGHWAYS AND TRANSPORTATION
COMMISSION**

Official Minutes

TABLE OF CONTENTS

August 1, 2018

VOTE TO CLOSE MEETING 5

COMMISSION/DIRECTOR ITEMS

Approval of Minutes 6

Consent Agenda 6

Commission Committees and Commission Related Boards 7

Director’s Report 7

PUBLIC PRESENTATION

Presentation by the Northland Regional Chamber of Commerce..... 8

PUBLIC COMMENT

Public Comments from John Ivey Regarding Truck Traffic 9

MoDOT PRESENTATIONS

Ports Return Investment to Missouri 10

Communications Division Update..... 11

Medical Plan Funding Recommendations for Calendar Year 2019 13

ADMINISTRATIVE RULES/POLICIES

Report and Recommendation Regarding Final Order of Rulemaking – State Transportation
Assistance Revolving Fund 16

STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM

Report and Recommendations Regarding the Route I-270 North Project in North St. Louis County,
Including Authority for Design-Build Delegation of Authority 17

Report and Recommendations Regarding the Route I-44 Bridges Project in Newton, Jasper, and
Lawrence Counties, Including Authority for Design-Build Delegation of Authority 18

Approval of Plans for Condemnation 19

PROPERTY ACQUISITION AND CONVEYANCES

Consideration of Disposal of Excess Property, Route 50 in Osage County,
Excess Parcel Number CD-0901 19

Consideration of Disposal of Excess Property, Route 367 (Lewis and Clark Boulevard) in
St. Louis County, Excess Parcel Number E6-6701, Bellefontaine Project Office 20

REPORTS

Report Regarding Executive Order 17-03 Administrative Rule Review Process Update..... 21
Financial – Budget – Reports: Year-to-Date Financial Report, Period Ending June 30, 2018 22
Consultant Services Contract Report..... 22

**MINUTES OF THE REGULARLY SCHEDULED HIGHWAYS AND
TRANSPORTATION COMMISSION MEETING HELD IN LEE’S SUMMIT, MISSOURI,
WEDNESDAY, AUGUST 1, 2018**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Wednesday, August 1, 2018, at the Department of Transportation building, 600 Northeast Colbern Road, Lee’s Summit, Missouri. Gregg C. Smith, Chairman, called the meeting to order at 8:30 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.

* * * * *

* * * * *

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, August 1, 2018.

* * * * *

*“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.

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, July 31, 2018 at 10:30 a.m. and adjourned at 12:30 p.m.

* * * * *

-- OPEN MEETING --

APPROVAL OF MINUTES

Upon motion by Commissioner Briscoe, seconded by Commissioner Waters, the Commission unanimously approved the minutes of the regular meeting held May 2, 2018. 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.

* * * * *

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 August 1, 2018, Consent Agenda

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

* * * * *

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 August 1, 2018, meeting.

Audit Committee – Commissioner Waters stated there was no report.

Legislative Committee – Commissioner Pace stated there was no report.

Missouri Transportation Finance Corporation (MTFC) – Commissioner Smith stated there was no report.

MoDOT and Patrol Employees' Retirement System – Commissioner Briscoe reported the members of the board attended the annual Missouri Association of Public Employee Retirement Systems conference in July to meet their educational requirements for the year.

* * * * *

DIRECTOR'S REPORT

During the August 1, 2018, Commission meeting, Director Patrick McKenna provided the following report:

Communications Celebration – Director McKenna commended Sally Oxenhandler for her leadership as Interim Communications Director. He reported the Communications Division recently won two Blue Pencil awards from the National Association of Government Communicators and two Apex awards. Cathy Morrison won first place for photography for a dramatic nighttime photo of traffic on Interstate 70 in front of St. Louis-Lambert International Airport; a spectacular image by a talented photographer for the department. Laura Seabaugh and Bethany Belt won an award for excellence for graphic design in the creation of the Adventures of Safety Friends comic book. This was distributed last summer at the Missouri State Fair to promote the Buckle Up Phone Down campaign.

