



ADVANCE ECONOMIC DEVELOPMENT

Lester Woods, External Civil Rights Director

Tracker

MEASURES OF DEPARTMENTAL PERFORMANCE



Missouri's transportation system has a direct impact on the state's economy. Missouri businesses depend on our roadways, rail, waterways and airports to move their products and services both nationally and globally. An efficient, well-connected transportation system helps attract new businesses to our communities and helps existing businesses maintain a competitive edge with easy customer access, minimal shipping costs and strong links to a diverse workforce. We believe investments in transportation should create jobs and provide opportunities for advancement to all Missouri citizens. An investment in transportation should provide a positive economic impact on both the citizens we serve and the communities in which they live.

RESULT DRIVER:
Lester Woods
External Civil Rights Director

MEASUREMENT DRIVER:
Eva Voss
Transportation Planning Specialist

PURPOSE OF THE MEASURE:
This measure tracks the economic impact resulting from the state's transportation investments.

MEASUREMENT AND DATA COLLECTION:
MoDOT works with the Economic Development Research Group to perform economic impact analyses for the state's transportation investments. The analyses are performed using a model called the Transportation Economic Development Impact System. The TREDIS model results demonstrate a strong link between transportation investment and economic development.

This target was set by analyzing historical performance. MoDOT would like to reach the performance level that was achieved in the 2014-2018 STIP cycle.

ADVANCE ECONOMIC DEVELOPMENT

Economic return from transportation investment – 7a

Investment in transportation improvements has long been held as a major economic engine that drives growth in job creation, personal income and new value added to Missouri's economy.

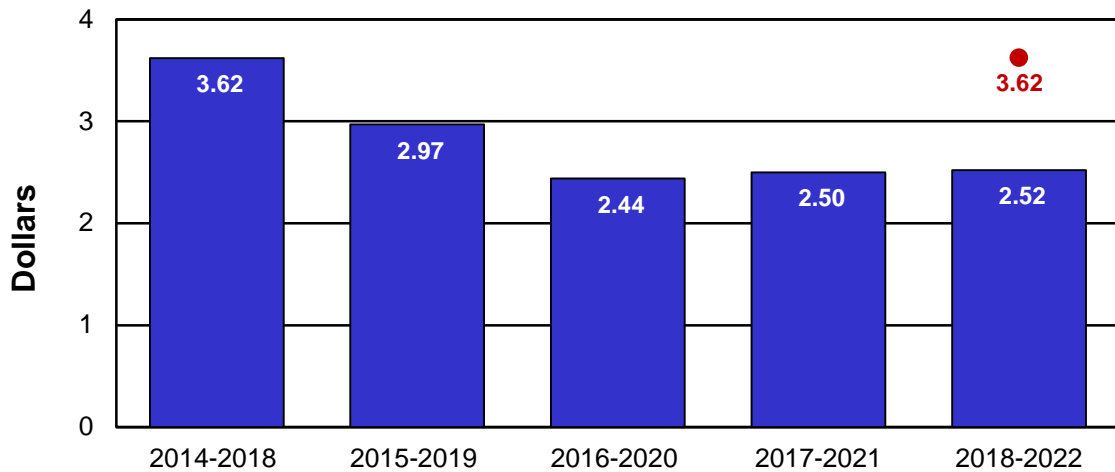
Based on MoDOT's 2018-2022 Statewide Transportation Improvement Program investment of \$5.9 billion, the program is estimated to create 4,577 jobs – a 5 percent increase when compared to MoDOT's 2017-2021 STIP. Transportation investments are expected to contribute \$14 billion of economic output during the next 20 years, resulting in a \$2.52 return on every \$1 invested in transportation. This year's return on investment, \$2.52, is approximately a 1 percent increase in comparison to last year's STIP return of \$2.50.

The increase in economic return is due to the increasing construction investment of highway and bridge improvements. Though these figures tell a powerful economic story, they are also a sign of missed opportunity. Current investments must focus on maintaining our current transportation system rather than new major projects that offer a larger economic return.



ADVANCE ECONOMIC DEVELOPMENT

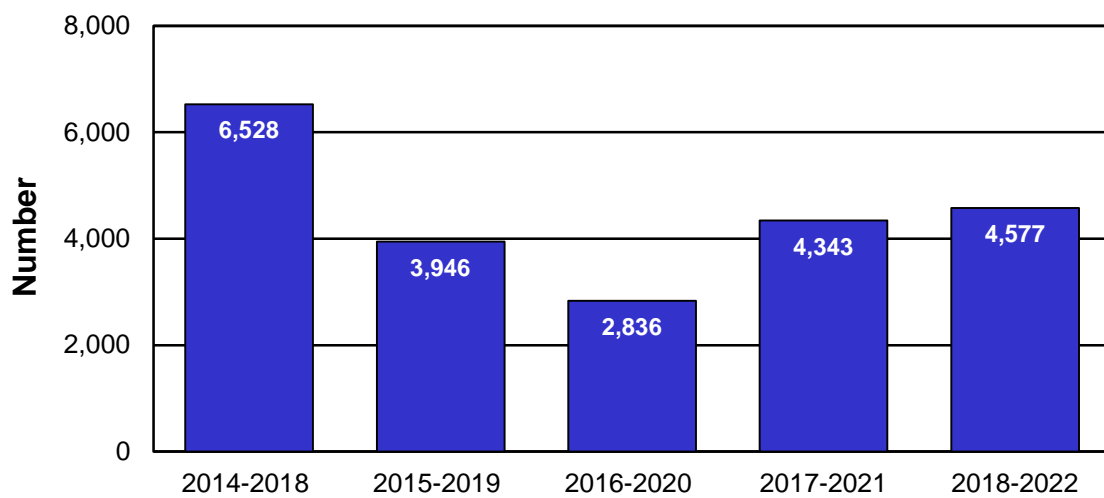
Economic Return from Transportation Investments
20-Year Benefit Ratio for Every Dollar Invested



Fiscal Years

2017
TARGET
↑\$3.62

Economic Return from Transportation Investments
Annual Jobs Completed



Fiscal Years

DESIRED TREND

RESULT DRIVER:
Lester Woods
External Civil Rights Director

MEASUREMENT DRIVER:
Cheryl Ball
Administrator of Freight and Waterways

PURPOSE OF THE MEASURE:
This measure tracks the estimated cost of transporting representative Missouri products from key economic industries (chemical manufacturing, transportation equipment and agriculture) to top destinations as compared to shipping the same products from competitor states. The relative costs for these illustrative products serve as a proxy for Missouri's competitiveness on transport costs as a whole.

