



**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,
THURSDAY, JANUARY 10, 2019**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Thursday, January 10, 2019, at the Missouri Department of Transportation, 105 West Capitol Avenue, Jefferson City, Missouri. Gregg C. Smith, Chairman, called the meeting to order at 10:00 a.m. The following Commissioners were present: Michael B. Pace, John W. Briscoe, Terry L. Ecker, and Robert G. Brinkmann, P.E. Commissioner Michael T. Waters was absent.

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 Thursday, January 10, 2019.

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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.

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, Absent
Commissioner Briscoe, Aye
Commissioner Ecker, Aye
Commissioner Brinkmann, Aye

The Commission met in closed session on Wednesday, January 9, 2019, at 4:30 p.m. and adjourned at 6:00 p.m.

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-- OPEN MEETING --

COMMISSION/DIRECTOR ITEMS

APPROVAL OF MINUTES

Upon motion by Commissioner Briscoe, seconded by Commissioner Pace, the Commission unanimously approved the minutes of the regular meeting held October 3, 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.

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CONSENT AGENDA

Consent Agenda Process

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

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

Consideration of January 10, 2019, Consent Agenda

No items were removed from the consent agenda. Upon motion by Commissioner Pace, seconded by Commissioner Briscoe, 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 January 10, 2019, meeting.

Audit Committee – Commissioner Ecker stated there was no report.

Legislative Committee – Commissioner Pace reported the first session of the 100th Missouri General Assembly began yesterday. Sixty-eight newly elected House and Senate members have been sworn into office. The Commission and MoDOT staff have an opportunity to work with and educate the elected officials who desire to advance Missouri's transportation system in terms of safety, economic growth, and development. Prior to the start of the legislative session, MoDOT staff began visiting with legislators to secure sponsors for the Commission's legislative agenda for 2019. As a result of these legislative visits:

- Rep. Aaron Griesheimer (R-Washington) will be filing legislation that would automatically revoke the driver's license of an individual who may strike a highway worker;
- Rep. Nate Tate (R-St. Clair); Rep. Greg Razer (R-Kansas City); and Sen. Wayne Wallingford (R-Cape Girardeau) have each individually filed legislation that would prohibit the use of hand-held electronic wireless communication devices while driving; and
- Sen. Gary Romine (R-Farmington) will be filing legislation that will replace Missouri's current motor vehicle registration fee model based on taxable horsepower with a registration fee based upon a vehicle's mile per gallon rating.

These legislative proposals align with Governor Parson's workforce development and infrastructure initiatives and MoDOT's values of safety, service, and stability.

Missouri Transportation Finance Corporation (MTFC) – Commissioner Smith stated there was no report. The next Board meeting is scheduled for May 2019.

MoDOT and Patrol Employees' Retirement System – Commissioner Briscoe stated there was no report and the next MPERS board meeting will be held on February 21, 2019.

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DIRECTOR'S REPORT

During the January 10, 2019, Commission meeting, Director Patrick McKenna provided the following report:

Multicultural Video – Director McKenna recognized Tom Blair, St. Louis District Engineer, and Shirlyn Myles, St. Louis District Community Liaison, for their efforts in putting together the Buckle Up Phone Down (BUPD) message in several languages. Rudy Nickens, Director of Equal Opportunity and Diversity, was introduced to discuss those efforts, and shared the video of the BUPD message stated in fourteen different languages by MoDOT employees.

Recognition by Federal Highway Administration – Director McKenna introduced Kevin Ward, the department's Federal Highway Administration Division Administrator. Mr. Ward presented Michael Baker, Information Systems Technology Specialist, with the Federal Highway Administrator's public service award, for his many outstanding contributions to the transportation needs of Missouri and the nation, and for advancing the data sharing efforts between the Federal Highway Administration and MoDOT.