State Fair – The State Fair will take place from August 9 – 19 and the department will have staff volunteer to serve at the Highway Gardens where displays are available for attendees to learn about the transportation system and highway safety. This year, there will be a kiosk open for people to take the Buckle Up Phone Down pledge.

Fuel Tax Ranking – Director McKenna noted with the recent fuel tax increases in the states of South Carolina and Oklahoma, Missouri now ranks 50th in the nation for its lowest fuel tax rate. This is an indicator that it is the right time for Proposition D to be considered by a vote of the people. If this measure were to pass, Missouri would rank about 30th in the nation for its fuel tax rate. The department is planning to host regional planning meetings in October so that stakeholders and planning partners can share the transportation needs of their communities and the department can learn about their hopes for what the additional transportation funding can be applied to.

Wright Brother Master Pilot Award – The Director recognized Commissioner Mike Pace for his receipt of the prestigious Wright Brothers master Pilot Award from the Federal Aviation Administration. This award recognizes individuals who have exhibited professionalism, skill, and aviation expertise for at least 50 years while piloting an aircraft. Commissioner Pace’s experience includes his time as an aviator for the Missouri State Highway Patrol, the Army National Guard, and as a private pilot.

* * * * *

PRESENTATION BY THE NORTHLAND REGIONAL CHAMBER OF COMMERCE

Darren Hennen, Chair Elect of the Northland Regional Chamber of Commerce, presented to the commission how the chamber’s focus on transportation has evolved. He explained while the chamber provides business to business activities, it also began anticipating future growth and infrastructure needs. Growth in the region is reflected by the dramatic increase in population in both Platte and Clay counties over a twenty-year period. Transportation is a priority to move the people, goods, and services for the business community and has ranked as their number one priority the past two years.

Mr. Hennen expressed his appreciation for recent projects in the region, including the completion of the I-435 and Highway 210 interchange, and the improvements at Route 291 and I-35 interchange. He also thanked the Commission for the project that will be underway soon at I-35 and Highway 152. While these projects were accomplished during fiscally challenging times, there remain many more needs.

There are projects that are needed for the region and the biggest priority is the Broadway Bridge. This bridge carries 44,000 cars per day and is a vital link for the north part of the city as we all as the region. The chamber has been working with the Mid-America Regional Council, the communities, and the Department of Transportation. Other priority projects include the I-35/I-29 split. Once the Broadway Bridge is improved the bottleneck from that location will move north to where Interstates 35 and 29 coalesce.

Mr. Hennen thanked the department for the partnership and for the services and expertise that the district staff provides. Mr. Hennen discussed Proposition D that will be on the ballot in November. He explained the chamber will go out and advocate for this measure because the chamber is well aware of the need for additional transportation funding, especially in the Northland with over 100,000 in population growth leading to more people traveling on roads and bridges that will not allow economic growth in the region.

Commissioner Waters thanked Mr. Hennen for his presentation and for the long term partnership with MoDOT that has helped grow the region. He also thanked the chamber for recognizing the constraints on the state system and for the continued advocacy at the state level to help change the equation.

* * * * *

PUBLIC COMMENT FROM JOHN IVEY REGARDING TRUCK TRAFFIC

John Ivey, Lee's Summit area businessman, expressed his concern regarding the increase in traffic on Missouri roadways. He especially had concerns regarding truck traffic on the interstates. He encouraged the Commission to use the river and rail to get some of the truck traffic off of the interstates. He also suggested improving the rail system as it is old infrastructure and would need to be modernized to handle the additional traffic. Commissioner Smith thanked him for his comments.

* * * * *

PORTS RETURN INVESTMENT TO MISSOURI

On behalf of the Director, Michelle Teel, Multimodal Operations Director, explained she was going to discuss public ports in Missouri and their role in transportation as well as the economy. She also discussed the results of the recently completed port economic impact study, and the Commission's role with public ports. Missouri has two major rivers, the Missouri and the Mississippi that provide more than 1,000 river miles of transportation options that are available through fourteen public port authorities. Public port authorities move 4 million tons of freight annually with assistance from state general revenue funds administered by MoDOT.