MEASUREMENT AND DATA COLLECTION:
Transearch 2011 freight data was used to identify products representative of Missouri's economic drivers as well as the top origins, destinations and modes of transport. Estimates of the transport costs are calculated using different external sources for the modes: (1) The 2014 American Transportation Research Institute report, An Analysis of the Operational Costs of Trucking, (2) AAA's diesel on-highway price data, (3) the Bureau of Labor Statistics wage data, (4) the Surface Transportation Board's Uniform Railroad Costing System and (5) the USDA's Average Weekly River Barge Rates.

ADVANCE ECONOMIC DEVELOPMENT

Goods movement competitiveness – 7b

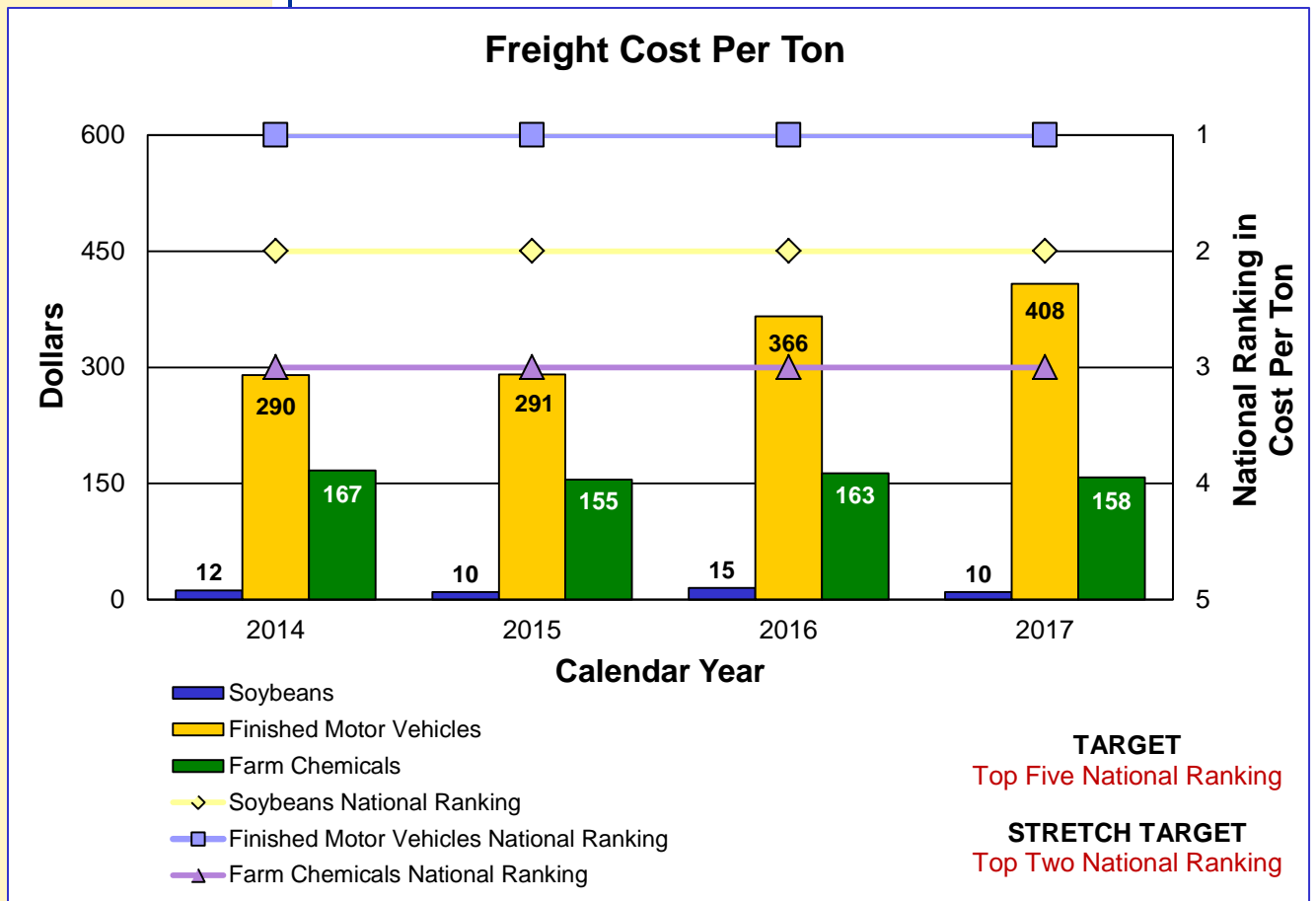
Product transportation costs vary depending on the efficiency, reliability, safety and modal options in a state's transportation system. Accumulation of costs to transport, starting at product origination through travel to the production facility and finally to market, directly impact the final cost of a product as well as how competitive the product is in the global market. Transportation costs account for 9 - 14 percent of a product's market price. Therefore, maintaining low transportation costs is critical to retain and expand current businesses in Missouri as well as attracting new businesses to create new employment.

The three key Missouri products (soybeans, finished motor vehicles and chemical manufacturing) account for more than \$8 billion in revenue annually and employ more than 300,000 Missouri workers. Missouri producers of these products compete with other states and other countries for customers. MoDOT compares Missouri transportation costs to those of the closest domestic competitors. At this time, Missouri's transportation cost is among the lowest of these competitors.

Deterioration of any of the factors influencing transportation cost not only impacts the competitiveness of Missouri products in external markets, it also influences the cost to bring products into Missouri, which controls the prices at local stores.

MoDOT plays an active role in keeping costs low by working with existing businesses to identify transportation barriers that reduce their competitiveness regardless of transportation mode. These barriers can include bridges with load postings, closed bridges, rough pavement, at-grade rail crossings, congestion and inability to access a port or airport. MoDOT works to find solutions for these barriers, but Missouri's transportation funding does not allow the agency to fully respond to those needs.

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RESULT DRIVER:
Lester Woods
External Civil Rights Director

MEASUREMENT DRIVER:
Bryan Ross
Senior Multimodal Operations Specialist

PURPOSE OF THE MEASURE:
This measure tracks the amount of freight moved by Missouri's largest transportation modes.

MEASUREMENT AND DATA COLLECTION:
Twice a year, a freight tonnage estimator is used to calculate the amount of freight moved by railroads and highways. The estimator provides timely information for Missouri's primary freight movers. Freight data for aviation and waterways is a combination of direct surveys and trend analysis. This measure's data is estimated yet provides an indication of current trends and movements.

