



**MISSOURI HIGHWAYS AND TRANSPORTATION
COMMISSION**

Official Minutes

TABLE OF CONTENTS

June 13, 2007

VOTE TO CLOSE MEETING	3
 COMMISSION/DIRECTOR ITEMS	
Meeting Minutes	3
Consent Agenda	4
Recognition of Dr. Jack Magruder, President Emeritus, Truman State University	4
Commission Committees and Commission Related Boards	5
Director's Report	5
Hunting Heritage Protection Areas Act	6
 PUBLIC PRESENTATIONS	
Public Presentation, Highway 63 Transportation Corporation	7
Public Presentation, Welcome to Kirksville	8
 POLICIES/ADMINISTRATIVE RULES	
Administrative Rules, Final Order of Rulemaking, 7 CSR 10-4.020, Relocation Assistance Program	8
 STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM	
2007-2011 Statewide Transportation Improvement Program, 2007 Amendments	9
Consideration of Bids on Federal-Aid and State Projects	10
Roadway Location and Design Approval	14
Roadway Design Approval	15
Ratification of Approval of Right of Way Plans for Condemnation	16
 BUSINESS ISSUES	
Report and Recommendation to Retain Bond Counsel	16
2007 Legislative Session Wrap-Up	17
Fiscal Year 2007 Revised Budget, Fiscal Year 2008 Budget	19
Tour of Missouri Professional Cycling Race	23
Report on Right of Way Property Management	23
 INNOVATIVE FINANCE	
Market at McKnight I Transportation Development District, Consideration of Project and Appointment of Advisor	24
Highway 63 Transportation Corporation, Appointment of Board Members	25

Amended City of Nevada State Transportation Assistance Revolving (STAR) Fund Loan, City of Nevada -----	26
--	----

PROPERTY ACQUISITIONS AND CONVEYANCES

Change in Access, Shifting and Narrowing Entrances, Route B, Boone County -----	26
Disposal of Excess Property, Interstate Route 141 and Interstate 55, Jefferson County -----	27

REPORTS

Financial – Budget – Reports	
Year-to-Date Financial Report, April 30, 2007 -----	29
Delegation of Authority for Execution of Documents,	
Operating Budget Appropriations Quarterly Report -----	29
Contractor Performance Report -----	29

**MINUTES OF REGULARLY SCHEDULED HIGHWAYS AND
TRANSPORTATION COMMISSION MEETING HELD IN
KIRKSVILLE, MISSOURI, ON WEDNESDAY, JUNE 13, 2007**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Wednesday, June 13, 2007, at Truman State University, Student Union Building, 100 E. Normal, Kirksville, Missouri. The meeting was called to order at 10:00 a.m. by James B. Anderson, Chairman. The following Commissioners were present: Duane S. Michie, Vice Chairman, David A. Gach, Mike Kehoe, Bill McKenna, and Rudolph E. Farber.

The meeting had been 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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Pete Rahn, Director of the Missouri Department of Transportation; Rich Tiemeyer, Chief Counsel for the Commission; and Mari Ann Winters, Secretary to the Commission, were present on Wednesday, June 13, 2007.

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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(11), (12) – Specifications for competitive bidding, sealed bids, or negotiated contracts.
2. Section 610.021(1) – Legal actions and attorney-client privileged communications.
3. Section 610.021(3), (13) – Personnel administration regarding particular employees.

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

Commissioner Anderson, Aye
Commissioner Michie, Aye
Commissioner Gach, Aye
Commissioner Kehoe, Aye
Commissioner McKenna, Aye
Commissioner Farber, Aye

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

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-- OPEN MEETING --

APPROVAL OF MINUTES

Upon motion by Commissioner Michie, seconded by Commissioner Kehoe, the Commission unanimously approved the minutes of the regularly scheduled meeting held on May 9, 2007, and the minutes reflecting actions taken by fax ballot on May 30, 2007. 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, the 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 the staff to be of a routine or non-controversial nature are placed on a consent agenda. During the meeting, items can be removed from the consent agenda at the request of any one Commission member. The items that are not removed from the consent agenda are approved with a single motion and unanimous vote by a quorum of the members.

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

Consideration of June 13, 2007, Consent Agenda

Upon motion by Commissioner McKenna, seconded by Commissioner Kehoe, all items on the June 13, 2007, consent agenda were unanimously approved.

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RECOGNITION OF DR. JACK MAGRUDER, PRESIDENT EMERITUS, TRUMAN STATE UNIVERSITY

Chairman Anderson and Commissioner McKenna recognized Dr. Jack Magruder, President Emeritus of Truman State University, for his leadership in higher education and his long-standing interest in, and support of, transportation. They commended his efforts as

chairman of the Commission's Blue Ribbon Panel and stated that the recommendations of that panel led to the positive initiatives taking place in the Department of Transportation today.

The Commission expressed appreciation to Truman State University for providing space and staff assistance for the Commission meeting.

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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 June 13, 2007, meeting.

Audit Committee - Commissioner Michie reported that an Audit Committee meeting had been held prior to the Commission meeting on June 13, 2007. The group reviewed internal audit reports and the Internal and External Audit Plans for 2008. He said the committee members were pleased that the MoDOT auditing staff participates with other states on peer reviews as a means to ensure the use of best practices.

MoDOT and Patrol Employees Retirement System - Commissioner Michie reported that the retirement system fund balance is approximately \$1.8 billion. The current rate of return on investments is 16.29 percent, net of fees.

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DIRECTOR'S REPORT

During the June 13, 2007, Commission meeting, Director Pete Rahn provided the following report:

Pilot Mowing Program - MoDOT is piloting a program to allow farmers, or others with mowing equipment, to be paid to mow MoDOT rights-of-way and to keep any hay that results therefrom. Contracts have been awarded for mowing along Route 36 in District 3 and Route 65 in District 2. The work will be evaluated to determine if the program should be expanded next year.

