



**MISSOURI HIGHWAYS AND TRANSPORTATION
COMMISSION**

Official Minutes

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**MINUTES OF THE REGULARLY SCHEDULED HIGHWAYS AND
TRANSPORTATION COMMISSION MEETING IN KANSAS CITY,
MISSOURI, WEDNESDAY, SEPTEMBER 14, 2011**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Wednesday, September 14, 2011, at the Hyatt Regency Crown Center, 2345 McGee Street, Kansas City, Missouri. Grace M. Nichols, Chair, called the meeting to order at 10:40 a.m. The following Commissioners were present: Grace M. Nichols, Rudolph E. Farber, Lloyd J. Carmichael, Stephen R. Miller, and Kenneth H. Suelthaus.

Commissioner Joseph J. Hunt was appointed by the Governor on June 29, 2011, and was duly sworn on July 25, 2011, the appointment was rescinded on September 6, 2011. Joseph J. Hunt was absent from the meeting.

The meeting was called pursuant to Section 226.120 of the 2000 Revised Statutes of Missouri, as amended. The Secretary verified that notice of the meeting was posted in keeping with Section 610.020 of the 2000 Revised Statutes of Missouri, as amended.

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Kevin Keith, 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, September 14, 2011.

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

-- CLOSED MEETING --

VOTE TO CLOSE MEETING

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

1. Section 610.021(1) – Legal actions and attorney-client privileged communications.
2. Section 610.021(3), (13) – Personnel administration regarding particular employees.
3. Section 610.021(11), (12) – Competitive bidding specs, sealed bids, or negotiated contracts.
4. Section 610.010(6) & 610.021(14) – Matters protected from disclosure by law.
5. Section 610.021(2) – Lease, purchase or sale of real estate.

Upon motion duly made and seconded to convene in closed session, the Chair called for a voice vote of the members. The vote was as follows:

Commissioner Nichols, Aye
Commissioner Farber, Aye
Commissioner Carmichael, Aye
Commissioner Miller, Aye
Commissioner Suelthaus, Aye

The Commission met in closed session from 8:00 a.m. until 10:30 a.m.

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-- OPEN MEETING --

APPROVAL OF MINUTES

Upon motion by Commissioner Farber, seconded by Commissioner Miller, the Commission unanimously approved minutes of the Regular Meetings held July 13, 2011 and August 3, 2011. The Chair 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 on 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 September 14, 2011, Consent Agenda

No items were removed from the consent agenda. Upon motion by Commissioner Miller, seconded by Commissioner Suelthaus, 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 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 reports were made during the September 14, 2011, meeting.

Audit Committee – Commissioner Suelthaus stated there was no report.

Legislative Committee – Commissioner Carmichael stated there was no report, Jay Wunderlich, Governmental Relations Director will present the proposed legislative agenda as a separate agenda item.

Missouri Transportation Finance Corporation – Commissioner Nichols stated there was no report.

MoDOT and Patrol Employees' Retirement System – Commissioner Farber stated there was no report.

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DIRECTOR'S REPORT

During the September 14, 2011, Commission meeting Director, Kevin Keith, provided the following report:

Federal issues. Director Keith reported the House passed a continuing resolution for transportation at the current funding level, the Senate is expected to act upon the continuing resolution later this week. The continuing resolution will extend funding to March 2012. President Obama has also requested another round of stimulus funding for infrastructure; if that proposal were approved, Mr. Keith shared

there are estimates that approximately \$27 billion would be available for highway funding across the nation which could equate to approximately \$600 million for roads and bridges in Missouri. Staff will monitor progress of the President's proposal.

Bolder Five-Year Direction update. Director Keith reported on the progress of making MoDOT smaller. He stated that at the end of the day, all district and division management team members will be selected. To date, staff reductions total 630; and the attrition rate and transfers continue to increase.

kcICON project. Director Keith showed a magnificent picture of the new Christopher S. Bond Bridge, the iconic structure of the kcICON project. This picture was taken by staff photographer, Cathy Morrison, and displays the new bridge with its state of the art lighting system and fireworks exploding in the background. Director Keith thanked the Kansas City community, department staff, and the contractors for their role in completing such a great project.

Flooding. Director Keith explained that northwest Missouri has been flooded by the Missouri River for months, and the department is expecting millions of dollars in damage to the state's roads and bridges. The water is receding in some areas but remains running over roads in other areas. The Northwest District is assessing damage and are letting emergency contracts to get the roads open before snow falls this winter. Commissioners Farber and Carmichael inquired about seeking reimbursement from the federal government for the costs expended in repairing the flood damaged roads and bridges. Director Keith explained the department will submit the projects for reimbursement and as funds become available to the Federal Emergency Management Agency, MoDOT will eventually be reimbursed for those expenditures.

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PRESENTATION BY THE MID-AMERICA REGIONAL COUNCIL

David Warm, Executive Director, welcomed the Commission to Kansas City and expressed appreciation for their leadership in addressing the challenges facing MoDOT. Mr. Warm expressed respect of the enormous fiscal, organizational, and strategic choices the Commission had to make recently and shared his sentiment that the Commission is addressing the challenges in the right way and in the right order by using the available resources as strategically as possible. Mr. Warm shared that the Mid-America Regional Council (MARC) has developed a close relationship with the new Kansas City District management team. MARC is also participating in MoDOT's long range planning efforts to develop a vision for transportation in Missouri.

Mell Henderson, Transportation Director, reminded the Commission of MARC's recent adoption of Transportation Outlook 2040, MARC's new long range transportation plan for the Kansas City metropolitan area. This plan aligns the resources available at the local, state, and federal levels and connects investment in transportation with other strategic objectives of the region. Mr. Henderson highlighted some initiatives undertaken to implement the plan.

The plan includes a series of performance measures to track and measure progress of implementing the goals of the long range plan. Each goal is measured and the desired direction of those measures is indicated. The data of the measures also indicates trends that have been observed. Overall, the trends are heading in the desired direction, but there are a couple of areas that require additional work. One area is to be able to provide accessible transit service; the other area is the ability for place making. MARC has found that people are moving away from areas where affordable transit service can be provided. Additionally, the community wants to create quality places for people to live and work, and shape future development that will enhance quality of life while providing options to connect to a multimodal transportation system. MARC has been awarded a Sustainable Communities grant that is

assisting with forward progress on the regional plan for sustainable development and includes creating corridor plans for the region. These corridor plans will provide improved transit access for the region.