Federal Grants – Last month, the state of Missouri received five federal Better Utilizing Investments to Leverage Development (BUILD) grants, totaling more than \$90 million, for critical infrastructure improvement projects. MoDOT, the City of Kansas City, and the Mid-America Regional Council received \$25 million for the Buck O'Neil Bridge. The Northwest Arkansas Regional Council of Governments, which has jurisdiction in both Arkansas and Missouri, was successful in its quest for \$25 million to complete the Bella Vista Bypass on I-49. The remaining 4.8-mile section is in Missouri, south of Pineville. The City of Maryville received \$10.5 million for its South Main Corridor Improvement project. Sedalia received \$10.1 million for a rail spur that will service a new steel factory under construction. The Southeast Missouri (SEMO) Regional Port Authority received \$19.8 million to build a rail-barge terminal that consists of a loop track for the accommodation of unit trains, a rail-to-barge conveyor system, and a river barge load out terminal. Also last month, MoDOT submitted three applications for the federal Competitive Highway Bridge Program, which Congress established last year, with selections to be made in late spring.

Missouri State Employees Charitable Campaign – Director McKenna relayed he was very proud of MoDOT's employees for their generosity. He reported for the eleventh time in the last twelve years, MoDOT led all state agencies in contributions to the Missouri State Employees Charitable Campaign with \$131,412. This is the fifteenth consecutive year the statewide campaign raised more than \$1 million. Director McKenna recognized and thanked the committee members, Anne-Marie Scott, Jessica Basinger, Amanda Woody, Paula Clay, and Nichole Hamlin for coordinating the campaign.

Organizational Assessment and Succession Plan – Last April, MoDOT procured the services of TransPro/Advanced Management Consulting to provide the department with an organizational assessment and succession plan. Through late spring and early summer, they conducted interviews and

focus groups across the organization. The consultant report, along with other factors such as staff turnover and retirements, helped inform the decision to make several changes to the way MoDOT is structured. MoDOT is now ready to move forward with its succession plan, which will enable the department to operate more efficiently and react more quickly while supporting its goals of safety, service, and stability. The decision was made to fill the vacant Chief Financial Officer and Assistant Chief Engineer positions, and to create two new positions – Chief Safety and Operations Officer and Chief Administrative Officer. These moves allow the department to elevate critical leadership over operations, help continue to emphasize the safety culture, and provide additional support to employees. The Director announced Brenda Morris as the new Chief Financial Officer; Eric Schroeter as the new Assistant Chief Engineer; Becky Allmeroth as the new Chief Safety And Operations Officer; and Micki Knudsen as the new Chief Administrative Officer. Misty Volkart was named as the new Audits and Investigations Director due to Bill Rogers’ retirement. The Director commented these organizational changes bring balance to decision making at the executive level in a way that employees have requested to see more focus on safety and the people and processes across the enterprise.

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MODOT PRESENTATIONS

ENTERPRISE RISK MANAGEMENT

On behalf of the Director, Misty Volkart, Audits and Investigations Director, presented the annual Enterprise Risk Management (ERM) report. Ms. Volkart explained Enterprise Risk Management is an organization strategy for identifying, assessing, and managing overall risk to an organization. ERM provides a broad framework for managing risks, identifying an organization’s most significant risk, and managing those risks within an acceptable level to insure the organization’s objectives are met. For ERM to be successful, an organization needs to know their risks and develop a clear strategy and define goals.

MoDOT began to conduct the ERM process in 2011 as a good governance activity. This process has helped the department strategically review the risks that could impact its ability to deliver the department’s mission and assess strategies to mitigate those risks. ERM involves the Commission, department leadership, and employees in assessing the risks. Commission policy requires the department have an ERM process and provide an annual report to the Commission regarding that process. The initial ERM assessment took place in 2012; this is the fifth time the department has been

through the process. Ms. Volkart provided the Commission with a detailed report, and reviewed in her presentation with the Commission what changed since the last ERM review and highlighted the top five areas of risk.

There are ten risk areas that have been identified and are ranked in the order of highest risk to lowest risk: financial, workforce, public opinion/support, political risk, transportation system failures, natural disasters, safety and security, legal and regulatory changes, information technology, and fraud and theft. Ms. Volkart then highlighted the top five risks and how the Senior Management Team (SMT) assessed each of those risks. Each risk is rated in the terms of the impact should the risk occur, the likelihood of the risk occurring, and MoDOT's readiness to deal with the risk.