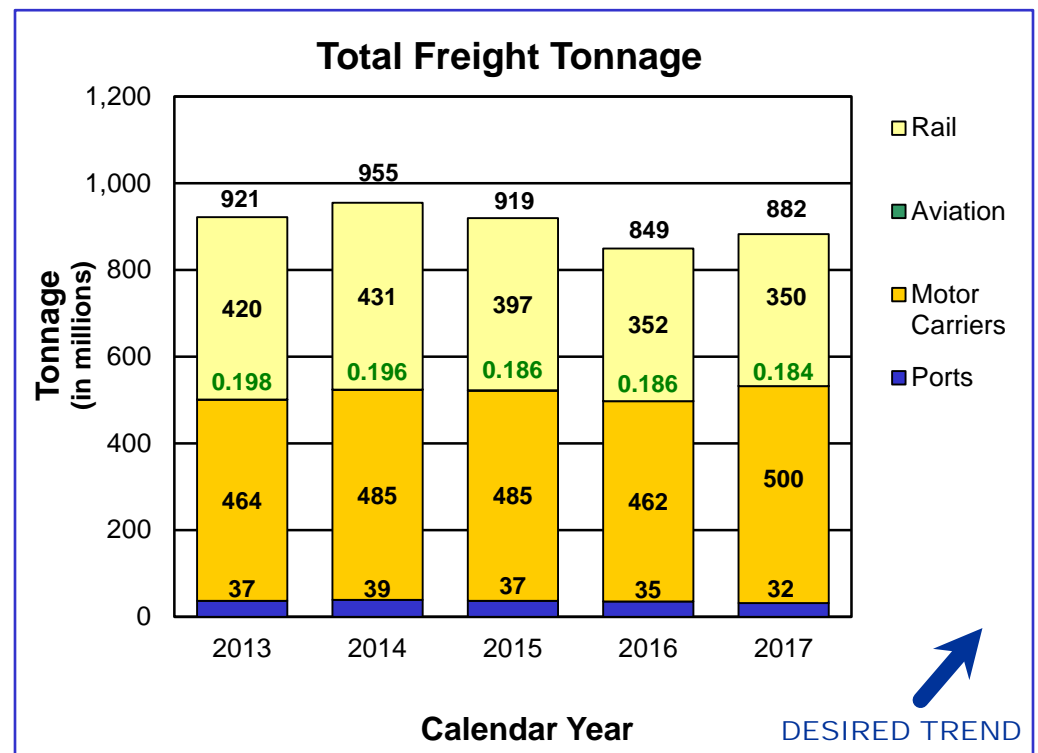
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Freight tonnage by mode – 7c

Everything comes from somewhere. How it gets from place to place depends on a number of factors. The different transportation modes experience volume shifts from year to year often based on the health of the national economy and shifts in consumer preferences. A key element to a healthy economy is a robust transportation system.

State funding cannot address transportation needs other than highways and bridges. Moving hundreds of million tons of freight a year requires thoughtful improvements of transportation facilities such as ports, railroads and airports. Yet many of these needs remain underfunded.

In calendar year 2017, Missouri experienced an overall 3.9 percent increase in freight movements as compared to 2016. However, only freight movement by truck experienced an increase (8.2 percent), while the other modes each saw decreases (rail -0.5 percent; water -8.6 percent; air -1.1 percent). Coal continues to be the largest commodity shipped by rail, and while coal shipments increased from 2016-2017, 2017 still marked the second fewest number of carloads of coal since 1988. Motor carriers continued to haul the most tonnage and experienced an 8 percent increase in shipping, which parallels an increase in U.S. consumer spending and the overall economy. However, ports experienced an estimated 8.6 percent decrease in tonnage. The reduction made in the estimate of waterborne shipments is attributed to a rush of shipments made in late December 2016 that normally would have been made in January 2017, plus flooding on the Mississippi River in April/May 2017.



RESULT DRIVER:
Lester Woods
External Civil Rights Director

MEASUREMENT DRIVER:
Brian Reagan
Transportation System
Analysis Engineer

PURPOSE OF THE MEASURE:
This measure is proposed to be used as a Fixing America's Surface Transportation Act national freight performance measure.

MEASUREMENT AND DATA COLLECTION:
Annual hours of truck delay quantifies the extra time spent by commercial motor vehicles on an interstate corridor based upon a state-determined threshold. Missouri's threshold is set at 55 mph in St. Louis and Kansas City. All other rural areas have a threshold of 65 mph. Speeds below that rate indicate congestion and/or other delay factors for trucks. Missouri chose this threshold because many commercial trucks are governed at 65 mph even though the posted speed limit for most interstate highways is 70 mph. Commercial vehicle delays on the interstate system may be caused by congestion due to factors such as traffic, severe weather, safety inspections or roadway geometrics. AHTD is composed of vehicle miles traveled by trucks, speed of travel and the desired speed of travel.

This target will be updated annually.

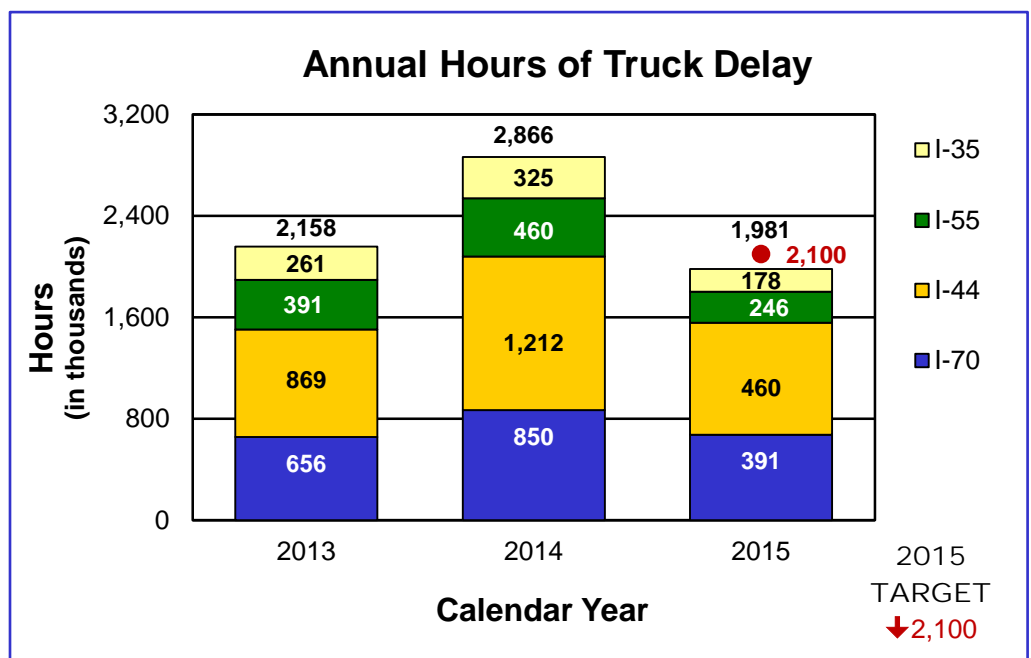
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Annual hours of truck delay – 7d

Time is money. Delay impacts the cost of goods and reduces an organization's ability to compete on a global basis. American businesses require more operators and equipment to deliver goods when delays lengthen shipping time. Businesses must hold more inventories in more distribution centers to deliver products quickly when lengthier trips are unreliable and slow. Slow traffic also affects the local economy by reducing the number of workers and job sites within easy reach of a location.