Innovative Work Force Diversity Program - Director Rahn reported that the Kansas City community is actively pursuing a Work Force Diversity Program for the kcICON design/build project that will be patterned after the program currently being implemented on the I-64 design/build project in St. Louis. He stated that he was unaware of a similar program being used anywhere in the country, and he expressed the hope that success in achieving a diversified workforce on these projects will result in the program becoming a model for future projects, not only in Missouri, but also nationwide.

Safe and Sound Bridge Program - Director Rahn reminded the Commission that the Safe and Sound Bridge Program anticipates selection of a single team to finance, design, construct, and maintain 802 structurally deficient bridges for a minimum of 25 years. He noted that, as with any new program, there are obstacles that must be overcome, and advised the Commission that an obstacle pertaining to the statutory requirements for contractor performance bonds may delay consideration of the project proposals from mid-summer to fall, 2007. He said he was pleased with the competence of the competing teams and the MoDOT staff assigned to this project. He cautioned that the staff would not know if such an approach to bridge repairs would be affordable for the state until the proposals are received from the teams. This initiative is receiving national and international interest.

State Bridge Engineer - Director Rahn reported that a nationwide search for a State Bridge Engineer had found the best candidate to be a 15-year veteran of MoDOT. Effective June 1, 2007, Dennis Heckman was named State Bridge Engineer replacing Shyam Gupta who retired earlier in the year.

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HUNTING HERITAGE PROTECTION AREAS ACT

Commissioner Michie expressed concern that Senate Bill 225, the Hunting Heritage Protection Areas Act, had recently been enacted by the General Assembly. This Act will prohibit local areas from using Tax Increment Financing as a means to expand or construct new projects in the Missouri and Mississippi River flood plains as defined by the Federal Emergency Management Agency (FEMA). He noted that as a result of a redefinition of “flood plains” by FEMA, today, the area impacted by the Act is estimated to involve 4.8 million acres throughout Missouri, involving some 58 counties.

Commissioner Michie recognized that the Act exempted land used for the operation of actual physical ports; however, since the exemption does not include other land managed or governed by a port authority, he was fearful that the Act could negatively impact further

expansion or development of Missouri's ports. Commissioner Michie emphasized that Missouri's 14 public port authorities are an important economic and transportation asset, with 1,100 miles of navigable waterways, which allows Missouri to be connected to the global marketplace.

Chairman Anderson noted that port development is important to both transportation and economic development today and will be even more significant in the future. He thanked Commissioner Michie for his advocacy on this issue.

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PUBLIC PRESENTATION, HIGHWAY 63 TRANSPORTATION CORPORATION

Mr. Chuck Boughton, representing the Highway 63 Transportation Corporation, reminded the Commission that in 2002, voters of the Kirksville area had approved a one-half percent sales tax to facilitate construction of two additional highway lanes on Route 63 extending from Macon to Kirksville. On May 3, 2003, the Highway 63 Transportation Corporation broke ground for the project, and on October 18, 2005, the additional lanes were opened to traffic. Today, the Transportation Corporation is collecting the sales tax and transferring it to MoDOT.

Mr. Boughton pointed out that other public/private initiatives had followed the lead of the Highway 63 Transportation Corporation by participating in transportation projects of statewide significance; e.g., Route 36, Route 67 south of St. Louis, and Route 100 west of St. Louis.

Mr. Boughton reported that representatives of the Highway 63 Transportation Corporation have recently been meeting with representatives of Missouri's bordering states and MoDOT staff to discuss transportation issues. As a result, the Transportation Corporation defined a new vision: development of a four-lane highway connecting Jefferson City, Missouri, to Des Moines, Iowa ("Avenue of the Capitals"). In order to realize that vision, Missouri would need to (1) construct a bypass at Macon, (2) construct a bypass at Kirksville, and (3) upgrade the

25-mile section of Route 63 extending from the north edge of Kirksville to the Iowa State line.

Mr. Boughton said the Highway 63 Transportation Corporation desires to continue to partner with MoDOT to promote and facilitate creative transportation solutions. He, therefore, requested that the mission of the Highway 63 Transportation Corporation be revised to include improvements to Route 63 north to the Iowa State line.

Mr. Boughton commended the Commission and MoDOT leadership for its inclusiveness, transparency, and innovation, which he said were reflective of a model public agency. He said MoDOT staff is engaged at the local level and positively pursues needed highway improvements.

Chairman Anderson expressed appreciation to Mr. Boughton for his leadership on the Highway 63 Transportation Corporation project. He also recognized Mrs. Harriet Beard, who was in attendance at the meeting, for her participation on the Highway 63 Transportation Corporation and her many other transportation related efforts.

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PUBLIC PRESENTATION, WELCOME TO KIRKSVILLE

State Representative Rebecca McClanahan welcomed the Commission to Kirksville. She expressed appreciation to District Engineer Dan Niec for providing information regarding transportation issues of concern to local area constituents.

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ADMINISTRATIVE RULES, FINAL ORDER OF RULEMAKING, 7 CSR 10-4.020, RELOCATION ASSISTANCE PROGRAM

On behalf of the Director, Dave Nichols, Director of Program Delivery, reminded the Commission that at its March 13, 2007, meeting, the Commission authorized filing and publication of the notice of proposed amended rulemaking for 7 CSR 10-4.020, Relocation Assistance Program. The amended rule was published in the *Missouri Register* on April 16,

2007, and no comments were received during the 30-day public comment period.

Mr. Nichols recommended approval of the final order of rulemaking and requested authorization for the Secretary to the Commission to file the final rulemaking with the Joint Committee on Administrative Rules and the Office of the Secretary of State. He further recommended that the Director, Chief Engineer, or Chief Financial Officer be authorized to execute any document appropriate and necessary to complete this final rulemaking process.