Work Force increased in 2018 and was ranked as the number one risk indicating the SMT is most concerned about the potential of work force issues with turnover and the loss of experienced employees. The impact rating had a miniscule increase from 3.3 in 2017 to 3.4 in 2018, the likelihood rating increased slightly from 3.1 in 2017 to 3.3 in 2018, and readiness rating showed no fluctuation from 2017 at 2.7. The scores indicate the SMT still believes work force issues are likely to occur due to lack of funding and pay increases, the department is still slightly less prepared to deal with work force issues. While a small pay increase starts in January 2019, MoDOT is continuing with the Commission approved pay plan strategy to increase pay.

Financial was ranked second, down from the number one risk for the past four years. The SMT is still concerned with the lack of new funding. Scores on the three dimensions of impact, likelihood, and readiness are virtually unchanged since 2017.

Public Opinion/Support was assessed the third risk, up from fourth in 2017. The likelihood and readiness scores showed minimal change from 2017. SMT members still assess the impact of the potential loss of public opinion/support to be serious. The use of the Citizen's Guide to Transportation

Funding in Missouri is utilized to educate the public on how transportation is funded. This document helps the department be prepared to deal with this challenge.

Political risk ranked fourth, down from second in 2017. The likelihood and readiness were virtually unchanged, while impact scores showed a small decrease from 3.0 in 2017 to 2.6 in 2018. The SMT believes the impact of political pressures on transportation initiatives will be a continued concern for the department. The use of the Citizen's Guide to Transportation Funding in Missouri is utilized to educate elected officials on how transportation is funded. This document helps the department be prepared to deal with this challenge.

Transportation System Failures again ranked fifth indicating the SMT believes that failures in the system are still likely to occur because of declining investment and stagnant operating budgets. The impact assessment had minimal change from 3.0 in 2017 to 3.1 in 2018. A score of 4.0 means the impact would be devastating. The likelihood also remained at 2.0, indicating the SMT believes transportation system failures are still likely to occur. Finally, the readiness score remained virtually the same, indicating the department is still somewhat more prepared.

Ms. Volkart concluded her presentation and noted the existence of an enterprise risk management process within an organization is recognized as an example of good governance and important to strategic management of organizational risk. This process continues each year as SMT and employees identify, assess, and monitor organizational risks. Director McKenna pointed out that this is a process initiated by the Commission in exercising the fiduciary responsibilities to get a better sense that MoDOT was not only recognizing the potential risks that exist but also putting together reasonable strategies and plans to help mitigate those risks. He stated it was a gap in the department's management structure and it's working well, but agreed with Ms. Volkart that it needs to actually be a living, breathing function and which Ms. Volkart has plans going forward to help reengage this process and keep it living and breathing. Commissioner Pace expressed his concerns that the workforce risk is

usually rated high and that the employees need to be compensated for their hard work. Commissioner Smith thanked Ms. Volkart for her presentation.

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LOW VOLUME ROUTES OVERVIEW

On behalf of the Director, Becky Allmeroth, State Maintenance Engineer, and Randall Ipock, Southeast District Maintenance Superintendent, reported on the low volume routes and what was accomplished in 2018 on low volume routes with the operating budget. Ms. Allmeroth reported the low volume routes account for about thirty-three percent or 11,000 miles of the entire system; however, those miles only account for two percent of the total miles traveled in the state. The major routes account for just over 5,500 miles but they account for seventy-six percent of the vehicle miles traveled. Low volume roads are currently rated at seventy-three percent good condition. Low volume roads carry less than 400 vehicles per day and serve local transportation needs. The department is using asset management to maintain the roads in good condition with the available funding. The asset management goal for low volume roads is seventy percent in good condition. The department uses operating budget funds to achieve its asset management goal on low volume roads. The operating budget covers the low volume pavements, routine maintenance for all routes, and bridge and pavement repairs for all routes. In addition to the pavement on the low volume routes, there are about thirty activities that compete daily for that limited operating budget. About fifty percent of the operating budget covers the top five activities: asphalt pavement repair; snow and ice prevention and removal; mowing; striping; and chip sealing. Ms. Allmeroth then reported on the 2018 and 2019 maintenance plan that includes work on low volume roads in every county. She also reported on the low volume road work that was completed in 2018 with the operating budget funds, this included the management of three traffic management centers and over:

- 66,000 line miles of striping

- 750,000 tons of asphalt pavement repair and patching
- 440,000 pounds of crack sealing
- 3,400 lane miles of chip sealing
- 4.9 million square feet of bridge deck sealing
- 150,000 linear feet of pipe culverts repaired
- 500,000 acres of right-of-way mowed
- 24,000 lane miles of sweeping
- 23,000 square yards of concrete pavement repair
- 11,000 miles of edge rut repair
- 7,200 bridges flushed at least once
- 88,000 square feet of bridge deck repair
- 2,500 signals managed and maintained
- 250 dynamic message signs operated
- 150,000 square feet of signs installed
- 600 cameras operated

Mr. Ipock reported prior to the asset management plan, the work on the roadway was for structure and not for ride – keep roads safe and passable by addressing drainage and substructure issues. Now crews can work on full route treatments. Mr. Ipock described the different materials and types of sealing work the crews can apply to low volume routes. Ms. Allmeroth concluded with the explanation that there is a delicate balance when funding to meet asset management goals. To increase the goal for condition of low volume roads requires either new funding or taking funding from other areas such as major routes, minor roads, or bridges; which then leads to a reduction in condition in those areas. Commissioner Brinkmann inquired about the different materials and processes used on full route treatments. Commissioner Smith thanked Mr. Ipock and Ms. Allmeroth for their presentation.

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FINANCIAL FORECAST UPDATE

On behalf of the Director, Brenda Morris, Financial Services Director, presented the financial forecast for fiscal years 2020-2024. MoDOT prepares an annual financial forecast to estimate future revenues and disbursements. The forecast is the basis for MoDOT’s operating budget and the funding targets provided to planning partners and MoDOT staff to select projects for the Statewide

Transportation Improvement Program (STIP). The financial forecast estimates the various components of state revenue, including the state motor fuel tax, motor vehicle sales taxes, motor vehicle and drivers' license fees, and federal funds from the federal motor fuel tax and other sources as provided by Congress.

Because of the changes in the revenue assumptions, state revenues from the motor fuel tax, motor vehicle sales tax, and motor vehicle and drivers' licensing fees for 2019-2024 are projected to be \$83.5 million less than the forecast prepared in January 2018. Fiscal year 2018 highway user fees from the state fuel tax, motor vehicle sales tax, and motor vehicle and drivers' licensing fees were \$3 million (.03 percent) more than projected. When the fiscal year 2018 revenues were more than projected, it increased the starting point for revenue growth in future years.

The motor fuel tax and motor vehicle and drivers' licensing fees growth assumptions have been increased in this forecast, compared to the previous forecast. The growth assumption for motor fuel tax increased from 0.25 percent in 2019 through 2021 and 0.0 percent in 2022 and subsequent years of the previous forecast to 0.75 percent in 2019, 0.50 percent in 2020, 0.25 percent in 2021, and 0.0 percent in 2022 and subsequent years. Fuel prices have remained comparatively low, and consumers are driving more; however, declining revenue growth is expected as vehicles are becoming more fuel efficient. The growth assumption for motor vehicle and drivers' licensing fees has increased from 1.25 percent to 1.75 percent growth assumption in 2019 and subsequent years.

Motor vehicle sales tax revenues had been projected to grow in the past, now motor vehicle sales tax growth assumption decreased to 2.0 percent in 2019 through 2021 and 3.0 percent in 2022 and subsequent years compared to the previous forecast of 4.5 percent in 2019 through 2023 and 4.0 percent in 2024 and subsequent years.