Port authorities are political subdivisions of Missouri with the powers enumerated in §68.025 RSMo. Port authority oversight is provided by a board appointed by locally elected officials in accordance with §68.025 RSMo. Department staff frequently receives inquiries in regard to the process for the creation of new public ports. Ports are created by means of an application that requests MHTC approval. Staff anticipates there will be a request to approve new ports at future Commission meetings.

MoDOT's annual budget includes a request of general revenue funds for the public port capital improvement program (PPCIP). The Fiscal Year 2019-2023 Statewide Transportation Improvement Program includes a \$7.5 million annual request for the PPCIP. State general revenue, when appropriated, supports the PPCIP. The state transportation fund, established in §226.225 RSMo, pays a portion of the public ports' administrative expenses when appropriated by the General Assembly. The PPCIP is developed in coordination with the Missouri Port Authority Association.

Ports are environmentally and economically friendly. One 15 barge tow can haul the equivalent of 870 large semi-trucks or two trains with 100 cars each. Transportation by water reduces the impact to highways and railroads. The study that was completed recently determined which industries are dependent on ports and which industries benefit from ports. These industries are located across the state and not necessarily on the river. To estimate the economic impact of ports the study looked at direct and

indirect impacts as well as induced impacts to determine employment, output, income, and tax revenue. The total economic impact of ports in Missouri includes their support of 290,000 jobs annually, \$15.7 billion in income, and \$100.6 billion in economic activity.

Missouri's ports are a tremendous asset and an important opportunity. MoDOT's long range transportation plan determined Missourian's want investment in transportation projects that create economic activity and jobs and ports provide that opportunity.

Commissioner Ecker thanked Michelle for her presentation and commended the department for their work with ports in Missouri, a transportation mode that is often overlooked. He inquired if there were any plans for new ports. Ms. Teel indicated that the City of Jefferson City is actively engaged and plans to finalize their recommendation to the Commission soon; she also noted that St. Charles County is reviewing their opportunities for a port as well. Commissioner Waters stated ports are a mode of transportation with the most potential growth and can handle more traffic unlike roads and rail.

* * * * *

COMMUNICATIONS DIVISION UPDATE

On behalf of the Director, Sally Oxenhandler, Interim Communications Director, noted in the age of information and technology, MoDOT strives to use all of the tools available to provide timely, accurate and understandable information to MoDOT's customers and the public. The Communications Division is involved with content, creation, production, special projects, and customer service; taking a communications product from concept to implementation.

The Communications Division strives to foster positive relationships with media outlets throughout the state that are vital to helping tell the department's story. Other outreach tools, such as public events and meetings are used to inform the public about what the department is doing, why the department is doing it, and how it is being done. One example of an outreach tool is an external publication called *Express Lane*, which is delivered every other week to nearly 35,000 subscribers. In

addition, nearly 40,000 people receive news releases and other information through the department's e-update system. Social media, including Facebook and Twitter, is a standard communication tool to interact directly with customers. Posts are a combination of traffic alerts, road conditions, project information and safe driving messages. MoDOT's social media accounts have almost 500,000 followers, and tweets reach more than 5.1 million users. The department's website, www.modot.org, provides information to the public, with nearly half of the users accessing the website through a mobile device. The department's website currently does not work well on smaller screens so work is underway to move to a content management system that will improve the experience for customers on any device. In 2017, MoDOT's website had 8.5 million hits.

The department has two videographers on staff that create both internal and external videos. These videos include training and information videos and public service announcements. Last year, MoDOT videos on You-Tube amassed 2.8 million views. The most popular video continues to be the *Tow Plows in Action* which has been viewed 7.5 million times over the years. The department has an award winning photographer on staff capable of shooting aerials for project sites, work zone photos, event photography, and legal documentation photography. Last year, photos on MoDOT's public Flickr account had more than 1.5 million views.