The Commission, by unanimous vote of all members present, approved the recommendations.

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**2007-2011 STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM,
2007 AMENDMENTS**

On behalf of the Director, Machel Watkins, Director of Transportation Planning, recommended that two new highway and bridge construction projects totaling \$2,113,000 be added to the Highway and Bridge Construction Schedule of the 2007-2011 Statewide Transportation Improvement Program (STIP), as noted in the tabulation below.

Highway and Bridge Construction Schedule

County Job No.	Route	Description of Improvement/Location	Tentative Award State Fiscal Year	Contract Estimate
Various J6P2163	Various	I-64 Regional Response Program to provide response to incidents and emergencies on various state, county and local roads between Rte. 141 to the St. Louis City limits and Rte. 30 to I-70.	2007	\$1,963,000
St. Louis J6S2162	340	Signal improvements on Olive Boulevard from I-270 to Ferguson Road. (100% funded by CMAQ Program)	2007	\$150,000

Via approval of the consent agenda, the Commission, by unanimous vote, approved the recommended additions to the 2007-2011 STIP.

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CONSIDERATION OF BIDS ON FEDERAL-AID AND STATE PROJECTS

On behalf of the Director, Dave Nichols, Director of Program Delivery, presented the following recommendations pertaining to bids received on federal-aid and state highway and bridge projects during the past month.

Mr. Nichols recommended (1) the bid of Byrne & Jones Enterprises, Inc./dba Byrne & Jones Construction on Call 601 be declared non-responsive due to the company not meeting the specified DBE goal for the project; (2) award of contracts to the lowest responsive and responsible bidders noted in Table I below, and (3) rejection of bids received on Calls 606, 609, and 622 as identified in Table II below, because they were considered excessive.

**Table I
Award of Contracts
May 25, 2007, Bid Opening**

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
101	Vari-ous	Andrew, Atchison, Buchanan, Caldwell, Clinton, Daviess	J1P1031	\$210,544.52	\$0	Superior Rail System, LLC	On-Call Guard Cable and Guard Rail Repair
201	Vari-ous	Adair, Carroll, Chariton, Grundy, Howard, Linn	J2M0020	106,578.00	0	Superior Rail System, LLC	On-Call Guardrail Repair
202	65	Grundy, Mercer	J2M0021	452,134.85	0	APAC-Missouri, Inc.	Thin-Lift Overlay (BP-2)
203*	65	Saline	J2P0786	328,012.50	0	APAC-Missouri, Inc.	Grading, Optional Paving and Traffic
301	36	Marion	J3P0715	612,259.39	400.00	W. L. Miller Company	Bridge Rehabilitation and Resurfacing the Eastbound Lanes with Superpave & BP-1
302	61	Lincoln	J3P0753	532,597.40	288.00	G & M Concrete & Asphalt Co., Inc.	Grading and Optional Paving
401**	I-35/ I-670	Jackson	J4S1999B	1,725,250.00	0	Clarkson Construction Company	Rehabilitation of 6 Bridges, Sidewalk Repair, & Concrete Overlay
402	435	Platte	J4I1847	2,672,307.77	1,174.00	Superior Bowen Asphalt Company, LLC	Resurfacing With Ultra Thin Bonded Wearing Surface

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
403	435	Clay	J4I1331	11,141,960.86	656.00	Chester Bross Const. Co./C.B. Equipment, Inc.	Pavement Repair and Resurfacing with Superpave, BP1 & BP-2
			J4I1332		656.00		
404	13	Lafayette	J4P1874	387,335.95	288.00	APAC-Missouri, Inc.	Intersection Improvements with Optional Paving
			J4P1933		656.00		Coldmilling and Resurfacing with BP-2
406	Various	Cass, Clay, Jackson, Platte	J4P1862	587,777.00	0	Collins & Hermann, Inc.	On-Call Guardrail and Guard Cable Repair
407	Various	Cass, Clay, Henry, Johnson, Lafayette, Platte	J4P1863	347,974.00	0	Superior Rail System, LLC	On-Call Guardrail and Guard Cable Repair
501	89	Osage	J5M0048	185,015.70	0	APAC-Missouri, Inc.	Bridge - Rehabilitation (Retrofit Strap Hangers)
503	54	Camden	J5P0309I	79,081.95	0	Premier Demolition, Inc.	Demolition
	5		J5P0592E				
601***	47	Franklin	J6P1852	219,000.00	197.96	Pace Construction Company, LLC	Grading, Drainage, Signals, and Optional Paving
602	141	St. Louis	J6S1899	91,435.00	0	Massman Construction Co.	Install Debris Sweeper
603	30 Outer Roads	Jefferson	J6L0800 D	557,000.00	0	Pace Construction Company, LLC	Thin-Lift Overlay, Shoulder Stabilization W/ Cold Millings
	PP		J6L0800E				Thin-Lift Overlay, Pavement Repair
604	67	St. Louis	J6P1686	1,208,640.30	0	Fred M. Luth and Sons, Inc.	Grading, Drainage & Pavement
605	70 NOR	St. Charles	J6I2003	412,457.69	656.00	Kozeny-Wagner, Inc.	Paving (BP-1), Signals
607	M	Jefferson	J6P1777	371,174.00	11,640.00	R. V. Wagner, Inv.	PCCP Pavement and Highway Lighting in Two Disconnected Sections
608	FF	Jefferson	J6L0800B	1,495,000.00	144.00	Pace Construction Company, LLC	Resurfacing with Bituminous Pavement (BP-1) and Pavement Repair
	F	Jefferson	J6L0800C				Resurfacing with Bituminous Pavement (BP-1) and Pavement Repair
	F	Franklin, Jefferson	J6S1799				Resurfacing of Mainline with Superpave, Pavement Repair, and Grading and Rehabilitation of Shoulders with BP-1 & PMBB
612	55 OR	Jefferson	J6P1771	774,000.00	0	Pace Construction Company, LLC	Resurfacing with Bituminous Pavement (BP-1) in Six Disconnected Sections
615	267	St. Louis	J6S1789	3,130,000.00	656.00	Pace Construction Company, LLC	Coldmilling, Pavement Repair and Resurfacing with Superpave