Growth in freight volumes is a major contributor to congestion in urban areas and on intercity routes. Long-distance freight movements are often a significant contributor to local congestion, and local congestion typically impedes freight to the detriment of local and distant economic activity. Unfortunately, Missouri's long-term transportation funding is insufficient to address congestion factors.

On average, those shipping by truck can expect a delay of 13.3 minutes per trip on I-70, 29.2 minutes on I-44, 12.7 minutes on I-55 and 8.6 minutes on I-35. The annual cost of delay for the trucking industry on I-70 is \$45.7 million, \$58.1 million on I-44, \$16.9 million on I-55 and \$12.3 million on I-35.



*2013 data contains only July through December.

RESULT DRIVER:
Lester Woods
External Civil Rights Director

MEASUREMENT DRIVER:
Brian Reagan
Transportation System
Analysis Engineer

PURPOSE OF THE MEASURE:
This reliability measure is proposed to be used as a Fixing America's Surface Transportation Act national freight performance measure. By annually comparing the reliability index number for each corridor, MoDOT can determine if the corridor has become less or more reliable. A lower index for a succeeding year means reliability has improved.

MEASUREMENT AND DATA COLLECTION:
This measure uses the Truck Reliability Index, a ratio of the total truck travel time needed to ensure on-time arrival four out of five times to the agency-determined threshold speed of 55 mph in St. Louis and Kansas City, and 65 mph in all other rural areas. The ratio is used to gauge consistency in truck freight travel times. Further guidance about data requirements and measure methodology will be forthcoming from the Federal Highway Administration.

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Truck reliability index – 7e

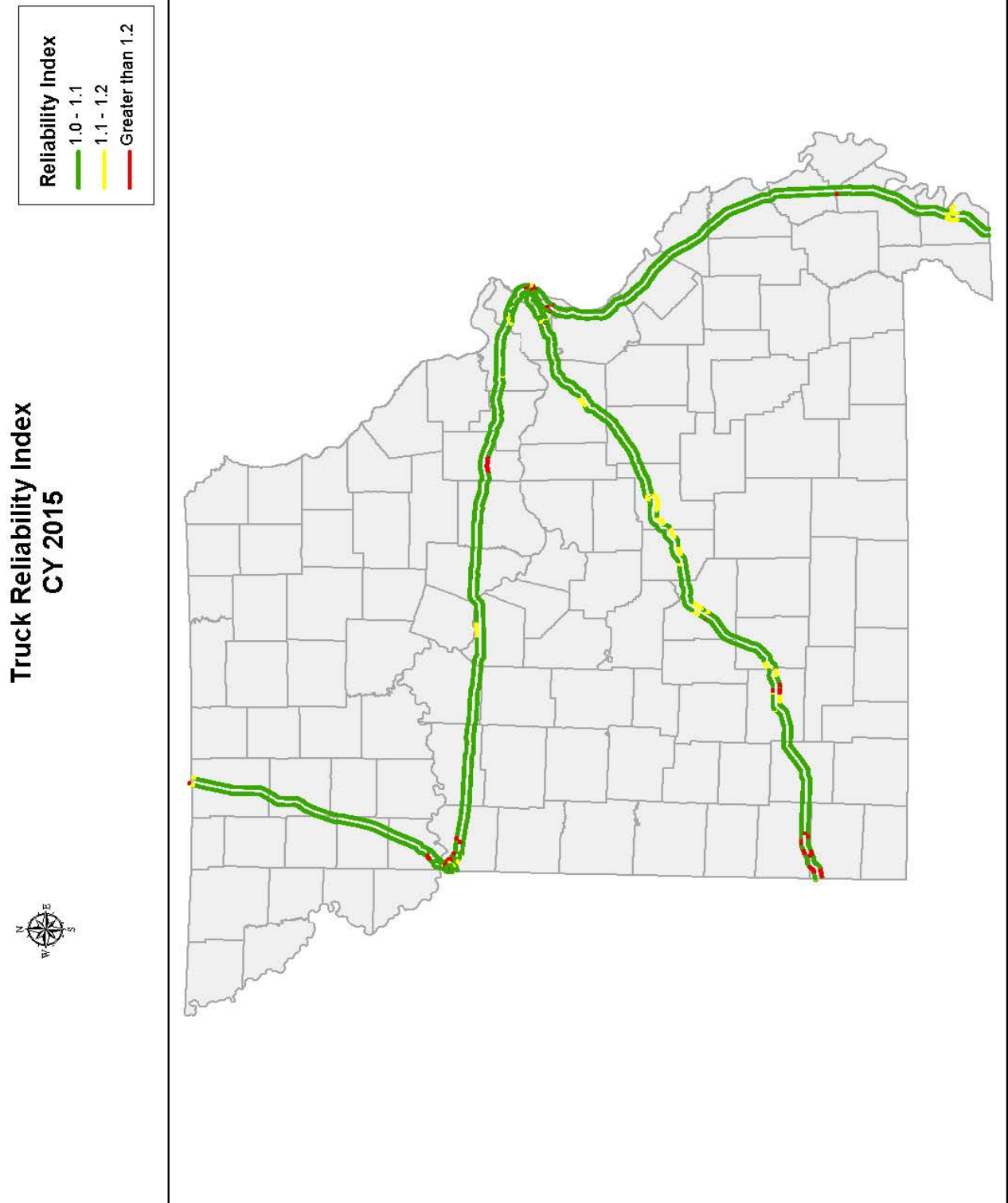
The reliable movement of goods by truck is critical to Missouri's economy. Travel time reliability is the variation of travel time for the same trip from day to day. When the variability is large, the travel time is unreliable; and, vice versa, when there is little to no variability, the travel time is reliable. Variable or unpredictable travel times make it more difficult for motor carriers and shippers to plan their travel, often forcing them to add extra time to protect themselves against the uncertainty of arrival times. This uncertainty can lead to unproductive travel decisions that waste time and money. The map includes four freight-significant corridors: I-70, I-44, I-55 and I-35. The color green indicates the most reliable travel times; yellow slightly less reliable; and red the least reliable of travel times.

In 2015 Kansas City and St. Louis metropolitan areas both improved truck travel time reliability reducing previously identified red areas. Springfield and Joplin were unchanged. I-35 South improved in Clay County near Liberty from yellow to green. I-70 East improved in Lafayette County at both Odessa and Concordia from yellow to green. I-44 East improved in Pulaski County near Waynesville from red to yellow and Franklin County near St. Clair from yellow to green. I-55 South improved in New Madrid County near Marston from yellow to green and Pemiscot County near Caruthersville from red to yellow.

MoDOT continually seeks ways to deliver the infrastructure to support reliable trips for drivers and to help keep costs down and improve travel-time reliability.