The department also has a talented graphic artist on staff that helps brand information and makes it visually appealing. The in house print shop prints both color and black white materials. This two person shop prints training materials, posters, external publications, project plans, business cards, and event materials. The print shop handled more than 5,000 print jobs last year. Ms. Oxenhandler shared a copy of the latest MoDOT's Fast Facts with the commission, an item produced by the division and printed by the print shop.

Employees are a key audience for the division as well. The internal newsletter, *Connections*, is sent via email to every MoDOT employee every other week. A weekly newsletter is also delivered

electronically to all employees via monitors at every MoDOT facility. These two publications along with emails, videos, and personal visits keep employees informed about MoDOT issues on a regular basis.

The same communications activities that are implemented at the statewide level also happen at the district level. Seven district Communications Managers oversee regional production, content creation, and customer service.

A customer service center is housed in each district and the department's toll free number, 1-888-ASK-MODOT is staffed 24 hours a day, seven days a week, 365 days a year. Customer service representatives handled more than 83,000 calls this year. Ninety-six percent of survey respondents believe MoDOT provides timely, accurate, and understandable information to the public. Overall customer satisfaction with MoDOT is at eighty-three percent which approaches national benchmark satisfaction rankings of Chick-Fil-A and Apple. The Communications Division is proud of what it does and is proud to serve the citizens of Missouri and the employees of MoDOT.

Commissioner Brinkmann commended the department on its publications and use of electronic communication tools to convey the department's messages.

* * * * *

MEDICAL PLAN FUNDING RECOMMENDATIONS FOR CALENDAR YEAR 2019

On behalf of the Director, Ashley Halford, Employee Benefits Manager, shared the funding recommendations for the medical and life insurance plan. The recommendations are based upon projected funding necessary to provide medical and life insurance benefits to employees and retirees of MoDOT, the Missouri State Highway Patrol (MSHP), and the MoDOT and Patrol Employees' Retirement System (MPERS). The MoDOT and MSHP Medical and Life Insurance Plan board of trustees (Board) provides recommendations based upon an actuarial review. AON Hewitt Consulting conducts an actuarial review and analysis of medical plan funding on a semi-annual basis. Based upon

the June 27, 2018 review, the Board made recommendations for plan funding for calendar year 2019. The recommendations are projected to maintain adequate funding for medical plan costs.

Ms. Halford explained the prescription drug plan costs continue to rise. Last year the plan exceeded \$28 million in prescription costs, largely due to the cost of specialty medications. These are the drugs that are used to treat viral infections, cancer, rheumatoid arthritis, and multiple sclerosis. Specialty drugs are less than .6 percent of total claims, but account for over 48 percent of total plan drug spending. The department will continue to use the specialty co-payment assistance program which allows the plan to use the manufacturer's rebates and incentives that saved \$1.3 million in 2017. The plan continues to have good generic drug utilization with close to ninety percent of drug claims for generic drugs. Generic drugs are an effective method to treat and most of the time a fraction of the cost of the name brand medications. The plan will continue to seek potential strategies to reduce costs and find solutions going forward.

Ms. Halford reported on the medical claims trend. The numbers in 2015 and 2016 for medical claims were exceptionally high. This increase cost the plan over \$100 million in medical claims in 2016, but in 2017 it started to come back down to about \$95 million in claims. It is anticipated that 2018 will close with around \$90 to \$95 million in medical claims.

The Plan will change medical administrators from Aetna to Anthem in 2019. This change in administrators is projected to save the Plan as much as \$9 million dollars in the first contract year and as much as \$25 million over the span of the three contract years. Another benefit of offering Anthem is both health systems, Cox and Mercy, in Springfield will be in-network providers.

Ms. Halford explained the plan will include a wellness coordinator that will provide initiatives and resources to plan members. Additional education opportunities and other resources are made available to employees and retirees to offer ways to help encourage better health and more well-

balanced employees and retirees in the plan. This investment leads to good returns, with less cost to the plan due to healthier plan members.