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
616	CC	St. Louis	J6S1807	2,676,000	656.00	Pace Construction Company, LLC	Coldmilling, Paving Repair and Resurfacing with Superpave
618	I-44	Franklin	J6I2025	4,399,290.33	1,312.00	N. B. West Contracting Company	Ultra Thin Bonded Wearing Surface, Pavement Repair, Temp. Raised Pavement Markers and Pavement Striping
619	21	Jefferson	J6P0876E	25,186,414.59	0	Fred Weber, Inc.	Alternate Bid Pavement (PCCP or Superpave), A2 Shoulders, Lighting and Signing
			J6P0876I		1,022.68		Grading, Drainage, 4 Bridges, Culvert, & 5 MSE Retaining Walls
620	70	St. Charles	J6I2051	1,727,112.29	428.00	Fred Weber, Inc.	Optional Pavement Widening
			J6I2052		428.00		
621	55	Jefferson	J6I2050	79,727.35	0	Jokerst Paving & Contracting, Inc.	Optional Paving, Fencing, and Lighting
701	44	Newton	J7I0812	217,179.00	0	Ewing Signal Construction, LLC	Highway Lighting Rehabilitation
802****	Bus. Loop 44	Laclede	J8U0576	5,292,504.41	1,312.00	Gaines Construction, Inc.	Grading, Bridge - Steel Girder & Alternate Bid Pavement
803	5 & 64	Laclede	J8P0842	561,741.12	984.00	APAC-Missouri, Inc.	Coldmilling Diamond Grinding, and Resurfacing with Superpave
804	744	Greene	J8S0852	321,805.24	656.00	Leo Journagan Construction Co., Inc.	Diamond Grinding & Resurfacing with Superpave
805	413, 60	Greene	J8P0877B	1,782,797.94	1,312.00	Leo Journagan Construction Co., Inc.	Coldmilling and Resurfacing with Bituminous Pavement (Superpave & BP-1)
901	63	Texas	J9P0599	113,407.03	144.00	Chester Bross Const. Co./C. B. Equipment Inc.	Diamond Grinding
908	8	Crawford, Washington	J9P0567	3,506,544.18	1,312.00	Lake Asphalt Paving & Construction, LLC	Grading and Resurfacing with Superpave in Two Disconnected Sections
909	N	Iron	J9S0421	1,770,239.00	410.40	Robertson Contractors, Inc.	Grading, Optional Paving and Bridge - Concrete Girder
910	63	Phelps	J9P0598	3,986,027.96	656.00	Lake Asphalt Paving & Construction, LLC	Resurfacing 5 ¾" (SP 125C & SP 190C), Pavement Marking
X01	77	Mississippi	J0P0937	34,479.43	1,312.00	Penzel Construction Company, Inc.	Bridge Rehabilitation-Replace Existing Bridge Rail at Two Locations
X02	155	Pemiscot	J0I0975	2,554,907.62	656.00	Apex Paving Co.	Diamond Grinding of Mainline with Coldmilling and Resurfacing (BP-1) of Shoulders

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
X03	60	Butler, New Madrid, Stoddard	J0P0974	2,480,493.01	1,312.00	Chester Bross Const. Co./C. B. Equipment Inc.	Diamond Grinding and Resurfacing with Bituminous Pavement (BP-1) on Shoulders
				\$84,318,207.38	\$31,325.04		

* Call 203 - Funding by City of Marshall - \$225,000.00.
 **Call 401 - Funding by City of Kansas City - \$1,155,917.50.
 ***Call 601 - Funding by City of Washington - \$86,000.00.
 ****Call 802 - Funding by City of Lebanon - \$899,000.00.

**Table II
 Rejection of Bids
 May 25, 2007, Bid Opening**

Call No.	Route	County	Job No.	Description
606	70	St. Charles	J6I1995	Optional Paving, Grading & Signals
609	270	St. Louis	J6I2029	Guardrail Upgrades
622	Various	Crawford, Franklin, Jefferson, St. Charles, St. Louis, St. Louis City	J6M0123	On-Call Guardrail Repair

Reassignment of Contract

Mr. Nichols further recommended that Job No. J9L0700W (Call 902 from October 27, 2006, letting, which was awarded by the Commission on November 3, 2006), be reassigned from Ozark Asphalt Company to Pace Construction Company at the request of the contractor.

Commission Consideration and Action

After consideration, and upon motion by Commissioner Michie, seconded by Commissioner Farber, the Commission unanimously took the following actions:

1. Declared the bid of Byrne & Jones Enterprises, Inc./dba Byrne & Jones Construction non-responsive on Call 601.
2. Awarded contracts to the lowest responsive and responsible bidders for bids received on May 25, 2007, as recommended and noted in Table I above. Non-contractual costs for these projects are shown on the above tabulation.
3. Rejected the bids received on Calls 606, 609, and 622, as noted in Table II above, because they were considered excessive.
4. Reassigned Job No. J9L0700W from Ozark Asphalt Company to Pace Construction Company.

In keeping with the Commission's Delegation of Authority to Execute Documents Policy, the Director, Chief Engineer, Chief Financial Officer, or the Director of Program Delivery may execute the contracts awarded above and the reassignment agreement.