Mr. Henderson stated that progress on the plan is contingent upon continued funding for transportation. MARC's legislative efforts include contacting Missouri's Congressional delegation to urge their support of continued funding for transportation and passage of a new authorization to access those funds. MARC plans to reconvene its transportation legislative advisory committee to develop a position that is consistent with MoDOT and will present a unified and strong voice in Washington, D.C.

Mr. Henderson stated while the metropolitan Kansas City area is making progress, MARC's progress is a collaboration among many partners including MoDOT. MARC appreciates the Commission and MoDOT's continued support, interest, and participation in MARC's work.

Commissioner Suelthaus inquired about the performance measure which indicates transit ridership is down. Mr. Henderson explained the data from 2008 was an anomaly when gas prices rose so rapidly. There were more riders than normal in 2008, so there was a drop in ridership from 2008 to 2009. He explained further when you take out the data from 2008, and look at the trend from 2007 to 2009, you see the trend continues in an upward trajectory. Commissioner Carmichael congratulated MARC for using performance measures and stated they will serve the Kansas City area very well. Commissioner Miller inquired about the proposed commuter rail project for the area and Mr. Henderson explained that the region is working on an analysis of three commuter rail alternatives in order to seek federal funding for the project. The commuter rail project will also require a local source of revenue that currently does not exist, and it has not been determined what entity will lead the commuter rail project. Chair Nichols thanked the gentlemen for their presentation and for MARC being one of the Commission's and MoDOT's strongest partners across the state.

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PRESENTATION BY NORTHLAND REGIONAL CHAMBER OF COMMERCE

Sabin Yanez, Chair of Planning and Development Committee, expressed appreciation for the long standing relationship with the Northland Regional Chamber of Commerce and MoDOT, and how that relationship has led to great transportation improvements for the region. Mr. Yanez thanked the Commission and MoDOT for the successful completion of many projects including recent projects that improved safety, mobility, and will benefit the economic growth of the region. These projects include interchange improvements on Highway 169 at 96th and 108th streets in Clay County, and the widening of Highway 45 from Highway 9 west to Route K.

Mr. Yanez shared one final thank you for the completion of the kcICON project and delivery of the landmark Christopher S. Bond Bridge. This major project is appreciated by the northland residents and businesses on a daily basis and it has transformed the corridor into a magnificent northland gateway. The traffic flow is tremendous, the citizen comments are exceptional, and it was a job well done.

Although the department is faced with funding challenges, the Chamber recognizes the importance of continuing to plan for the future. Mr. Yanez reviewed a list of future transportation priorities for the region that will have operational benefits, enhance the system, or improve capacity:

- Congestion issues at I-29 and Highway 169/North Oak/Vivion Road interchange.
- Complete improvements at I-29 and 64th Street/ Highway 45.
- Address congestion at I-35 and Pleasant Valley Road.
- Operational issues at I-435 and Missouri 210.
- Capacity expansion of the I-35 corridor to include additional lanes.
- Highway 152 is experiencing congestion, and a needs assessment is necessary to determine if additional lanes are necessary.
- Complete capacity improvements on Highway 210 from Eldon Road to Route 291.

Mr. Yanez recognized fellow Chamber members and Chamber staff. Commissioner Farber inquired about the type of economic analysis tool that is used to help prioritize the region's transportation projects. Mr. Yanez explained that economic information comes from a variety of sources including members of the Chamber, MARC, and local agencies. Chair Nichols expressed the Commission has enjoyed working with the Chamber and thanked Mr. Yanez for his presentation.

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PRESENTATION BY THE KANSAS CITY AREA TRANSPORTATION AUTHORITY (KCATA)

Cynthia Baker, Director of Marketing, discussed the role of transit in the state and the Kansas City region in her presentation. She expressed appreciation for MoDOT staff who work hard to assist with providing transit services in Missouri. Kansas City Area Transportation Authority (KCATA) is keenly aware of the challenges facing MoDOT and the steps being taken to address needs with available resources. Similarly, public transit is facing uncertain funding from the federal, state, and local levels which has led to a reduction in services, delay in capital projects, and uncertain long range planning. For example, state funding for KCATA dropped from \$2.4 million per year in 2008 to \$119,000 in 2011.

In spite of the financial difficulties KCATA continues to pursue innovative ways to improve transit for the region. A new MAX system (or bus rapid transit line) on Troost began in January 2011. In August 2011 KCATA introduced a system called UPASS (a student bus pass program) for students from the University of Missouri-Kansas City. Although the Kansas City region is in a recession and suffering high unemployment, ridership on the KCATA systems remains strong. This ridership validates the fact if you provide reliable transit services, citizens will use them.

Ms. Baker reported that Missouri has a wide variety of public transit options including light rail service in St. Louis, MAX bus rapid transit in Kansas City, fixed route service in smaller urban areas, and on demand services in rural areas. Annually, 80 million people in Missouri are taking advantage of public transit services. There is a tremendous amount of local support of transit services as evidenced by cities who have been able to support transit through implementation of local taxes. For example: Kansas City passed the first 3/8 cent sales tax for transit in 2003 that was later renewed in 2008, St. Louis voters passed an initiative in 2010 that will provide \$80 million for Metro, and St. Joseph passed a 3/8 cent sales tax for transit in 2008.

Missouri's demographics are changing and will increase pressure for more transit services. The senior population is expected to grow and has the greatest need for public transit services. It is necessary to plan for transportation needs now so there are transportation options for the senior population. In 2008, Missouri invested \$6.9 million in statewide funding assistance, ranking 28th among the 50 states. By 2011, Missouri's transit funding was \$560,000 dropping Missouri's rank to 45th. A draft needs assessment report was prepared by the engineering firm, HNTB, that estimates real funding needs of transit operators for the state of Missouri to be as much as \$250 million annually. These figures speak to the disparity between funding needs and funding realities, and will only increase the longer real meaningful investment in transit is delayed.

Ms. Baker concluded her presentation by expressing appreciation for the Commission's support and partnership with MoDOT and that KCATA looks forward to working together in the future to address the growing transportation needs of Missouri's citizens. Chair Nichols thanked Ms. Baker for her presentation.