Federal revenues include the federal funds for construction projects, preventive maintenance, design work, planning and research, and pass through funds to local entities. The financial forecast

assumes Congress will provide the funding levels as authorized by the Fixing America's Surface Transportation (FAST) Act through 2020 and approve additional Federal Highway Trust Fund receipts to sustain the same funding level for 2021 and subsequent years. The financial forecast also demonstrates the potential impact of federal inaction which could result in a \$330 million decline in contractor awards in 2021 and beyond. This information will be incorporated into the STIP process to determine projects in jeopardy. Ms. Morris noted for the first two years the department is anticipating slightly less in federal funds and then it rebounds back to similar level as the previous forecast. This brief reduction is due to shifting one project from 2019 to 2020 which impacts contractor awards and ultimately federal funds received. Based on current financial projects, MoDOT will be able to match all anticipated federal funds in the forecast period.

The financial forecast includes the Cost Share program funds of \$15 million in 2019, \$25 million in 2020, \$30 million in 2021, \$35 million in 2022, \$40 million in 2023, and \$45 million in 2024 and subsequent years. This assumption is the same as the previous forecast.

Ms. Morris reviewed the anticipated disbursements included in the forecast and started with a review of the operating budget expenditures. The forecast includes funding the five-year pay strategy adopted by the Commission at the September 1, 2016 meeting, the Emergency Operations Stabilization and Market Adjustment, and an annual 2 percent cost of living adjustment starting in 2023. A cost of living adjustment of 1.1 percent, a one-step pay increase, and a one-step pay increase for all employees within steps one through nine of their salary grade, totaling \$9.8 million for salaries and \$5.7 million for the associated fringe benefits, were included in the fiscal year 2020 appropriations request submitted to the Office of Administration last October. Raises are contingent each year on legislative action and Commission approval.

Fiscal years 2020 through 2025 include \$7 million more in the expense and equipment portion of the operating budget to address equipment needs and an additional \$5 million more to address needs for materials, equipment, and facilities starting in 2023.

For the 2019-2024 period, the forecast relies on deficit spending in each year. The average deficit spending is \$63.6 million per year. Deficit spending will reduce the cash balance amount from an estimated \$622 million in 2019, and the State Road Fund balance continues to decline to \$251 million in 2025. Debt covenants and the Missouri Constitution require MoDOT to maintain one year of Senior Lien debt service in the State Road Fund. In addition, a balance needs to be maintained in the State Road Fund to allow a response to fluctuations in how disbursements and revenues occur for unanticipated expenditures such as a natural disaster.

The forecast includes only road and bridge revenues and disbursements. Contractor awards are expected at \$730 million in 2019, with an increase to just over \$1 billion in 2020, and then for 2021 and 2022 at \$900 million, and then \$875 million for 2023 and beyond. The significant change from 2019 to 2020 is due to the movement of \$170 million for the I-270 project in the St. Louis district. If Congress fails to act to find additional resources for the Highway Trust Fund, contractor awards could drop to \$570 million per year starting in 2021. The targets based on this forecast and the potential federal funds reduction will be used to develop two plans for this STIP.

Director McKenna stated the department is in a period very similar to 2014, following the failure of Amendment 7 at the polls, however, he noted that MoDOT is approaching this financial uncertainty a little bit differently. MoDOT can appropriately plan for the projects and to decide jointly with the communities the projects that would be at risk. The department can still plan for the higher amount of work because there is so much lead time in the work that is done to allow time to adjust should federal funds decline. That is a more appropriate response to the external environment the department faces and also it will build a credible argument for those things at risk should the state and the federal government

not respond accordingly with resources. The contracting community has to plan their human and capital resources years in advance just as MoDOT's does and they need to know the department is committed to the work that needs to be done here in Missouri. Commissioner Smith thanked Ms. Morris for her presentation.