ADVANCE ECONOMIC DEVELOPMENT



RESULT DRIVER:
Lester Woods
External Civil Rights Director

MEASUREMENT DRIVER:
Sunny Wilde
Financial Services Coordinator

PURPOSE OF THE MEASURE:
This measure tracks the number of jobs created through MoDOT's cost share program.

MEASUREMENT AND DATA COLLECTION:
Data for this measure is collected from a partnership development database. This measure is based on the state fiscal year.

ADVANCE ECONOMIC DEVELOPMENT

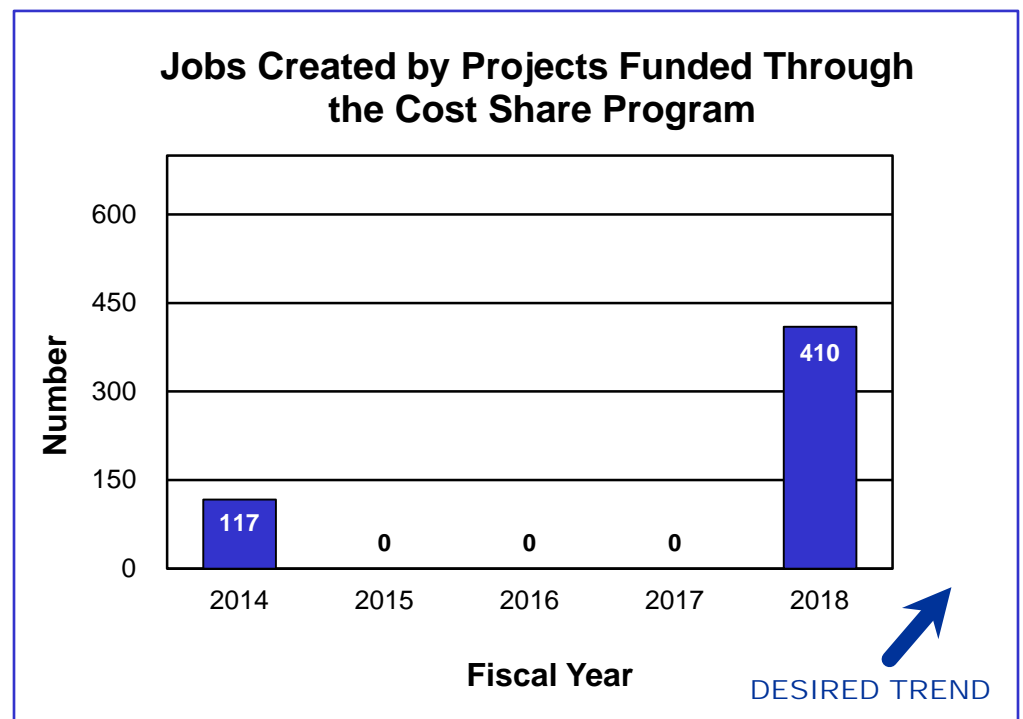
Jobs created by projects funded through the cost share program – 7f

The Cost Share Program builds partnerships with local entities to pool efforts and limited resources in order to deliver state highway and bridge projects. MoDOT allocates Cost Share funds annually based on the funding distribution formula set by the Missouri Highways and Transportation Commission. Ten percent of the Cost Share Program funds are set aside for projects that demonstrate economic development through job creation. MoDOT works in cooperation with the Department of Economic Development with project sponsors to determine when targeted investments can be made to create jobs and may provide up to 100 percent of participation costs. Retail development projects do not qualify as economic development projects that create jobs.

Projects approved in FY 2018:

- City of Farmington/St. Francois County – Construct J-turns and close two crossovers on Route 67 for the Centene Corporation (275 jobs).
- Stoddard County – Construct left turn lane and resurfacing on Route 25 and Route Y for Nestle Purina (50 jobs).
- City of Monett – Intersection improvements of Route 60 and Route 37 for Schrieber Dairy (85 jobs).

The Cost Share Program was suspended in Fiscal Years 2015, 2016 and 2017.



RESULT DRIVER:
Lester Woods
External Civil Rights Director

MEASUREMENT DRIVER:
Beckie Brietzke
Senior Diversity and Inclusion Specialist

PURPOSE OF THE MEASURE:
This measure tracks minority and women employment in MoDOT's workforce and compares it with availability data from the Missouri 2010 Census report.

MEASUREMENT AND DATA COLLECTION:
The SAM II database is used to collect data. The Missouri 2010 Census data is used as the benchmark for this measurement. The availability number is derived from two different sets of data; the 2010 census and the current pool of MoDOT employees who are trainable, transferable or promotable. The two statistics are factored together and weighted based on the hiring practices from the previous year. The weighted number allows for a more accurate reflection of the hiring process. This number ultimately conveys the number of women and minorities who currently possess the skills necessary to work for the department.

The target for this measure is based on Missouri's availability and is set each October.

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Percent of minorities and women employed – 7g

By placing the right people in the right position, MoDOT can better serve its customers and help fulfill its responsibilities to taxpayers.

The number of minority employees increased about 4.3 percent (493 to 518) from third quarter fiscal year 2017 to third quarter FY 2018.

The number of women employees decreased slightly from third quarter FY 2017 to third quarter FY 2018 (927 to 919).

The Missouri availability (target) number was not able to be determined this quarter.

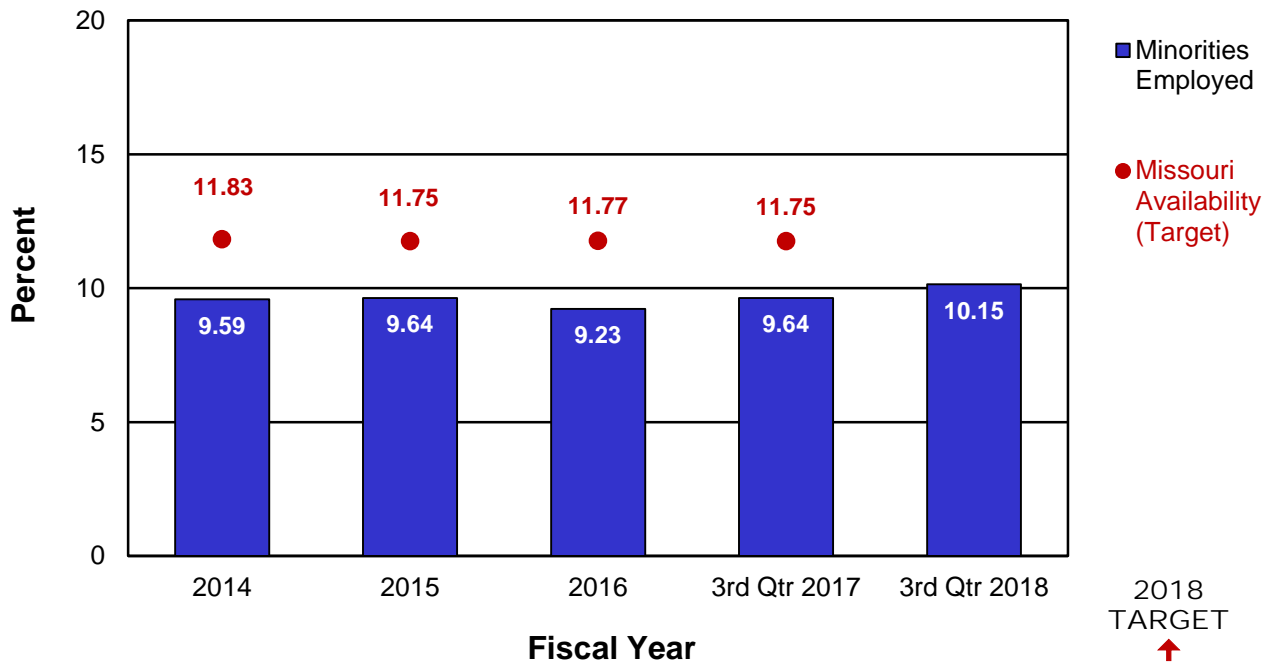
Total full-time employment between third quarter FY 2017 and third quarter FY 2018 decreased from 5,114 to 5,101 employees.