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PUBLIC COMMENT REGARDING THE HIGHWAY 47 BRIDGE AT WASHINGTON

Bob Zick, Chairman of the Highway 47 Bridge Committee, thanked the Commission for taking action through the consent agenda to approve the location of the Highway 47 Bridge at Washington. The Commission action will allow the committee and department to continue to move forward with preliminary design as soon as federal funds become available. The community of Washington is prepared to share in the cost of the preliminary design work and will provide \$800,000 in local funds. Mr. Zick stated the committee recognizes it can be ambassadors for MoDOT and promote a realization among the citizens that as taxpayers, they are going to have to commit more resources to infrastructure in Missouri. Mr. Zick introduced the delegation that was with him which included the Mayor of Washington, Sandy Lucy, and other members of the city council, city staff, and the bridge committee. Chair Nichols complimented Washington for being a great city and that she is looking forward to working together in the future on this project and seeking transportation funding.

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PUBLIC COMMENT REGARDING THE 54 CORRIDOR GROUP

Alan Winders, Mayor of Vandalia, spoke to the Commission on behalf of the 54 Corridor Group. Mr. Winders expressed appreciation for staff from the Northeast District. The group will be requesting completion of a four-lane segment of Highway 54 from Mexico to Louisiana. The group is working with MoDOT, local communities along the corridor, and the regional planning commission to ensure this project is a priority for the region. Mr. Winders wanted to assure the Commission the Highway 54 Corridor Group is actively meeting and will be requesting time to make a formal presentation to the Commission later this winter or early next spring. Commissioner Suelthaus thanked Mr. Winders for his brief and eloquent presentation.

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PROPOSED 2012 STATE LEGISLATIVE INITIATIVES

On behalf of the Director, Jay Wunderlich, Governmental Relations Director, presented MoDOT's proposed legislative agenda for the 2012 legislative session. Mr. Wunderlich presented the following five proposals for Commission consideration:

- *Driving While Intoxicated (DWI) Cleanup Legislation for Federal Compliance.* To retain the maximum flexibility necessary to spend scarce federal transportation funds on needed transportation projects, cleanup legislation is required to modify a portion of a 2010 state law. In 2010, the law established DWI courts for repeat offenders to help reduce the case load in circuit courts. This law unfortunately put the state out of compliance with federal law. The modifications to this law also include clarification that community service is a component of DWI courts, and establish limited driving privileges that are consistent with federal guidelines. As a result of the provisions passed in 2010, \$16 million of MoDOT's federal funds are required to be used on safety projects. Passage of this proposal will restore the flexibility to spend the funds not only on highway safety projects, but also on road and bridge construction projects.
- *Commercial Driver's License (CDL) Medical Examination Requirements.* This proposal would introduce a new state statute to implement federal requirements to report medical information for commercial driver's licenses. Compliance with the federal law is necessary to avoid a \$30 million withholding of federal funds for the first fiscal year Missouri is determined to be out of compliance and a \$60 million withholding the second and subsequent years Missouri is determined to be out of compliance.
- *Include MoDOT Workers in the Mover Over Law.* This proposal would revise Missouri law that currently requires drivers to move over and slow down when driving past law enforcement and other emergency personnel who are on the shoulder addressing the needs of Missouri citizens. The revision would add MoDOT workers to the list of people that driver's are to respond to. This is a safety initiative for the department.
- *Remove Post Termination Hearing Requirement on MoDOT.* Employees at MoDOT as well as private sector employees are considered to be at-will employees. This proposal would exempt MoDOT and other non-merit agencies, consistent with private sector employers, from conducting internal post termination hearings. This proposal does not impact a MoDOT

employee's right to file a grievance or to request a hearing before the Equal Employment Opportunity Commission or Missouri Commission on Human Rights. This proposal will create efficiency within the department and generate significant cost savings.

- *Expand Public Private Partnership Authority.* Current law limits the use of public private partnership (PPP) to rail, port, aviation, and other non-highway projects. This proposal would expand the use of PPPs to rebuild the I-70 corridor between Kansas City and St. Louis and is estimated to save the department \$70 to \$90 million in annual maintenance costs for I-70. The I-70 corridor is one of the nation's oldest interstates and has surpassed its design life. While MoDOT has worked hard to maintain the driving surface, the infrastructure is crumbling beneath the surface. A PPP may be the only opportunity to rebuild I-70. There remains a lot of work to educate the department's stakeholders, partners, and the general public about the need to rebuild I-70 and how a PPP would work.

Commissioner Miller inquired about two of the proposals, the DWI and the CDL provisions were part of a bill that passed last legislative session, but was subsequently vetoed. Mr. Wunderlich explained that the DWI and CDL proposals were part of a large omnibus bill, HB 430, with over 20 different provisions that passed during the 2011 legislative session. Governor Nixon vetoed HB 430 due to one provision related to outdoor advertising. The Governor's office has offered their support to help pass the provisions on CDL and DWI to help MoDOT maintain its federal funding. After consideration, and upon motion by Commissioner Farber, seconded by Commissioner Carmichael, the Commission took the following action:

- Authorized department staff to pursue legislative proposals that include (1) driving while intoxicated cleanup for federal compliance; and (2) commercial driver's license medical examination federal requirements; and (3) including MoDOT workers in the state's Move Over law; and (4) removing the post termination hearing requirement imposed on MoDOT; and (5) expanding public private partnership authority to rebuild Interstate 70.

- Authorized department staff to pursue other legislative initiatives favorable to transportation that may be introduced by the 96th General Assembly during the 2012 legislative session.

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MISSOURI DEPARTMENT OF TRANSPORTATION PROPOSAL FISCAL YEAR 2013 APPROPRIATIONS REQUEST

On behalf of the Director, Roberta Broeker, Chief Financial Officer, presented the Fiscal Year 2013 appropriations request for \$2.64 billion. Ms. Broeker explained the department is required by law to submit an appropriations request to the Office of Administration by October 1 of each year. This appropriations request is the basis of the Governor's recommendation to the legislature for the state budget. Under the state constitution, the State Road Fund stands appropriated without legislative action. However, the department continues to follow the process and shepherd the request through the legislative session. Typically, very little time is spent on these appropriations. The majority of the time is spent discussing appropriations for other modes of transportation which are outside of the State Road Fund, and those appropriations are controlled by the legislature. While MoDOT is the department of transportation, ninety-six percent of the funding received is largely dedicated to roads and bridges, while the remaining four percent is for other modes of transportation.