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BUSINESS ISSUES

FISCAL YEAR 2019 BUDGET AMENDMENT

On behalf of the Director, Brenda Morris, Financial Services Director, recommended increasing federal reimbursement \$110,000 and disbursements \$1.9 million. 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 2019 budget amendment described above.

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

On behalf of the Director, Brian Kidwell, Kansas City District Engineer, advised the Commission that in response to a petition filed February 13, 2018, with the Circuit Court of Jackson County by the City of Lee's Summit; the court established the I-470 Western Gateway Transportation Development District (TDD) as a political subdivision on May 24, 2018. The proposed project includes the construction, reconstruction, and maintenance of improvements to View High Drive, River Road, and Paragon Parkway, North Drive, North/South Access Road and I-470 and View High Drive interchange. 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 designee, as the Commission advisor to the I-470 Western Gateway TDD board of directors, and (2) found the upgrades 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 Alternatives – Transportation Development Districts Policy, the Director, Chief Engineer, Chief Financial Officer, or Assistant Chief Engineer may execute the related agreements.

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STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM (STIP)
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 B02 and H03 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 December 14, 2018, letting, as recommended and noted in Table I below, (2) declare the bid from Ideal Landscape Management, Inc. dba Ideal Landscape Group for Call B03 in the Northeast District as non-responsive 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
December 14, 2018, Bid Opening**

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
A03	BUS 71	Andrew	J1S3189	\$1,368,454.65	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Coldmill and Resurface
A04	Z	Grundy	J1S3281	\$1,043,106.90	\$0.00	Herzog Contracting Corp.	Resurface
	J	Caldwell, Daviess	J1S3282				
A05	BUS 71, 59	Andrew	J1S3190	\$1,109,626.34	\$0.00	Vance Brothers, Inc.	Resurface
B02*	54	Pike	J2P3133	\$9,897,643.84	\$0.00	Magruder Paving, LLC	Coldmill and Resurface
		Audrain, Pike	J2P3217				ADA Improvements
		Audrain, Pike, Ralls	J2P3135				Coldmill and Resurface
B03	19	Montgomery	J2P3228	\$384,031.00	\$0.00	K.J.U., Inc. dba K.J. Unnerstall Construction Co.	Slide Repair
B04	F	Randolph	J2S3230	\$511,603.84	\$0.00	Capital Paving & Construction, LLC	Resurface
B05	W	Warren	J2S3231	\$519,378.14	\$0.00	Mid-River Asphalt, Inc.	Resurface
B06	A	Ralls	J2S3242	\$456,244.92	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Resurface
C01	AA	Platte	J4S3313	\$2,001,052.72	\$0.00	Ideker, Inc.	Resurface
	C		J4S3315				
	N		J4S3312				
	D	Ray	J3S3144				
		Clay	J4S3322				
	O	Ray	J3S3135				
C02	I-70	Jackson	J4I3124	\$1,546,072.89	\$0.00	Superior Bowen Asphalt Company, LLC	Coldmill and Resurface
C03	BB	Jackson	J4S3309	\$2,994,059.80	\$0.00	Chester Bross Construction Company/C.B. Equipment, Inc.	Resurface
			J4S3310				
	E	Cass	J4S3302				
	F	Jackson	J4S3314				