Ms. Halford noted that employees continue to help manage costs by receiving the majority of services from participating providers as well as using generic drugs when possible. She also expressed her appreciation to the Commission for their commitment and support of the medical plan even when resources are scarce. While this is an expensive benefit it is an important benefit for employees and retirees on the medical plan.

The recommendations are projected to provide adequate funding while maintaining an appropriate plan premium stabilization reserve. The premium stabilization reserve goal is established based on guidance from the plan actuary and is set aside to prevent dramatic fluctuations in necessary Plan premiums. This recommendation is to continue offering two plan options, the Preferred Provider Option and the High Deductible Health Plan with a Health Savings Account. With no premium increases the projected retained earnings is project to be \$15,670,488 at the end of calendar year 2019.

Ms. Halford recommended the Commission support the medical care plan as follows:

- Continue offering two plan options: Preferred Provider Organization (PPO) and High Deductible Health Plan (HDHP) with a Health Savings Account (HSA).
- Approve no increase in medical plan premium for all rate categories in calendar year 2019.

After further discussion and consideration, and upon motion by Commissioner Briscoe, seconded by Commissioner Waters, the Commission unanimously approved medical and life insurance plan recommendations as presented by Ms. Halford. Commissioner Smith thanked Ms. Halford for her presentation and stated the health care coverage is an extremely important benefit to employees and retirees in the plan.

* * * * *

REPORT AND RECOMMENDATION REGARDING FINAL ORDER OF RULEMAKING – STATE TRANSPORTATION ASSISTANCE REVOLVING FUND

On behalf of the Director, Brenda Morris, Financial Services Director, presented the final orders of rulemaking for 7 CSR 10-20.010, State Transportation Assistance Revolving Fund. The department reviewed and recommended changes to the rules to comply with the requirements of Executive Order 17-03. At the April 4, 2018 meeting, the Commission authorized the filing and publication of notice of proposed amended administrative rulemaking 7 CSR 10-20.010, State Transportation Assistance Revolving Fund. After Commission approval, staff filed these rules with the Joint Committee on Administrative Rules and the Office of Secretary of State, who published the proposed amended rules in the *Missouri Register* for public comment. The public had from May 15, 2018 to June 14, 2018, to submit comments in support of or in opposition to the notice of proposed amended rulemaking. No comments were received during the public comment period.

The following is a summary of the significant changes; remove unnecessary restrictive language, and clarify and update the review and approval process for loan applications.

The department supports this final order of rulemaking for the State Transportation Assistance Revolving Fund. Upon motion by Commissioner Waters, seconded by Commissioner Ecker, the Commission unanimously approved the final orders of rulemaking and 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, and authorized the Director, Chief Engineer, Chief Financial Officer, or Assistant Chief Engineer to execute documents to complete the final rulemaking process.

* * * * *

REPORT AND RECOMMENDATIONS REGARDING THE ROUTE I-270 NORTH PROJECT IN NORTH ST. LOUIS COUNTY, INCLUDING AUTHORITY FOR DESIGN-BUILD DELEGATION OF AUTHORITY

On behalf of the Director, Tom Blair, St. Louis District Engineer, recommended the Route I-270 North Project in North St. Louis County be designated as a design-build project, and that authority be delegated to the Chief Engineer or his designee to approve and execute documents and expend funds on behalf the Missouri Highways and Transportation Commission for the following items on the I-270 North Project in North St. Louis County Project:

- **Escrow of Bid Documents** – Approve authority to execute agreements, affidavits, and related documents and expend funds for costs associated with the escrow of bid documents on the project.
- **Agreements** – Approve authority to execute agreements with local governments including other entities for cost-share, enhancements, use of property, environmental mitigations, utilities, etc. on the project, subject to approval as to form by the Chief Counsel’s Office (CCO) and the Commission Secretary’s (CS) attestation.
- **Railroad Agreements** – Approve authority to execute agreements pertaining to railroads, subject to approval as to form by CCO and CS attestation.
- **Construction Change Orders** - Approve authority to approve construction change orders on the project.
- **Consultant Engineering Services** – Approve authority to execute contracts for engineering services needed subject to approval as to form by CCO and CS attestation and in keeping with the Brooks Act, 40 USC 1101 et seq. and 23 CFR 172.5 as well as Section 8.285 RSMo.
- **Other** – Approve authority to expend funds for the project, as well as approve, execute, sign and seal project specific documents.
- **Design Exceptions** – Approve authority to sign design exceptions specific to the design of the project currently delegated to the State Design Engineer and the State Bridge Engineer, subject to consultation with the department’s technical experts.