Ms. Broeker explained this appropriation request reflects the effort to downsize MoDOT under the Bolder Five Year Direction. The personal services, fringe benefits, and expense and equipment items are on a downward trend to meet the commitment of savings. The changes from last year's appropriations request include a decrease of \$21 million in personal services, a \$17 million decrease in fringe benefits, and a \$33 million decrease in expense and equipment.

Ms. Broeker reviewed the breakdown of the appropriations request:

- \$1.345 billion for program delivery
- \$555 million for refunds and transfers

- \$493 million for system management
- \$89 million for fleet, facilities, and information systems
- \$108 million for multimodal
- \$48 million for administration

Ms. Broeker outlined some of the differences from this appropriations request compared to last year's request. Contractor payments are \$756 million which is down \$126 million from the previous fiscal year. The federal pass through money is \$130 million which is an increase of \$18 million largely due to the department's local agency partners working diligently to program and build their projects more quickly. The accelerated program, which is associated with the cost share program, allows entities to front load payment for a project for the department, and when funds are available the department reimburses that entity. The accelerated program is at \$14 million which is an increase of \$6 million.

The total request for the multimodal programs is \$104 million and is divided into four different areas of transportation. The rail program request is at \$47 million, transit request is \$34 million, aviation request is \$21 million, and port request is \$2 million. Multimodal funds are primarily federal funds; \$74 million of the total \$104 million request for multimodal is federal funds. The department will seek an increase in general revenue for three of the four modes. For transit, MoDOT is requesting an increase of \$2.5 million in general revenue to pay for transit general operating assistance and the Missouri Elderly and Handicapped Transportation Assistance Program. MoDOT will also request an increase in general revenue for ports, in the amount of \$2 million to assist with port project improvements. The department is also seeking an increase of \$3 million for Amtrak. Currently, MoDOT does not receive enough general revenue to fully fund Amtrak service, and is paying some bills from last year with funds from this year. This request will fully fund Amtrak service next year and catch up the balance from last year.

Ms. Broeker recommended approval of the proposed Fiscal Year 2013 appropriations request totaling \$2.64 billion. Following discussion, and upon motion by Commissioner Carmichael, seconded by Commissioner Suelthaus, the Commission unanimously approved the Missouri Department of Transportation Fiscal Year 2013 Appropriations Request, as noted in the table below, and authorized staff to release the request to the Office of Administration – Division of Budget and Planning.



Fiscal Year 2013 Appropriations Request Summary by Operating Budget Category

(Dollars in Thousands)

<u>Categories</u>	<u>Fiscal Year 2012 Appropriation Request</u>	<u>Fiscal Year 2012 TAFP¹ Budget</u>	<u>Fiscal Year 2012 Operating Budget²</u>	<u>Fiscal Year 2013 Appropriation Request</u>
Administration³	\$ 53,438	\$ 54,175	\$ 51,878	\$ 47,809
System Management				
Maintenance Operations ³	480,987	488,240	450,323	452,707
Motor Carrier Services	7,561	7,540	8,210	7,182
Highway Safety	32,960	32,971	27,030	32,971
Total System Management	521,508	528,751	485,563	492,860
Program Delivery				
Construction Operations ³	148,094	144,573	144,843	128,898
Contractor Payments ⁴	882,675	882,675	1,014,743 ⁵	756,408
Design and Bridge Consultant Payments	10,000	10,000	10,000	10,000
Accelerated Program (Reimbursements)	8,446	8,446	8,750	14,000
Right of Way ⁴	15,000	15,000	15,000	15,000
Federal Pass-Through ⁴	112,500	112,500	155,000	130,000
Debt Service on Bonds	290,390	290,390	275,754	290,814
Total Program Delivery	1,467,105	1,463,584	1,624,090	1,345,120
Fleet, Facilities and Information Systems				
Operations ³	39,865	40,414	35,584	39,479
Capital Improvements Investments	8,700	8,700	7,200	7,200
Information Systems Investments	27,491	27,491	20,000	20,000
Fleet Investments	28,080	28,080	22,083	22,083
Total Fleet, Facilities and Information Systems	104,136	104,685	84,867	88,762
Multimodal^{3,6}	92,554	106,598	107,853	107,924
Refunds and Transfers	555,300	557,300	0⁷	555,125
Total Disbursements for MoDOT	\$ 2,794,041	\$ 2,815,093	\$ 2,354,251	\$ 2,637,600

This schedule summarizes detailed appropriations into MoDOT's major operating budget categories and illustrates the changes that occur between the initial appropriations request, the TAFP budget and the operating budget approved by the Commission in June.

¹ Fiscal year 2012 Truly Agreed and Finally Passed (TAFP) budget.

² Fiscal year 2012 operating budget includes transfer appropriations administered by the Office of Administration. The majority of these amounts are the Commission's match for Social Security contributions and are included as part of operations. The operating budget also includes changes associated with the Bolder Five-Year Direction. Savings from various operating areas, including Administration, Construction and Fleet, Facilities and Information Systems, have been redirected to the Statewide Transportation Improvement Program (STIP).

³ Operations include personal services, fringe benefits and expense and equipment.

⁴ Contractor Payments, Right of Way and Federal Pass-Through include disbursements for the American Recovery and Reinvestment Act of 2009 (ARRA).

⁵ Contractor payments increased significantly compared to the fiscal year 2012 TAFP budget because of the timing associated with project expenditures. Projects were awarded later in fiscal year 2011 than anticipated, which delayed expenditures from fiscal year 2011 to fiscal year 2012.

⁶ Multimodal's fiscal year 2012 operating budget and fiscal year 2013 appropriations request include ARRA disbursements, the majority of which are associated with the high speed rail grant.

⁷ Refunds and transfers are netted against revenue for the fiscal year 2012 operating budget.

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CONSIDERATION OF PROPOSALS FOR MEDICAL AND LIFE INSURANCE PLAN FUNDING, CALENDAR YEAR 2012

On behalf of the Director, Jeff Padgett, Director of Risk and Benefits Management, Chairman, Medical and Life Insurance Plan Board of Trustees (Board), explained the Commission annually reviews the contribution strategy and benefits structure for the medical and life insurance plan and sets rates and benefits for the next calendar year. The Board also conducts periodic review of the relationship among the active employee rate categories to determine if the premiums assessed are appropriate for the costs incurred for the applicable rate category. That review indicates adjustments are appropriate at this time, with an increase to the Subscriber/Spouse category, decreases to the Subscriber/1 child and Subscriber/2 children categories, and no change to the Subscriber only and Subscriber/Family categories. These adjustments will basically generate the same premium revenue, but redistribute the premium assessments to more appropriately cover the costs incurred for each rate category.