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
C04	F	Cass	J4S3303	\$3,868,843.56	\$0.00	Capital Paving & Construction, LLC	Resurface and Seal Coat
	A		J4S3308				
	O		J4S3317				
	N		J4S3311				Seal Coat
	D		J4S3306				Resurface
	Y		J4S3307				
	18	Bates	J7S3236				
C05 and C06	E	Platte	J4S3305	\$560,031.45	\$0.00	Vance Brothers, Inc.	Seal Coat
	CC	Clay	J4S3320				
	E		J4S3319				
	RA		J4S3318				
	JJ	Clay	J4S3316				
D02	163	Boone	J5S3218	\$3,550,798.97	\$0.00	Sam Gaines Construction, Inc.	ADA Improvements
	763		J5S3159				
D03	I44 OR	Crawford	J5S3247	\$1,030,690.37	\$0.00	Capital Paving & Construction, LLC	Resurface
D04	133	Pulaski	J5S3372	\$209,626.00	\$0.00	Leavenworth Excavating & Equipment Company, Inc.	Scour Repair
F01	M	Jefferson	J6S3167	\$535,400.00	\$0.00	Pace Construction Company	Resurface
F02	T	St Charles	J6S3185	\$7,474,777.00	\$0.00	Pace Construction Company	Resurface and Shoulder Widening
			J6S3186				Resurface
F03	ZZ	Franklin	J6S3226	\$864,330.70	\$0.00	Lehman Construction, LLC	Bridge Replacement
F04	B	St Charles	J6S3329	\$1,959,096.57	\$0.00	Magruder Paving, LLC	Coldmill, Resurface and Culvert Replacement
H01	60	Texas, Wright	J9P3120	\$5,486,000.00	\$0.00	Pace Construction Company	Resurface
	63	Texas	J9P2243				
			J9P3117				
H02	61	Cape Girardeau	J9P3126	\$1,546,900.72	\$0.00	Joe's Bridge & Grading, Inc.	Bridge Rehabilitation
	W		J9S3506				Culvert Extension
	NN		J9S3286				Bridge Replacement
	W	Scott	J9S3280				Culvert Replacement
	N	J9S3500					

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
H03**	61	Scott	J9S3282	\$3,050,000.00	\$0.00	Pace Construction Company	Coldmill and Resurface
	62		J9S3271				
	114	New Madrid, Scott, Stoddard	J9S3287				
			TOTAL:	\$51,967,770.38	\$0.00		

* Call B02 – Funding by City of Vandalia – \$56,641.67

** Call H03 – Funding by City of Sikeston – \$37,842.00

Commission Consideration and Action

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

1. Awarded contracts to the lowest responsive bidders for bids received at the December 14, 2018, bid opening, as recommended and noted in Table I above. Non-contractual costs for these projects are shown on the above tabulation.
2. Declared the bid from Ideal Landscape Management, Inc. dba Ideal Landscape Group for Call B03 in the Northeast District as non-responsive per Section 102.7.4 of the Missouri Standard Specifications for Highway Construction.
3. Authorized the Director, Chief Engineer, Chief Financial Officer, or Assistant Chief Engineer to execute the contracts awarded above.

Commissioner Waters abstained from voting on Call C01. Commissioner Briscoe abstained from voting on Call B06. Commissioner Brinkmann abstained from voting on call H02.

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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>
Christian	14	J8P3093
Scott	77	J9S3281

In accordance with Section 227.050 RSMo, the Commission via approval of the consent agenda, approved the detailed project plans for the above noted projects and directed they be filed as necessary for the condemnation of right of way.

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PROPERTY ACQUISITION AND CONVEYANCES

CONSIDERATION OF EXCESS PROPERTY DISPOSAL, INTERSTATE 29/35 IN CLAY COUNTY, EXCESS PARCEL NUMBER KC-0727

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, Brian Kidwell, Kansas City District Engineer, recommended conveyance of 1.04 acres of land located at the southwest quadrant of Interstate 29/35 and Route 210 in Clay County, to QuikTrip Corporation for a consideration of \$430,000.

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

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-- **REPORTS** --

REPORTS

The Commission received the following written reports.

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

Ed Hassinger, Chief Engineer, submitted the final report regarding the status update of 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 final report was prepared in response to the Commission’s request and provides the status of administrative rules in the rulemaking process.

As of January 10, 2019, one set of rules became effective: Procurement of Supplies. All other rulemaking has been completed; therefore, no further reporting will be necessary.

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

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

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CONSULTANT SERVICES CONTRACT REPORT

Eric Schroeter, State Design Engineer, submitted a written report of consultant contracts executed in the month of November 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 360 active contracts held by individual engineering consultant firms prior to November 1, 2018. Sixteen engineering consultant services contracts were executed in November 2018, for a total of \$4,766,846. There were no non-engineering consultant contracts executed in November 2018.

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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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