Recently, MoDOT has developed new relationships with organizations and universities that are geared toward minorities and women. MoDOT has expanded its partnership with Lincoln University to include employment preparedness training opportunities and increased presence in discipline-specific classrooms. These good-faith efforts aid in increasing an applicant pool of qualified minorities and women, which ultimately helps narrow the gap between actual employment and target employment of minorities and women.

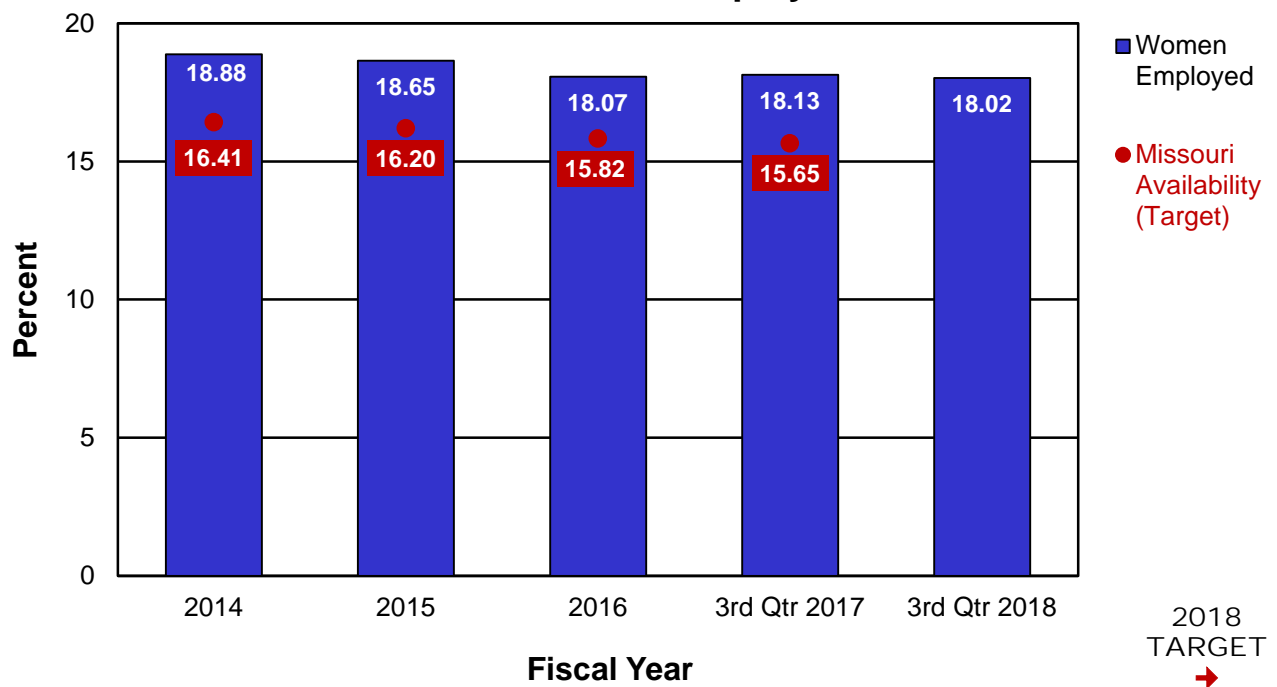


ADVANCE ECONOMIC DEVELOPMENT

Percent of Minorities Employed



Percent of Women Employed



Note: Missouri availability data is not available for 3rd quarter 2018

RESULT DRIVER:
Lester Woods
External Civil Rights Director

MEASUREMENT DRIVER:
Missy Stuedle
External Civil Rights Manager

PURPOSE OF THE MEASURE:
This measure tracks the percent of Disadvantaged Business Enterprise use on construction and engineering projects.

MEASUREMENT AND DATA COLLECTION:
Data is collected through Site Manager for each construction project. The overall DBE goal is a yearly target established by MoDOT and the Federal Highway Administration regarding the expected total DBE participation on all federally-funded construction projects. Individual DBE project goals are determined by subcontract opportunity, project location and available DBE firms that can perform the scope of work. DBE utilization is tracked for each construction project identifying the prime contractor, contract amount, the established goal and how the prime contractor fulfilled the goal. This measure is based on the federal fiscal year. Collection of data began in FFY 2012.

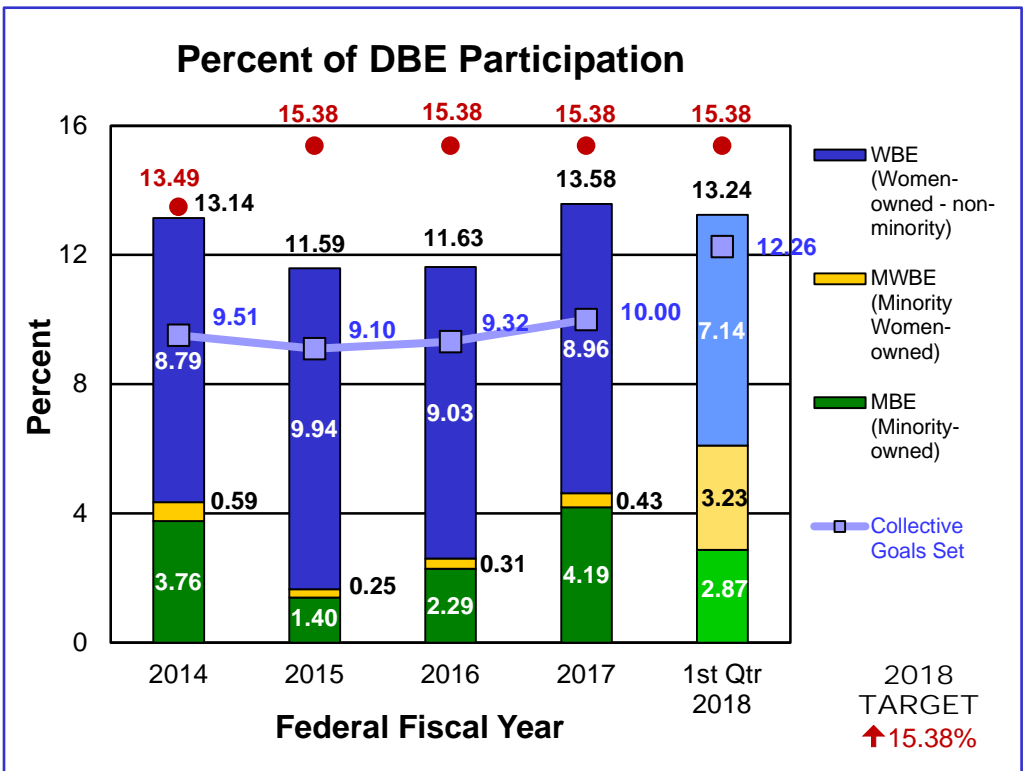
The target for this measure is set by FHWA policy and is updated every three years.