Total premium costs are shared between the Commission and subscribers. The percentage paid by the Commission varies depending on the rate category, but for calendar year 2011, it is approximately 85 percent for active employees and 49 percent for retirees. The Board recommends the percentage paid by the Commission should be consistent for the active employee rate categories and for the retiree rate categories, and a more appropriate split would be 80 percent Commission/20 percent employee for the active categories and 40 percent Commission/60 percent retiree for the retiree categories. In some instances, that split is already in place or can be achieved in one year. In other rate categories, the variance from the recommended split is so great it will take two or more years to reach

the targeted contribution strategy. This is a significant change in how the Commission has historically managed sharing the cost of premiums with the subscribers.

To mitigate the impact of changing the premium share, staff also recommends no across the board increase in premiums for calendar year 2012. In consultation with the actuary, the Board determined that the existing plan premium stabilization reserve is greater than currently needed, and can sustain the plan in 2012 without an across the board premium increase. However, an increase in premiums for the non-Medicare retiree rate categories is recommended. The current premiums for non-Medicare retirees do not generate sufficient revenue to cover the cost of care for subscribers in these categories. Other rate categories, especially those of active employees, subsidize the non-Medicare retiree categories. This adjustment will move the non-Medicare retiree rate categories closer to self-sustaining status.

To further mitigate the impact of the change in premium sharing, staff recommends increasing the annual medical deductible from \$350 to \$450 and a corresponding increase in family deductible at three times that amount. This recommendation is expected to decrease plan cost by approximately \$1.25 million in calendar year 2012.

Mr. Padgett explained to the Commission that with the recommended plan changes proposed for consideration today, the medical plan will lose its grandfathered status under the Affordable Care Act (ACA). This means the medical plan will now be required to comply with the provisions of the ACA and provide mandatory benefits. It is estimated the plan will see an increase in payouts for preventive care as many more preventive care services are required to be covered under the ACA than are provided under the current medical plan.

Mr. Padgett reviewed the medical plan cost trends, and stated the trend has been very good in recent years. He explained there was an increase in costs for 2011 compared to 2010, but that 2010 was

a bit of an anomaly because costs came in far below projections for the year. When comparing 2011 to 2009 there is only a two percent increase in medical costs which is on trend.

Mr. Padgett explained the medical plan has a disease management program that assists members with chronic diseases through access to nursing staff. The nursing staff helps the members through the process of coping with their disease or illness and insures they are receiving the necessary care and the members understand the care they are receiving. The Board changed vendors for that service in 2011, and is expecting a savings of approximately \$1 million in administrative fees.

The prescription drug plan trend is excellent this year. The medical plan has successfully increased generic drug use by over fifty percent since 2004. To encourage increased use of generic drugs, there is a new program that will target members who continue to receive brand name drugs where generics are available. For example, in past years, the medical plan spent about \$1 million just for the name brand prescription drug, Lipitor. Lipitor is a statin, so the program is mailing information to those members trying to get them to change to a generic statin because it will save the plan and the members money. Since this program was implemented in April 2011, the plan has saved \$36,000 on prescriptions that have changed from name brand to generic; this means members also saved about \$10,000.

Mr. Padgett summarized his recommendations for the calendar year 2012 medical and life insurance plan funding as follows:

- Establish the revised rate category ratios for active employees, which will increase the Subscriber/Spouse category, decrease the Subscriber/1 child and Subscriber/2 children categories, and will not change the Subscriber only or the Subscriber/Family categories.
- Approve no across the board increase in medical care plan premiums for active employees and Medicare retirees for calendar year 2012.
- Increase premiums for non-Medicare retiree categories by approximately three percent.
- Establish the Commission contribution for active employee rate categories at 80 percent Commission/20 percent employee, except for the Employee-only category.

- Establish the Employee-only rate category at 88 percent Commission/12 percent employee in 2012, and 80 percent Commission/20 percent employee in 2013.
- Increase the non-Medicare and Medicare retiree subscriber shares of the total premium rates by approximately three percent, not to exceed 60 percent in any category, and continue this practice annually until the 40 percent Commission/60 percent subscriber split is achieved in all rate categories.
- Eliminate all “Spouse Contribution” rate categories (categories where both the plan subscriber and enrolled spouse work(ed) for either MoDOT or the MSHP).
- Increase the annual medical deductible from \$350 to \$450, capping families at three times this amount.

Commissioner Farber inquired about changes to the wellness programs. Mr. Padgett explained the department continues to provide the same wellness programs, and is working with the Office of Administration on a program that will coordinate wellness initiatives for all state employees, including MoDOT. The first statewide wellness program will be smoking cessation reminders that will be sent to employees during the Great American Smoke Out. There are a number of additional wellness programs that MoDOT will have the opportunity to join the Office of Administration and the Missouri Consolidated Health Care Plan to educate employees about their health and provide awareness of the many available wellness initiatives. After consideration and upon motion by Commissioner Farber, seconded by Commissioner Carmichael, the Commission unanimously approved the recommendations listed above.

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**CONSIDERATION OF PROPOSALS FOR MEDICAL AND LIFE INSURANCE PLAN
RETIREE CONTRIBUTION STRATEGY FOR FUTURE RETIREES**

On behalf of the Director, Jeff Padgett, Director of Risk and Benefits Management, Chairman, Medical and Life Insurance Plan Board of Trustees, presented a report on a proposed revision to the medical and life insurance plan retiree contribution strategy for future retirees. The financial realities of

stagnant state revenues, uncertain federal funding, rising fixed costs and a construction program that will be half of what it has averaged over the last five years required the Commission to adopt the Bolder Five-Year Direction earlier this year. A significant component of MoDOT's rising fixed costs is the Commission contribution to the medical and life insurance plan. Commission contributions for calendar year 2010 totaled \$82.6 million, when compared to \$66.9 million for calendar year 2007 reflects an increase of twenty-four percent in three years. This annual contribution is expected to increase even more dramatically than it has in the last three years.