Project changes resulting from this delegation will not exceed the cap of 2 percent over the programmed cost or those changes will be taken back to the Commission. The I-270 North procurement process will begin in fall 2018 with award of the project to the Best Value Proposer in summer 2019. Via approval of the consent agenda, the Commission unanimously approved the delegation of authority as recommended and noted above.

* * * * *

REPORT AND RECOMMENDATIONS REGARDING THE ROUTE I-44 BRIDGES PROJECT IN NEWTON, JASPER, AND LAWRENCE COUNTIES, INCLUDING AUTHORITY FOR DESIGN-BUILD DELEGATION OF AUTHORITY

On behalf of the Director, Travis Koestner, Southwest District Engineer, recommended the Route I-44 Bridges project in Newton, Jasper, and Lawrence Counties be designated as a design-build project, and that authority be delegated to the Chief Engineer or his designee to approve and execute documents and expend funds on behalf the Missouri Highways and Transportation Commission for the following items on the Route I-44 Bridges project in Newton, Jasper, and Lawrence Counties Project:

- **Escrow of Bid Documents** – Approve authority to execute agreements, affidavits, and related documents and expend funds for costs associated with the escrow of bid documents on the project.
- **Agreements** – Approve authority to execute agreements with local governments including other entities for cost-share, enhancements, use of property, environmental mitigations, utilities, etc. on the project, subject to approval as to form by the Chief Counsel’s Office (CCO) and the Commission Secretary’s (CS) attestation.
- **Railroad Agreements** – Approve authority to execute agreements pertaining to railroads, subject to approval as to form by CCO and CS attestation.
- **Construction Change Orders** - Approve authority to approve construction change orders on the project.
- **Consultant Engineering Services** – Approve authority to execute contracts for engineering services needed subject to approval as to form by CCO and CS attestation and in keeping with the Brooks Act, 40 USC 1101 et seq. and 23 CFR 172.5 as well as Section 8.285 RSMo.
- **Other** – Approve authority to expend funds for the project, as well as approve, execute, sign and seal project specific documents.
- **Design Exceptions** – Approve authority to sign design exceptions specific to the design of the project currently delegated to the State Design Engineer and the State Bridge Engineer, subject to consultation with the department’s technical experts.

Project changes resulting from this delegation will not exceed the cap of 2 percent over the programmed cost or those changes will be taken back to the Commission. The I-44 Bridges Project procurement process will begin in late summer 2018 with award of the project to the Best Value

Proposer in early 2019. Via approval of the consent agenda, the Commission unanimously approved the delegation of authority as recommended and noted above.

* * * * *

APPROVAL OF PLANS FOR CONDEMNATION

On behalf of the Director, Eric Schroeter, State Design Engineer, recommended the Commission approve the following detailed project plans, approved by the Chief Engineer, for filing as necessary for the condemnation of right of way.

<u>County</u>	<u>Route</u>	<u>Job Number</u>
Iron	49	J9P3129
Jefferson	67	J6P3142

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.

* * * * *

CONSIDERATION OF DISPOSAL OF EXCESS PROPERTY, ROUTE 50 IN OSAGE COUNTY, EXCESS PARCEL NUMBER CD-0901

In keeping with the Commission’s 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, Dave Silvester, Central District Engineer, recommended conveyance of 1.54 acres of excess property located at 1201 East Main Street in City of Linn, to the City of Linn for a consideration of \$200,000.