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ROADWAY LOCATION AND DESIGN APPROVAL

On behalf of the Director, the respective District Engineers recommended approval of the locations and designs of the following projects as presented on the preliminary plans and exhibits shown to the public at the noted hearings.

Route 13, Johnson County
Relocation of Route 13 from Route 50 to just north of Route Y
Job No. J4P1138 B & C
Hearing Held October 23, 2006

This proposed improvement will relocate a portion of Route 13 from Route 50 to just north of Route Y. The project will consist of two 12-foot lanes and 4-foot shoulders to complete a two-lane facility with right-of-way acquisition to accommodate future four-lane facility needs. This project will have controlled access right-of-way. Traffic on Route 50 will be reduced to two-way, one-lane operations during construction of the interchange at Route 50. This project is 6.3 miles in length.

Route MM, Jefferson County
Two disconnected sections between Route 30 and Route 21
Job No. J6S2027
Hearing Held April 24, 2007

This proposed improvement will provide the relocation of two sections of the roadway from Geedes Road to west of Miller Road (West Section) and east of Sycamore Springs Road to west of Buckeye Valley Road (East Section). The roadway will consist of two 11-foot lanes with 6-foot shoulders. This project will have normal access right of way. Traffic will be handled using one-lane traffic and temporary signals for much of the project in order to keep one lane open at all times. This project is 2.5 miles in length. As a result of input received at the public hearing, the following modifications will be incorporated:

West Section: A more southerly alignment requiring additional property from the Northwest R-1 School District will be pursued, thereby eliminating or minimizing the right-of-way impacts to approximately twelve homes.

East Section: A more southerly alignment will be pursued to reduce impacts to the properties in the vicinity of Music Mountain Road and Woodrow Hill Road and the impacts to a cemetery.

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

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ROADWAY DESIGN APPROVAL

On behalf of the Director, Kirk Juranas, District 8 Engineer, recommended approval of the design of the following projects as presented on the preliminary plans and exhibits shown to the public at the noted hearing.

**Route 60/65, Greene County
Interchange in Southeast Springfield
Job No. J8P0683C, J8P0897, and J8P0898
Hearing Held April 19, 2007**

These proposed improvements provide for the reconstruction of the Route 65 and Route 60 interchange. These improvements will consist of upgrading two of the ramps to provide directional movements and eliminating the at-grade railroad crossing on Route 60. This project will have controlled access right-of-way. Traffic will be handled over the existing roadway, on bypasses, and on signed detours. This project is 1.8 miles in length.

**Route H, Greene County
North of Valley Water Mill Road to south of Interstate 44 in Springfield
Job No. J8S0724**

Hearing Held April 24, 2007

The proposed improvement will widen Route H, reconfigure the existing interchange, and replace the existing bridges over Interstate 44. This project will have controlled access right-of-way. Traffic will be maintained on the existing lanes during construction. The bridges over I-44 will be closed one at a time during construction. This project is 1.2 miles in length.

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 designs would best serve the interest of the public and approved the recommendations.

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RATIFICATION OF APPROVAL OF RIGHT-OF-WAY PLANS FOR CONDEMNATION

On behalf of the Director, Dave Nichols, Director of Program Delivery, recommended the Commission ratify the Chief Engineer’s approval of the following right of way plans, which have been filed for condemnation.

<u>County</u>	<u>Route</u>	<u>Job Number</u>	<u>Date Commission Approved Design</u>
Jefferson	61/67	J6S1903	Fewer than 5 parcels affected
Camden	54	J5P0648A	May 11, 2006

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

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REPORT AND RECOMMENDATION TO RETAIN BOND COUNSEL

Rich Tiemeyer, Chief Counsel, recommended approval of a Second Supplemental Agreement for an additional one-year extension of the contract with Gilmore and Bell, P.C., and The Martinez Law Firm, LLC, to serve as the Commission’s co-bond counsel as authorized under the September 5, 2000, Bond Counsel Services Agreement.

Via approval of the consent agenda, the Commission approved the recommendation and authorized the Chief Counsel to execute the Second Supplemental Agreement.

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2007 LEGISLATIVE SESSION WRAP-UP

On behalf of the Director, Jay Wunderlich, Governmental Relations Director, explained to the Commission that during the legislative process, all of MoDOT's legislative proposals had been combined in an omnibus transportation bill. He said even though none of the proposals were controversial, the bill failed to receive the legislative consideration needed for enactment.

Mr. Wunderlich praised the efforts of the many individuals and groups throughout Missouri who joined together in an effort to secure passage of a primary safety belt law, which was MoDOT's top legislative priority. The staff will continue its efforts to educate Missouri citizens and the members of the General Assembly about the advantages of passing this legislation.

Mr. Wunderlich explained that the federal government had eliminated its Single State Registration System for commercial trucks and had implemented a new Unified Carrier Registration (UCR) Program, which will require many carriers who were previously exempt from the Single State Registration System, to register. It is anticipated that the UCR Program will be implemented in the fall of 2007. The states were given a two-year window to obtain legislative authority to participate in the UCR Program; therefore, an effort will be made in 2008 to enact this legislation. Should the UCR Program be implemented in 2007, as anticipated, Missouri's commercial carrier will be forced to travel to other states to register in the mandatory UCR Program. As a result, Missouri will lose approximately \$2.3 million in registration fees.

Should legislation fail to be enacted in 2008, MoDOT will not be allowed to participate in the UCR Program.

Mr. Wunderlich reported that midway through the legislative session, the staff learned that the statutory requirements pertaining to performance bonds for contractors had not contemplated a program that would extend over many years and be financed by the contracting team, e.g., the innovative Safe and Sound 800 Bridge Improvement Program. After being made aware of the issue, the General Assembly acted quickly to amend the omnibus transportation bill with the needed changes. Unfortunately, when the omnibus transportation bill failed to be enacted, the Safe and Sound 800 Bridge Improvement Program was delayed to allow the staff and contracting teams to reassess the issue.