In addition, government accounting standards were revised and required reporting of retiree medical obligations. This retiree medical obligation is referred to as Other Post Employment Benefits (OPEB), and is the estimated cost to provide health care to retirees. Aon/Hewitt Consulting estimated MoDOT's OPEB unfunded liability as of July 1, 2011 to be \$1.1 billion based on existing plan provisions. The future unfunded cost of the retiree medical benefit is not sustainable under the medical and life insurance plan's current strategy.

Changes in the medical and life insurance plan retiree contribution strategy are necessary. Mr. Padgett explained that staff has been analyzing the issues that influence both current cost and unfunded liabilities for the retirement and medical plans. A team was formed to review potential changes and best practices from both the public and private sectors. The team included representatives from both MoDOT and Missouri State Highway Patrol (MSHP). Team members worked with benefit consultants and actuaries to identify significant cost drivers and potential solutions. The team determined the most significant cost drivers under the current strategy are the potential contributions for survivors and the defined benefit nature of the current plan compared to a defined contribution plan.

Mr. Padgett stated the recommended changes are intended to ensure the sustainability, affordability, and sufficiency of medical benefits for retirees of MoDOT, MSHP, and the MoDOT and

Patrol Employees' Retirement System (MPERS). Mr. Padgett proposed the Commission approve the following conceptual changes to the contribution strategy for new retirees beginning January 1, 2014, and direct staff to develop an implementation plan and return to the Commission for final approval early in calendar year 2012. The contribution strategy should encompass the following:

- Base the Commission contribution on years of service rather than a uniform percentage regardless of years of service.
- Provide a choice of contribution strategy to the retiree, either \$12 per year of service per month with no survivor contribution, or \$10 per year of service per month with a 50 percent survivor contribution after the death of the retiree.
- Cap the number of years of service used to determine the contribution at 35 years.
- Provide for an annual review of contribution amounts, with increases in the Commission share capped at the previous calendar year's increase in the consumer price index.
- The Commission contribution will not exceed 100 percent of the premium for the applicable rate category.

Commissioner Nichols inquired about the current liability being \$1.1 billion today and if no action is taken that liability will remain. Mr. Padgett explained that the unfunded liability will remain, however, by taking the proposed action today; the unfunded liability would be reduced by \$635 million. Commissioner Carmichael requested clarification of the proposed implementation date that Mr. Padgett presented of January 1, 2014, compared to the proposed implementation date of January 1, 2013 that is in the backup material. Mr. Padgett explained that upon receipt of a letter from Missouri State Highway Patrol Colonel Ron Replogle, requesting the postponement of implementation of the proposed strategy to January 1, 2014 to give the MSHP time to recruit and train new troopers to replace those who are expected to retire due to the proposed change in benefits, staff believed it was the right thing to do, to delay implementation from 2013 to 2014. After consideration and upon motion by Commissioner

Suelthaus, seconded by Commissioner Carmichael, the Commission unanimously approved the recommendations listed above.

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MEDICAL AND LIFE INSURANCE PLAN, APPOINTMENT OF BOARD MEMBER

On behalf of the Director, Jeff Padgett, Director of Risk and Benefits Management, recommended approval of the appointment of Mr. Robert B. “Ben” Reeser as a Missouri Department of Transportation active employee representative to the Board of Trustees for a term ending November 2016, or until a successor is named.

Via approval of the consent agenda, the Commission unanimously approved the recommendation.

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CONSIDERATION OF BIDS FOR ROADWAY IMPROVEMENTS

On behalf of the Director, Kathy Harvey, State Design Engineer, presented the following recommendations pertaining to bids received on federal-aid and state highway and bridge projects during the past month.

Ms. Harvey recommended (1) Award of contracts to the lowest responsive bidders for bids received on the August 26, 2011 letting, as recommended and noted in Table I below. Non-contractual costs for these projects are shown on the below tabulation. (2) Reject the bids received on Calls A01, B01, C03, and D02, as noted in Table II below, due to excessive bids, per Section 102.15 of Missouri Standard Specifications. (3) No bids were received on Calls F01 and G01 as noted in Table III below. (4) The Illinois Department of Transportation opened bids on August 5, 2011 for bridge deck sealing of the Martin Luther King, Jr. Bridge in St. Louis City, MoDOT’s portion of cost is \$69,572.50. The Illinois Department of Transportation opened bids on June 17, 2011, for bridge deck and joint repairs of

the Chain of Rocks Bridge in Granite City, MoDOT's portion of cost is \$2,951,322.28, both bid openings are noted in Table IV below. Illinois Department of Transportation requests the Commission's concurrence.

**Table I
Award of Contracts
August 26, 2011, Bid Opening**

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
C01	71	Cass	J4P1989	\$6,259,830.54	\$656.00	Radmacher Brothers Excavating Co., Inc.	Construct Overpass
	71	Cass	J4P1989B		1,312.00		Diamond Interchange
	71	Cass	J4P1989C		656.00		Construct Overpass
C02	Various	Clay, Platte	J4Q1948B	2,312,231.73	61,400.00	Leath & Sons, Inc.	KC Scout ITS
	Various	Jackson, Cass	J4Q1948C		39,900.00		
D01	Old Route 50	Moniteau	J5S2216	119,798.60	144.00	Don Schnieders Excavating Company, Inc.	Intersection Improvements
F02	I-64	St. Charles	J6I2123B	110,000.00	209.00	Pace Construction Company, LLC	Pavement Repair
F03	267	St. Louis	J6P2374	919,109.00	0	Millstone Bangert, Inc.	ADA and Signal Improvements
H01	I-55	Cape Girardeau	J0I0010B	1,519,329.76	328.00	PCIRoads, LLC	Bridge Rehabilitation (SBL), Add Alt. Painting
TOTAL:				\$11,240,299.63	\$104,605.00		

**Table II
Rejection of Bids
August 26, 2011, Bid Opening**

Call No.	Route	County	Job No.	Description
A01	Various	DeKalb, Buchanan, Clinton	J1M0250	On-Call Snow and Ice Removal
B01	Various	Randolph, Audrain, Monroe	J2M0250	On-Call Snow and Ice Removal
C03	Various	Lafayette	J3M0250	On-Call Snow and Ice Removal
D02	Various	Boone, Callaway	J5M0250	On-Call Snow and Ice Removal