ADVANCE ECONOMIC DEVELOPMENT

Percent of disadvantaged business enterprise participation on construction and engineering projects – 7h

MoDOT believes it is good business to support diversity among its contractors, subcontractors and suppliers. Contractors, subcontractors and suppliers working on construction projects that receive federal aid or federal financial participation are required to take reasonable steps to ensure DBEs have an opportunity to compete for and participate in project contracts and subcontracts.

The overall DBE target for federal fiscal year 2018 is 15.38 percent. The DBE participation for first quarter FFY 2018 is 13.24 percent. This is a 0.34 percent decrease from FFY 2017. Of the 13.24 percent utilization, 2.87 percent was participation from minority-owned DBE firms, 3.23 percent was participation from minority women-owned DBE firms and 7.14 percent was participation from women-owned DBE firms. The collective goals set for projects closed during this period amounted to 12.26 percent. To narrow the gap between the target and performance, MoDOT is conducting outreach meetings to encourage new firms to apply for DBE certification and using DBE supportive services funding to expand the capacity of certified DBE firms.



RESULT DRIVER:
Lester Woods
External Civil Rights Director

MEASUREMENT DRIVER:
Kevin Kiesling
General Services Manager

PURPOSE OF THE MEASURE:
This measure tracks the department's non-program spending with certified minority, women and disadvantaged business enterprises.

MEASUREMENT AND DATA COLLECTION:
Data is obtained from the statewide financial accounting system expenditure reports and United Missouri Bank purchasing card reports. Certified vendors are maintained in a statewide procurement vendor database. Vendors may be certified through the Office of Administration as well as the Missouri Regional Certification Committee. Included in these expenditures are items such as materials, equipment, tools and supplies. Program spending, including construction, design consultants, local agencies, highway safety and multimodal programs and exempted activities such as utilities, postage, organizational memberships, conferences and travel, is excluded from total dollars spent.

The target for this measure is an average of the availability percentage of minority-owned and women-owned businesses and MoDOT's most recent five-year average utilization. This target will be updated annually in October.

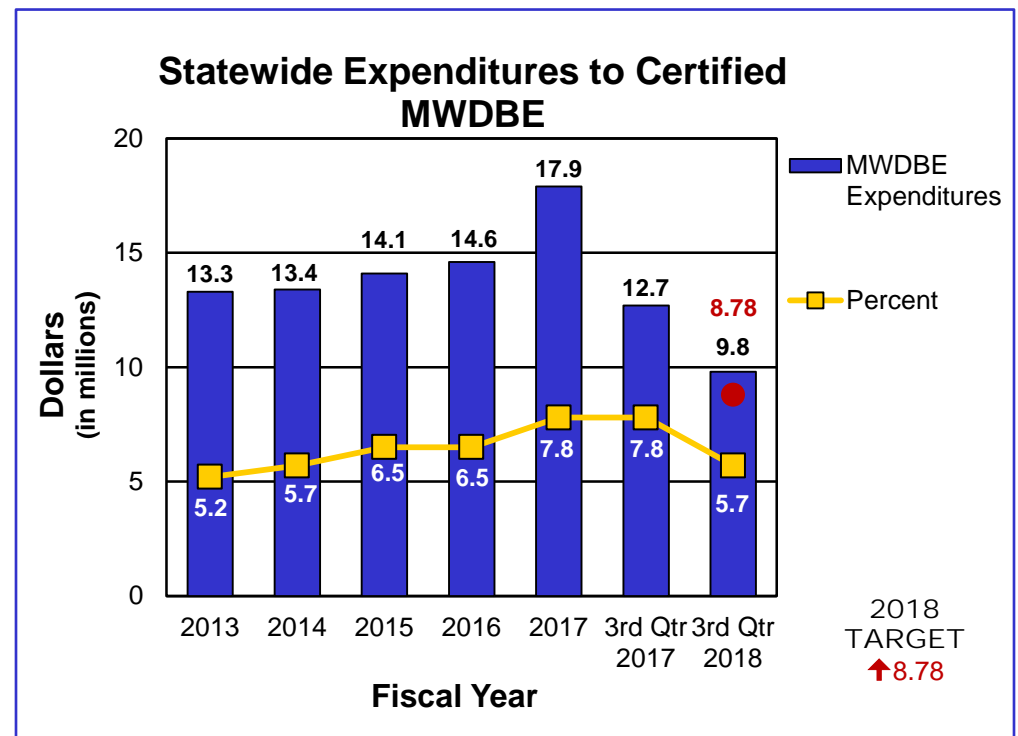
ADVANCE ECONOMIC DEVELOPMENT

Expenditures made to certified minority, women and disadvantaged business enterprises – 7i

Ensuring MoDOT spending is reflected in all Missouri communities advances economic development for all business enterprises. Historical data helps identify opportunities for improvement. Improvement efforts include training staff who have procurement authority, outreach to MWDBE vendors in order to encourage them to become certified and focused inclusion efforts.

Fiscal year 2018 third quarter results show a decrease of \$2.9M in MWDBE disbursements compared to the third quarter of FY 2017. Compared to third quarter FY 2017, the FY 2018 percentage of MWDBE expenditures decreased by 2.1 percent of total expenditures.

This measure will continue to track the department's efforts to ensure the vendor pool is representative of the business community as a whole, including MWDBE firms.



RESULT DRIVER:
Lester Woods
External Civil Rights Director

MEASUREMENT
DRIVER:
Jay Wunderlich
Governmental Relations
Director

PURPOSE OF
THE MEASURE:
This measure tracks the
department's efforts toward
eliminating restrictive language
and unnecessary
administrative rules that may
hinder business growth in the
state.