Other MoDOT legislative initiatives that were not enacted include (1) clean-up language pertaining to the reassignment of the Highway Safety Division from the Department of Public Safety to MoDOT, (2) the use of bonding to assist in capital improvements for modes of transportation other than highways, and (3) authority to void outdoor advertising permits.

Mr. Wunderlich reported that several initiatives passed by the General Assembly in House Bill 327 will have a negative impact on transportation: (1) motor fuel tax exemptions for school buses and public transit, (2) sales tax exemptions for new, less than 8,500 pounds diesel-powered vehicles, and (3) a one-year sales tax exemption on new E-85 vehicles.*

Mr. Wunderlich reported that a legislative proposal had also been enacted that will exempt construction material used on MoDOT construction projects from state sales tax. He further noted that \$4 million for capital improvement of ports had been deleted from the budget.

The Commission members expressed concern that MoDOT's transportation initiatives, which would have positively impacted Missourians, failed to be enacted. They asked the staff to

* Governor Matt Blunt vetoed House Bill 327 on July 6, 2007.

assist them in working cooperatively with the Joint Committee on Transportation Oversight and other members of the General Assembly on these issues.

Chairman Anderson, the Commission members, and Director Rahn praised the leadership of Mr. Wunderlich and the work of the Governmental Relations staff during the past year, particularly noting that the disappointing results of the legislative session were not indicative of their tremendous efforts.

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**FISCAL YEAR 2007 REVISED BUDGET,
FISCAL YEAR 2008 BUDGET**

On behalf of the Director, Roberta Broeker, Chief Financial Officer, reviewed proposed revisions to the Fiscal Year 2007 budget and recommended approval thereof as shown in Table I below. The revised Fiscal Year 2007 budget is \$2.5 billion, an increase of \$72.1 million over the budget approved in June 2006. An additional \$38.8 million for aviation, railroad, and transit grants from federal funds was approved by the Commission in April 2007. The remaining increase consists of \$11.9 million for federal pass-through payments; \$10.7 million for highway safety grants from federal funds; \$8.6 million for accelerated program payments; and \$2.1 million for design and bridge consultant payments. Districts and divisions needed to respond to changing business priorities, which caused some funds to move from one category to another without affecting the budget total.

Ms. Broeker also presented the Fiscal Year 2008 proposed budget as shown in Table II below and recommended approval thereof. The budget was prepared using the following goals and assumptions.

Fiscal Year 2008 Budget Goals

1. Maximize the size of the construction program.
2. Recognize the importance of, and increase funding for, MoDOT's maintenance program.
3. Provide flexibility in distribution of resources between personal services and expense and equipment.

Fiscal Year 2008 Budget Assumptions

1. The budget reflects the department's financial outlook for receipts and disbursements for Fiscal Year 2008 based on the department's August 2006 forecast. Under the forecast assumptions, receipts are anticipated to exceed disbursements in Fiscal Year 2008. State and federal receipts are not expected to increase significantly over Fiscal Year 2007. Federal funding under the Federal Highway Act is authorized through September 30, 2009; the amount from the Federal Trust Fund in subsequent years is uncertain.
2. State revenues are estimated to increase \$55 million, or 5 percent, in Fiscal Year 2008. The increase includes \$35 million of additional Amendment 3 sales tax revenue. The remaining increase is based on relatively low growth expectations on core revenues. Federal apportionments are expected to increase 4 percent in Fiscal Year 2008; however, due to timing, federal reimbursements are only expected to increase \$34 million, or 4 percent. The expected bond proceeds of \$400 million in Fiscal Year 2008 are from the third Amendment 3 bond sale.
3. The proposed Fiscal Year 2008 budget is \$2.3 billion. Over half of this amount, \$1.4 billion (net of debt service) is for construction and \$432 million is for maintenance. Personal services and fringe benefits total \$449 million, a \$5.4 million decrease from Fiscal Year 2007. The personal services increase is due to the 3 percent cost-of-living increase and the job study plan. The fringe benefit decrease of approximately 5 percent is primarily due to decreasing workers' compensation costs.

After discussion, and upon motion by Commissioner Michie, seconded by Commissioner Gach, the Commission approved the Revised Fiscal Year 2007 Budget and the Fiscal Year 2008 Budget as noted in the tables below. Revisions to the Fiscal Year 2008 Budget will be presented to the Commission quarterly.

Table I
Fiscal Year 2007 Revised Budget
(Dollars in thousands)

	Fiscal Year 2007 Approved Budget	Fiscal Year 2007 Revised Budget
Receipts		
State Revenue	\$1,203,167	\$1,203,167
Less Motor Carrier Refunds	(30,800)	(34,300)
Less Miscellaneous Refunds	(12,205)	(12,205)
Federal Reimbursement	887,173	887,173
Bond Proceeds	800,000	800,000
Total Receipts	\$2,847,335	\$2,843,835
Disbursements		
Construction		
Operations ¹	\$ 167,159	\$ 169,935
Contractor Payments	1,145,208	1,149,568
Design and Bridge Consultant Payments	50,000	52,100
Accelerated Program (Reimbursements)	14,181	22,730
Right of Way Land Acquisitions	90,000	90,000
Federal Pass-Through	102,283	114,163
Debt Service on Bonds	171,594	171,594
Total Construction	\$1,740,425	\$1,770,090
Maintenance Operations ¹	422,947	418,074
Fleet, Facilities & Information Systems		
Fleet, Facilities, and Other	\$ 60,076	\$ 61,113
Capital Improvements	12,700	10,700
Information Systems	43,326	42,772
Total Fleet, Facilities & Information Systems	\$ 116,102	\$ 114,585
Administration Operations ¹	52,264	52,340
Highway Safety		
Operations ¹	\$ 3,208	\$ 1,806
Programs	27,490	38,175
Total Highway Safety	\$ 30,698	\$ 39,981
Motor Carrier Operations ¹	6,745	7,367
Motorist Assistance Operations ¹	3,608	3,612
Multimodal		
Operations ¹	\$ 3,483	\$ 3,483
Programs	95,300	95,300
Total Multimodal	\$ 98,783	\$ 98,783
Total MoDOT Disbursements	\$2,471,572	\$2,504,832
Disbursements by Other State Agencies ²	213,696	214,857
Total Disbursements for MoDOT and Other Agencies	\$2,685,268	2,719,689
Excess (Deficiency) of Receipts Over Disbursements	\$ 162,067	\$ 124,146