**Table III
No Bids Received
August 26, 2011, Bid Opening**

Call No.	Route	County	Job No.	Description
F01	Various	St. Charles	J6M0251	On-Call Snow and Ice Removal
G01	Various	St. Clair, Hickory, Polk	J7M0250	On-Call Snow and Ice Removal

**Table IV
Illinois Letting**

Route	County	Job No.	Letting Date	Description
MLK, Jr. Bridge	St. Clair, IL	J6P2388	August 5, 2011	Bridge Deck Repair
270	Madison, IL St. Louis, MO	J6I2014	June 17, 2011	Bridge Deck Repair

Commission Consideration and Action

After consideration, and upon motion by Commissioner Farber, seconded by Commissioner Suelthaus, the Commission took the following action with no abstentions noted:

1. Awarded contracts to the lowest responsive bidders for bids received on the August 26, 2011 bid opening, as recommended and noted in Table I above. Non-contractual costs for these projects are shown on the above tabulation.
2. Rejected the bids received on Calls A01, B01, C03, and D02 as noted in Table II above, because they were considered excessive.
3. Calls F01 and G01 were not awarded as noted in Table III above.
4. Concurred with the award by the Illinois Department of Transportation for bridge deck sealing and bridge deck and joint repairs as noted in Table IV above.

In keeping with the Commission’s Delegation of Authority to Execute Documents Policy, the Director, Chief Engineer, or the Chief Financial Officer may execute the contracts awarded above.

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RATIFICATION AND APPROVAL OF PLANS FOR CONDEMNATION

On behalf of the Director, Kathy Harvey, State Design Engineer, recommended the Commission ratify and approve the following detailed project plans, approved by the Chief Engineer, which have been filed for condemnation.

<u>County</u>	<u>Route</u>	<u>Job Number</u>
Jefferson	61 Spur (McNutt Road)	J6S2262

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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REQUEST FOR APPROVAL OF LOCATION AND/OR DESIGN OF HIGHWAYS

**Route K, Boone County
From Route 163 West to the Katy Trail
Job Nos. J5S2215
Public Hearing Held July 7, 2011
On-Line Public Meetings Held July 7-15, 2011**

The proposed improvement provides shoulders for bike lanes along Route K. The improved shoulders will be four-foot in width to accommodate a bike lane in each direction. The project will have normal access right of way. Traffic will be maintained on Route K during construction. The project is 7.1 miles in length.

Kirk Juranas, Central District Engineer, recommended approval of the location and design as presented at the public hearing.

**Route 740, Boone County
From I-70 to South of Broadway in Columbia
Job Nos. J5S0842, J5S0842B, and J5S0842C
Public Hearing Held May 24, 2011
On-Line Public Meetings Held May 24 – June 3, 2011**

The proposed improvement will widen Route 740 (Stadium Boulevard) in Columbia from just north of Interstate 70 to south of Broadway and modify the interchange at I-70 and Stadium Boulevard to a diverging diamond interchange. Lanes will be added to Fairview Road from Worley Avenue North to the west entrance of the Columbia Mall and to Bernadette Drive from Fairview Road to Beverly Drive. The project will have partial controlled access right of way. Traffic will be maintained on Route 740 during construction. The project is 0.9 mile in length.

Kirk Juranas, Central District Engineer, recommended approval of the location and design as presented at the public hearing.

Route 5, Camden County
Hurricane Deck Bridge over Lake of the Ozarks
Job No. J5P2188
Public Hearing Held July 28, 2011
On-Line Public Meetings Held July 28 – August 8, 2011

The proposed improvement provides for a new Hurricane Deck Bridge over Lake of the Ozarks on Route 5. The proposed bridge will have two twelve-foot lanes and seven-foot shoulders and be approximately 2,200 feet long. The project will have normal access right of way. Traffic on Route 5 will be maintained during construction of the Hurricane Deck Bridge during most of the project construction. The proposed project utilizes an innovative design concept of constructing the new bridge on temporary piers and moving it into final position after removal of the existing bridge. This method will dramatically reduce the required road closure time. This project is 0.6 mile in length.

Kirk Juranas, Central District Engineer, recommended approval of the location and design as presented at the public hearing.

Route 17, Miller County
3.0 Miles North of the Route 17 and Route 52 Intersection
Job No. J5P0928
Public Hearing Held July 12, 2011
On-Line Public Meetings Held July 12–19, 2011

The proposed improvement provides for the replacement of the Saline Creek Bridge on Route 17 in Miller County. The proposed bridge will provide two eleven-foot lanes with three-foot shoulders. The project will have normal access right of way. Route 17 will be closed approximately three months during construction of the new bridge and traffic will be detoured. Total detour distance on state routes is approximately 35 miles. This project is 0.5 mile in length.

Kirk Juranas, Central District Engineer, recommended approval of the location and design as presented at the public hearing.

Route 47, Warren and Franklin Counties
Missouri River Bridge at Washington
Job No. J3P2155
Public Hearing Held February 28, 2011
On-Line Public Meetings Held January 20 – March 15, 2011

The proposed improvement provides a new Missouri River bridge at Washington, adjacent to and upstream from the existing Route 47 Bridge. The project will be constructed while traffic is maintained over the existing Route 47 Bridge during the first phase of construction and will be

maintained over the new bridge for completion of the final stages of construction. The project will have normal access right of way. The project is 3.8 miles in length including a potential bike lane connection to the Katy Trail.

Paula Gough, Northeast District Engineer, recommended approval of the location as presented at the public hearing.

After full consideration of the favorable and adverse economic, social and environmental effects of the recommended designs, the Commission via approval of the Consent Agenda unanimously found and determined the recommended locations and/or designs would best serve the interest of the public and approved the recommendation.