MEASUREMENT
AND DATA
COLLECTION:
Missouri Gov. Greitens' staff
has given department
managers a list of
administrative rules containing
restrictive language.
Restrictive language includes
any regulation containing the
words "shall," "must," "may
not," "required" or "prohibited."
MoDOT business areas linked
to those rules will conduct a
full review to determine ways
to amend rules to eliminate
restrictive language or
eliminate those rules entirely.
Progress will be collected in a
shared spreadsheet.

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Number of Restrictive Regulations Eliminated – 7j

Being a business-friendly state can be a big plus in attracting and retaining business investments. A major decision point for many businesses is the amount of red tape or restrictive government rules they will encounter doing business in a state. Restrictive government rules also can mean lost time and revenue for existing businesses.

In 2016, *Forbes* magazine ranked Missouri as the 12th best state to do business in based on its regulatory environment. In January 2017, in an effort to improve that ranking and drive the state's economy, Missouri Gov. Eric Greitens issued a challenge to all state agencies to eliminate one-third of their restrictions by May 2018. For MoDOT, this targeted number is 868. Reducing restrictive regulatory language may result in fewer department-wide administrative rules.

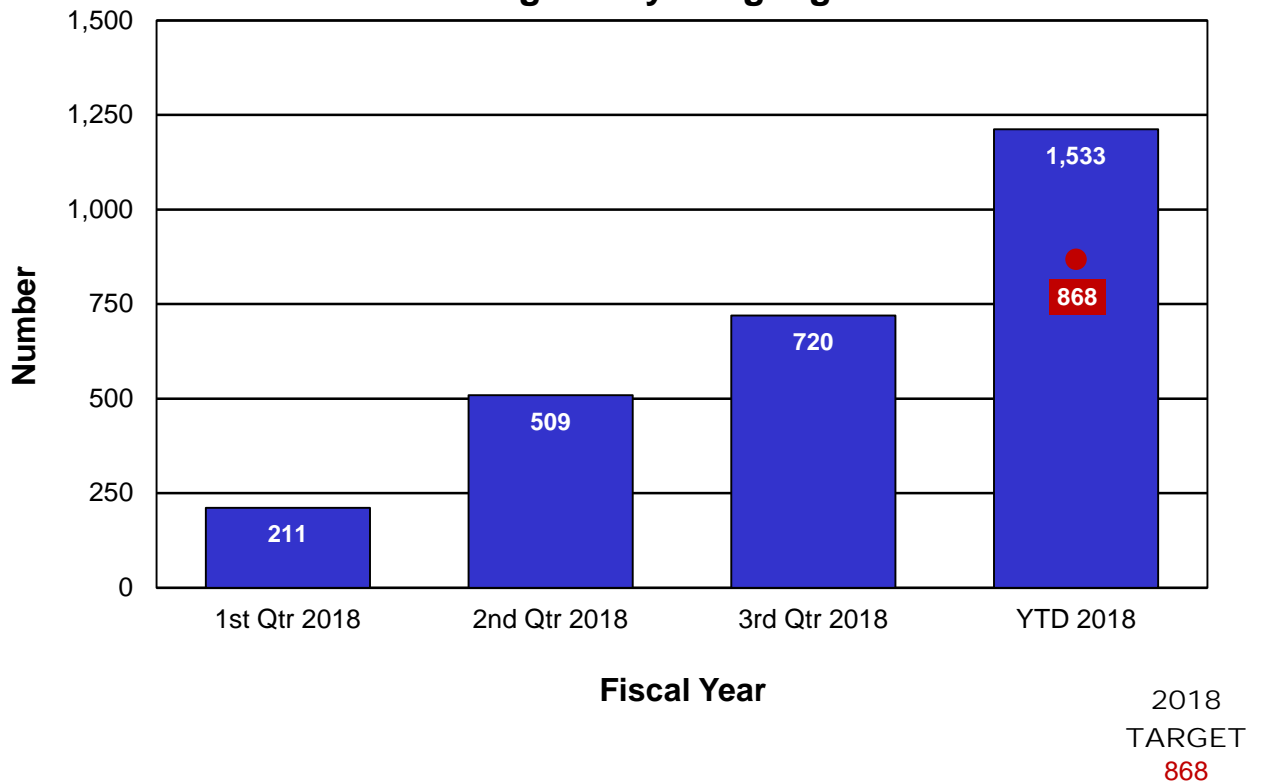
To date, MoDOT has eliminated 1,533 restrictions representing 58 percent of the 2,631 restrictions within its administrative rules. These changes resulted in 100 regulations being amended and 49 being rescinded. MoDOT has reviewed 96 percent of its 214 administrative rules containing restrictive language.



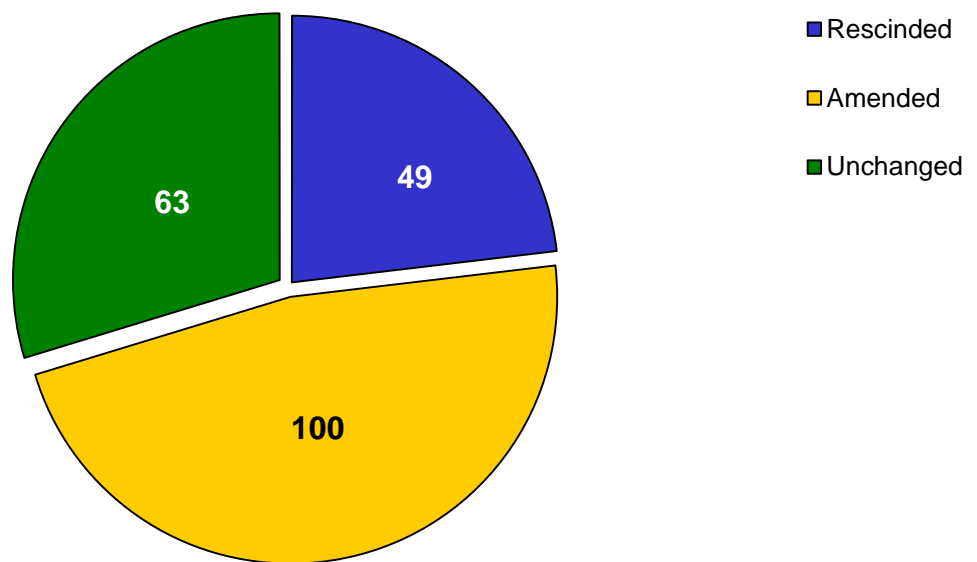
NX MO RED TAPE
MISSOURI IS OPEN FOR BUSINESS

ADVANCE ECONOMIC DEVELOPMENT

Restrictive Regulatory Language Eliminated



Action Taken on 205 Rules Reviewed



As of March 30, 2018