¹ Operations consists of Personal Services, Fringe Benefits and Expense & Equipment.

² Other State Agencies budget changed from the \$199,791 budget presentation on June 14, 2006 due to two-year appropriations, Office of Administration cost allocation transfers, and the impact of Supplemental appropriations approved by the legislature.

Table II
Fiscal Year 2008 Budget
(Dollars in thousands)

	Fiscal Year 2008 Budget
Receipts	
State Revenue	\$1,258,161
Less Motor Carrier Refunds	(30,800)
Less Miscellaneous Refunds	(12,205)
Federal Reimbursement	921,054
Bond Proceeds	400,000
Total Receipts	\$2,536,210
Disbursements	
Construction	
Operations*	\$ 160,671
Contractor Payments	1,009,558
Design and Bridge Consultant Payments	30,000
Accelerated Program (Reimbursements)	14,094
Right of Way Land Acquisitions	65,000
Federal Pass-Through	105,540
Debt Service on Bonds	186,984
Total Construction	\$1,571,847
Maintenance Operations*	432,051
Fleet, Facilities, and Information Systems	
Fleet and Other	\$ 63,434
Capital Improvements	12,700
Information Systems	37,861
Total Fleet, Facilities, and Information Systems	\$ 113,995
Administration Operations*	50,270
Highway Safety	
Operations*	\$ 3,154
Programs	29,900
Total Highway Safety	\$ 33,054
Motor Carrier Services Operations*	7,869
Motorist Assistance Operations*	3,709
Multimodal	
Operations*	\$ 3,821
Programs	60,959
Total Multimodal	\$ 64,780
Total MoDOT Disbursements	\$2,277,575
Disbursements by Other State Agencies	\$ 213,573
Total Disbursements for MoDOT and Other Agencies	2,491,148
Excess (Deficiency) of Receipts Over Disbursements	\$ 45,062

Operations include personal service, fringe benefits, and expense and equipment.

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TOUR OF MISSOURI PROFESSIONAL CYCLING RACE

On behalf of the Director, Sue Cox, Special Projects Coordinator, advised the Commission that the State of Missouri would be hosting the inaugural Tour of Missouri international professional cycling race September 11-16, 2007. The race is patterned after the famous Tour de France and will feature point-to-point racing in six stages along public roads. More than 120 world-class athletes representing more than 15 countries are expected to traverse more than 600 miles throughout Missouri.

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REPORT ON RIGHT OF WAY PROPERTY MANAGEMENT

On behalf of the Director, Terry Sampson, Right of Way Director, presented a report on acquisition and disposal of property.

During the ten-year period extending from Fiscal Year 1998 through Fiscal Year 2007 (to date), 10,146 parcels of property were acquired for highway improvements at a cost of \$676,336,177. During the same period of time, the percentage of transactions that involved condemnation dropped from a high of 25 percent in 1999 to 7 percent in 2006. Positive surveys were received from 4.6 out of 5 property owners from whom land was acquired.

During the eight-year period extending from Fiscal Year 2000 though Fiscal Year 2007 (to date), 386.8 acres of land no longer needed for the highway purposes has been conveyed to others for a revenue increase to MoDOT of \$23,019,971.

Mr. Sampson reported that a statewide, computerized, relational database within the Transportation Management System would become operational July 1, 2007. This Realty Asset Inventory Program will identify all Commission-owned realty assets and assist in identifying properties that are no longer needed for highway purposes. It will also provide information and

documentation on all sales, leases, and excess properties, as well as references to other realty of interest, such as environmental, cultural, historical, and wetland mitigation sites.

The Commission commended Mr. Sampson for his leadership in creating a right of way management program, which will allow MoDOT to better market properties not needed for highway purposes and to use the revenue derived from those sales to make needed highway improvements. The Commissioners further applauded Mr. Sampson and the MoDOT staff for reacting positively to past criticisms of the lack of inventory of MoDOT's right of way, for seeking best right of way management practices from other states, and for being inclusive and transparent in transactions with property owners.

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**MARKET AT MCKNIGHT I TRANSPORTATION DEVELOPMENT DISTRICT,
CONSIDERATION OF PROJECT AND APPOINTMENT OF ADVISOR**

On behalf of the Director, Ed Hassinger, District 6 Engineer, and Kirk Boyer, Resource Management Director, advised the Commission that in response to a petition filed by Market at McKnight I, LLC, Novus Holdings, LLC, Sebelski Holdings, and Keebler Crossing, Inc., on April 5, 2007, the Circuit Court of St. Louis County established the Market at McKnight I, Transportation Development District (TDD) as a political subdivision for the purpose of constructing various improvements to Manchester Road (Route 100), Rock Hill Road, McKnight Road, Leonard Road, and Rockman Place. Route 100 is a part of the state highway system and, therefore, under the jurisdiction of the Commission. The Commission does not own any real property within the proposed TDD and has no financial participation in the project.