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RESOLUTION EXPRESSING APPRECIATION TO DAVID A. GACH FOR OUTSTANDING SERVICE ON THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION

The Commission, via approval of the consent agenda, unanimously approved the following resolution:

WHEREAS, David A. Gach was appointed to the Missouri Highways and Transportation Commission by Governor Matt Blunt, on July 28, 2005. Commissioner Gach served a six-year term and was Vice-Chairman from March to July 2009, served as Chairman from July 2009 to March 2010, and served as Vice-Chairman from March 2010 to March 2011; and

WHEREAS, Commissioner Gach brought to the Commission a distinguished background of business expertise, and respect for the perspectives and input of Missouri's diverse populace; and

WHEREAS, Commissioner Gach gave unselfishly of his personal time to enhance public awareness of Missouri's transportation needs; and

WHEREAS, during his tenure on the Commission, Commissioner Gach performed his duties with extraordinary professionalism, integrity, dignity, and the desire for his actions to reflect the best interest of all Missourians; and

WHEREAS, Commissioner Gach was instrumental in many positive changes within MoDOT as evidenced by Commission approval of the design-build process in 2007. The Commission approved three major design-build projects in Missouri, including reconstruction of a ten-mile segment of Interstate 64 through the heart of St. Louis and was completed in December 2009; the kcICON project reconstructed and rehabilitated four-miles of Interstate 29/35 into downtown Kansas City and constructed a new iconic cable-stayed river bridge that proudly displayed dramatic lighting in a

celebration on July 2011; and the Safe and Sound Bridge Improvement Program that will fix eight hundred and two of the state's worst bridges over a five year period with scheduled completion by the end of December 2013; and

WHEREAS, his leadership on the Commission brought recognition to the state of Missouri for being the first state in the nation to build a project with funds from the American Recovery and Reinvestment Act of 2009, this project replaced the Osage River bridge at Tuscumbia and the contract was executed and work began within seconds of the President signing the federal legislation into law; and

WHEREAS, Commissioner Gach contributed to the successful completion of constructing four lanes of highway along US 36, a fifty-two mile segment from Macon to Hannibal that was opened to traffic in July 2010, and was the largest cost-share project in the state; and

WHEREAS, Commissioner Gach served as a member of the Missouri Transportation Finance Corporation Board for five years, during which time the board approved twenty-four loans totaling \$112 million for transportation improvements around the state with an estimated value of \$302 million; and

WHEREAS, Commissioner Gach was a key player in the Commission's historical decision to implement the Bolder Five Year Direction that will save money to build and repair Missouri's roads and bridges and make MoDOT smaller by reducing from ten to seven districts, closing over one hundred facilities around the state, reducing MoDOT staff by one thousand two hundred, and reducing seven hundred and forty-four pieces of equipment; and

WHEREAS, Commissioner Gach, a friend of wildlife, rescued a floundering carp that found its way on the deck of a barge the Commission was boating upon along the majestic Mississippi River; and

WHEREAS, Commissioner Gach, an aviation enthusiast, supported all modes of transportation and promoted the use of Missouri's airports, ports and waterways, rail, and public transit; and

WHEREAS, Commissioner Gach's interest and concern for others endeared him to his fellow members of the Missouri Highways and Transportation Commission and department staff.

NOW, THEREFORE, BE IT RESOLVED that the Missouri Highways and Transportation Commission does hereby publicly express its appreciation and gratitude to Commissioner Gach for the public service he has performed for the citizens of Missouri and extends to him best wishes in his future endeavors.

BE IT FURTHER RESOLVED that a copy of this resolution be forwarded to Commissioner Gach so he will have a permanent record of the admiration and affection in which he is held by the members of the Missouri Highways and Transportation Commission and department staff.

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**CHANGE IN ACCESS, BREAK IN ACCESS, ROUTE AA (NORTH OUTER ROAD),
WARREN COUNTY**

On behalf of the Director, Paula Gough, Northeast District Engineer, recommended approval of a request from the Ivanhoe Group Properties, L.L.C. to construct a thirty-foot right in/right out entrance centered at the northerly right of way line of Route AA (North Outer Road) at Station 392+55. Ivanhoe Group Properties, L.L.C. shall provide geometric improvements along Route AA (North Outer Road). The improvements shall include, but are not limited to, widening Route AA (North Outer Road) to provide for a raised concrete median and removal of their existing access to Buche Street near Route 47.

Via approval of the consent agenda, the Commission unanimously approved the request of the Ivanhoe Group Properties, L.L.C., as described above with \$2,500 compensation due the Commission for the change in access.

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CHANGE IN ACCESS, BREAK IN ACCESS, ROUTE 40, JACKSON COUNTY

On behalf of the Director, Dan Niec, Kansas City District Engineer, recommended approval of a request from the City of Blue Springs to construct a thirty-foot entrance for their Public Works Department centered at the northerly right of way line of Route 40 at Station 836+91. The City of Blue Springs shall provide geometric improvements along Route 40. The improvements shall include, but are not limited to, widening a section of Route 40 to provide for a left turn lane and a right turn lane at the proposed entrance.

Via approval of the consent agenda, the Commission unanimously approved the request of the City of Blue Springs, as described above with \$1.00 compensation due the Commission for the change in access.

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DISPOSAL OF EXCESS PROPERTY

In keeping with the Commission’s January 12, 2011, Delegation of Authority and Execution of Documents 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.

Route I-64, St. Louis County, Excess Parcel E6-6681

On behalf of the Director, Ed Hassinger, St. Louis District Engineer, recommended conveyance of 3.53 acres of land located in the southwest quadrant of the Brentwood Boulevard and Eager Road intersection immediately south of the I-64 and I-170 overpass in St. Louis, to the Drury Development Corporation for a consideration of \$4,500,000.

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

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-- REPORTS --

The Commission received the following written reports.

**FINANCIAL – BUDGET - REPORTS
YEAR-TO-DATE FINANCIAL REPORT, PERIOD ENDING JULY 31, 2011**

Brenda Morris, Financial Services Director, provided to the Commission the Fiscal Year 2012 monthly financial report for the period ended July 31, 2011, with budget and prior year comparisons. This was the first report to use the department’s new division and seven district configuration.

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PRACTICAL AESTHETICS CONSIDERATIONS

Dave Nichols, Chief Engineer, reported on the department’s response to the November 3, 2010, inquiry from the City of Kansas City to establish “urban design standards”. The department determined a project must fit into its environment, which are often complicated by issues of economic development, cost sharing, and local culture and history. In some cases aesthetic considerations can be a valid part of a project. Staff will evaluate aesthetic considerations during project scoping and if those treatments are found to be appropriate, they are to be provided in a practical manner. Additional aesthetic treatments in excess of the practical solution may be acceptable if they are funded and maintained in perpetuity by the community. These findings will be discussed with the city and county stakeholders, statewide, before inclusion in the Engineering Policy Guide (EPG).

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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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