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

* * * * *

CONSIDERATION OF DISPOSAL OF EXCESS PROPERTY, ROUTE 367 (LEWIS AND CLARK BOULEVARD) IN ST. LOUIS COUNTY, EXCESS PARCEL NUMBER E6-6701, BELLEFONTAINE PROJECT OFFICE

In keeping with the Commission's 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, Tom Blair, St. Louis District Engineer, recommended conveyance of 14.45 acres of excess property located on Route 367 (Lewis and Clark Boulevard) in St. Louis, to the Missouri National Guard for a consideration of \$300,000 to be paid over a 35 year period.

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

* * * * *

-- REPORTS --

The Commission received the following written reports.

REPORT REGARDING EXECUTIVE ORDER 17-03 ADMINISTRATIVE RULE REVIEW PROCESS UPDATE

Ed Hassinger, Chief Engineer, submitted a report that provides a status update on administrative rules. By enacting Section 536.175 RSMo, the general assembly required state agencies to periodically review their administrative rules and repeal those rules that are obsolete or unnecessary and amend those rules to reduce regulatory burdens on individuals, businesses, or political subdivisions or eliminate unnecessary paperwork. MoDOT started its periodic administrative rule review process as required by law on July 1, 2016, and had prepared amendments and rescissions deemed necessary in order to complete the report to the Secretary of State that was submitted on June 30, 2017.

On January 10, 2017, Governor Eric Greitens issued Executive Order 17-03 that requires all state agencies to review all of its rules in the Code of State Regulations and to provide a report to the Governor by May 31, 2018. The executive order stated Missouri government has codified an excessive amount of administrative rules and Missouri citizens and businesses deserve efficient, effective and necessary rules but that such rules should not reduce jobs, limit innovation, or impose costs far in excess of the rule's benefits. It says rules that are ineffective, unnecessary or unduly burdensome must be repealed to attract businesses to Missouri and encourage job growth. The executive order prohibits the Commission from putting proposed new rules, or amended current rules, for notice and comment until approved by the Governor's Office. The executive order requires the Commission to review all of its rules and provides a list of items the department must consider during this review process.

As a result of the Governor's executive order all rulemaking was temporarily suspended until February 28, 2017. The rule review process under the Governor's executive order is separate from and in addition to the Section 536.175 RSMo periodic rule review process and report. Consequently, the

continual review of administrative rules led to the Commission’s desire for a better understanding of where each rule is at in the review and rulemaking process. This report was prepared in response to the Commission’s request and provides a summary of the status of administrative rules currently under review and in the rulemaking process.

As of August 1, 2018 no rules were presented to the Commission for impetus approval, sent to or approved by the Governor’s Office, approved by the Commission for filing, or filed with the Secretary of State and Joint Committee on Administrative Rules. One set of rules recently completed the public comment period: Procurement of Supplies. One set of rules was approved for filing final orders of rulemaking: Financial Assistance (State Transportation Assistance Revolving Fund). Final Orders were filed with the Joint Committee on Administrative Rules for three sets of rules: Ignition Interlock, Railroad, and Transportation Corporations. Final Orders were filed with the Secretary of State for three sets of rules: Plant Collection, Rest Areas, and Traffic Regulation. One set of rules were published in the Code of State Regulations: Disadvantaged Business Enterprise. One set of rules became effective: Design Build.

* * * * *

**FINANCIAL – BUDGET – REPORTS
YEAR-TO-DATE FINANCIAL REPORT, PERIOD ENDING JUNE 30, 2018**

Brenda Morris, Financial Services Director, submitted a written financial report for fiscal year to date June 30, 2018, with budget and prior year comparisons.

* * * * *

CONSULTANT SERVICES CONTRACT REPORT

Eric Schroeter, State Design Engineer, submitted a written report of consultant contracts executed in the month of June 2018, 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 358 active contracts held by individual engineering consultant firms prior to June 1, 2018. Seven engineering consultant services contracts were executed in June 2018, for a total of \$2,236,222. There were sixteen non-engineering consultant contracts executed in June 2018, for a total cost of \$2,526,820.

* * * * *

* * * * *

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

* * * * *

* * * * *

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.

* * * * *