In keeping with Sections 238.220(3) and 238.225(1), RSMo, the Commission, via approval of the consent agenda, (1) found that the improvement to Route 100 is a necessary and desirable extension of the state highways and transportation system, subject to the TDD making

any revisions in 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, and (2) appointed the District 6 Engineer, or his designee, as the Commission advisor to the Market at McKnight I TDD's board of directors. In keeping with the Commission's Delegation of Authority to Execute Documents Policy, the Director, Chief Engineer, Chief Financial Officer, or respective business unit director may execute the related agreements.

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**HIGHWAY 63 TRANSPORTATION CORPORATION,
APPOINTMENT OF BOARD MEMBERS**

On behalf of the Director, Dan Niec, District 2 Engineer, and Kirk Boyer, Resource Management Director, conveyed the following recommendation of the Highway 63 Transportation Corporation Board of Directors as it pertained to membership on that board:

- Appoint Mari Macomber to replace Tim Crist for the term expiring June 2009.
- Appoint Wayne Blackman to replace Bob Henselman for the term expiring June 2009.
- Appoint David Ramsey, Jay Baxter, Norman Belitz, Don Wilhelm, and Allan Muncy for three-year terms, expiring June 2010.

Via approval of the consent agenda, the Commission unanimously approved the appointments to the Highway 63 Transportation Corporation Board of Directors as recommended and noted above.

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**AMENDED CITY OF NEVADA STATE TRANSPORTATION ASSISTANCE
REVOLVING (STAR) FUND LOAN, CITY OF NEVADA**

On behalf of the Director, Brian Weiler, Multimodal Operations Director, and Kirk Boyer, Resource Management Director, recommended approval of a request from the City of Nevada for an additional \$100,000 State Transportation Assistance Revolving (STAR) Fund loan to cover increased costs associated with constructing an ADA accessible terminal building and additional hangars at the city’s Municipal Airport (approved by the Commission on December 5, 2003) and construction of a terminal building (approved by the Commission on September 13, 2006). The \$250,000 initial loan was disbursed on May 31, 2007.

The City will use its general fund to make monthly payments for ten years. Interest will be 2.71 percent, which is three-fourth of the Municipal Market Data for a ten-year maturity ‘AA’ municipal bond at the time of the original loan consideration.

Via approval of the consent agenda, the Commission unanimously approved the additional \$100,000 STAR Fund loan to the City of Nevada, as described above. The Commission further authorized the Director, Chief Engineer, Chief Financial Officer, or Multimodal Operations Director to execute the related loan documents, subject to approval as to form by the Chief Counsel’s Office.

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**CHANGE IN ACCESS, SHIFTING AND NARROWING ENTRANCES,
ROUTE B, BOONE COUNTY**

On behalf of the Director, Roger Schwartz, District 5 Engineer, recommended approval of a request from Paris Road Plaza, LLC, to shift a 60-foot entrance centered at the southeasterly right-of-way line of Route B opposite Station 1137+00 to Station 1139+57 and narrow the entrance to 40-feet. He also recommended approval of the request from Paris Road Plaza, LLC,

to narrow an existing 60-foot entrance at Station 1134+60 to 40 feet. Because the proposed entrance is a non-arterial connection that will be constructed to accommodate a commercial development and because the improvements will not provide traffic relief to the state system, the request falls outside the authority granted by the Commission on February 13, 1997, to the staff to approve breaks in limited access.

Via approval of the consent agenda, the Commission unanimously approved the request of Paris Road Plaza, LLC, to shift and narrow one entrance and narrow a second entrance as described above, subject to approval as to form of the agreement by the Chief Counsel's Office. No compensation will be due from the property owner for this transaction.

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**DISPOSAL OF EXCESS PROPERTY, ROUTE 141 AND INTERSTATE 55,
JEFFERSON COUNTY**

On behalf of the Director, Ed Hassinger, District 6 Engineer, reminded the Commission that at its May 9, 2007, meeting, the Commission authorized conveyance of 4.37 acres of right of way adjacent to Route 141 and Interstate 55 to the City of Arnold provided four contingencies were met. Subsequent to the Commission's action, MoDOT staff determined that the area to be conveyed totaled 4.73 acres, rather than 4.37 acres, and further learned that the time required for the city to meet two of the contingencies could jeopardize its pending economic development opportunity. Inasmuch as the Chief Counsel's office staff determined that covenants placed in the quitclaim deed would accomplish the same outcome as the two contingencies of concern (the municipal agreement and sales agreement) and upon satisfaction of the other two contingencies, the staff, via quitclaim deed executed by the Chairman, conveyed the property to the City of Arnold.

Via approval of the consent agenda, the Commission unanimously ratified conveyance of 4.73 acres to the City of Arnold using covenants in the quitclaim deed in lieu of (1) a municipal agreement with the City and its developer and (2) a sales agreement with the City, to ensure that a public road continues to be provided to all properties currently accessed by Big Bill Road.

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--- REPORTS ---

The Commission received the following written reports.

**FINANCIAL – BUDGET – REPORTS
YEAR-TO-DATE FINANCIAL REPORT, APRIL 30, 2007**

Deborah S. Rickard, Controller, presented the Fiscal Year 2007 monthly financial report for the period ending April 30, 2007, with budget and prior year comparisons.

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FISCAL YEAR 2006 BUDGET, GENERAL SERVICES DIVISION

Dave DeWitt, Deputy Administrative Officer, presented a tabulation of contracts with an estimated value over \$200,000 that had been executed during the January 1, 2007 - March 31, 2007, time period.

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CONTRACTOR PERFORMANCE REPORT

Dave Ahlvers, State Construction and Materials Engineer, presented the annual contractor performance report for 2006. Performance summaries were mailed to the contractors the week of May 14, 2007.

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

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