



**MISSOURI HIGHWAYS AND TRANSPORTATION  
COMMISSION**

**Official Minutes**

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**MINUTES OF REGULARLY SCHEDULED HIGHWAYS AND  
TRANSPORTATION COMMISSION MEETING HELD IN  
SPRINGFIELD, MISSOURI, ON WEDNESDAY, AUGUST 8, 2007**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Wednesday, August 8, 2007, at City Utilities, 301 East Central, Springfield, Missouri. James B. Anderson, Chairman, called the meeting to order at 10:00 a.m. 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; Mari Ann Winters, Secretary to the Commission, and Pamela J. Harlan, Newly Appointed Secretary to the Commission were present on Wednesday, August 8, 2007.

\* \* \* \* \*

*"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 Farber, the Commission unanimously approved the minutes of the regularly scheduled meeting held on July 18, 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 August 8, 2007, Consent Agenda**

Upon motion by Commissioner McKenna, seconded by Commissioner Michie, all items on the August 8, 2007, consent agenda were unanimously approved.

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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 August 8, 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 three internal audit reports and a revised Audit Committee Charter. The group also reviewed the status of actions taken by the department based on prior audit recommendations.

**Legislative Committee** – Commissioner McKenna reported on two items. The first item was a report on a meeting that occurred on July 31, 2007 and was cosponsored by the Joint Committee on Transportation Oversight and MoDOT. Topics at this meeting included the condition of Missouri’s highway system, and future funding for transportation. The second item to report was the veto session scheduled for September, and, the Governor’s consideration for calling a special session to address an economic development proposal that passed during the 2007 legislative session but was vetoed for several reasons. Commissioner McKenna reported that he was hopeful that if the Governor called a special session he would include the legislative fix that the department needs to move forward with the Safe and Sound program.

**Missouri Transportation Finance Corporation** – Commissioner Gach reported the next MTFC meeting is scheduled for September.

**MoDOT and Patrol Employees Retirement System** – Commissioner Michie reported the investment return was 18.1% for 2007 and the next MPERS meeting is scheduled for September.

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**RECOGNITION OF ACCOMPLISHMENTS,  
MARI ANN WINTERS**

Mari Ann Winters, Secretary to the Commission, will retire on August 31, 2007, ending a 37-year career with the Missouri Department of Transportation. Mrs. Winters began her career with the Highway Department in February 1970 as a senior stenographer with the Maintenance and Traffic Division. In May 1972 she went to work for the Personnel division as a secretary and later with the Administrative Office. In 1975 she began working for the Credit Union. In 1977 Mr. Robert Hunter hired Mari Ann Winters as Executive Secretary for the Chief Engineer’s office. In January 1981 Mrs. Winters became the Secretary to the Commission and will hold that position until August 31, 2007. During her service to the Commission, Mari Ann Winters

worked for 34 appointed Commissioners, and with seven Chief Engineers and Directors. The Commission members commended Mrs. Winters' exemplary service and leadership and wished her well on her future endeavors.

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## **DIRECTOR'S REPORT**

During the August 8, 2007, Commission meeting, Director Pete Rahn provided the following report:

**Bridges** – The director limited his comments to the collapse of the Mississippi River Bridge on West I-35 in Minneapolis, Minnesota. This bridge collapse dominated national news and created a lot of conversation around the country regarding the safety of the nation's infrastructure. In Missouri we had already recognized that we had a problem with bridges and the Commission and the Department have been pursuing a radical idea with our Safe and Sound bridge program to address 800 of our structurally deficient bridges. Missouri has 10,200 bridges in our system, of which, 1,024 are structurally deficient. MoDOT has attempted to address the structurally deficient bridges, however as quickly as we repair 30 or 40 bridges another 30 or 40 fall into the structurally deficient condition. MoDOT, nor any other DOT would ever allow anyone to travel over a bridge that they believe is unsafe, even if it was a major structure.

The 800 bridges being addressed in the Safe and Sound program are those that are straightforward improvements or are the relatively easiest to replace. They do not have environmental or other safety concerns. What this program leaves MoDOT with is a little over 200 structurally deficient bridges that are the most difficult bridges to deal with. They are the bridges that will be expensive to improve; they have environmental and safety problems that include the roadways leading up to the bridges. Without additional revenues, not much progress will be made on replacing those last 200 bridges.

The Director reported how quickly staff responded to the Minnesota bridge collapse. A report of every bridge that was identical or similar to the Minnesota Bridge and a recommended inspection plan for those bridges was prepared for the Director by the morning after the incident. The Director and the Commission commended the staff for their immediate response to the situation. The Director reported that MoDOT does have one bridge identical to the bridge that collapsed, the Hurricane Deck Bridge on Route 5 in Camden County. The Hurricane Deck Bridge was built in 1935 and that design has not been used since the 1940's in Missouri. The other bridges that MoDOT is inspecting are bridges that have approaches similar in design to the Minnesota Bridge.

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## **UPDATE ON LOCAL PARTNERING TO ACHIEVE REGIONAL GOALS AND COMPLETE MAJOR PROJECTS**

Mr. Brad Tate, Transportation Committee Chairman, Springfield Area Chamber of Commerce, provided an update on local partnering to achieve regional goals and complete major projects on behalf of the Chamber, the City of Springfield, and Greene County. Mr. Tate introduced a video presentation that highlighted partnering and transportation improvements.

Springfield has been able to partner with MoDOT and complete projects due to a voter supported 1/8-cent transportation sales tax. Examples of cooperative projects have been Sunshine and Route 65, Glenstone and Sunshine, Battlefield and Glenstone, and the new West Bypass. Accelerating the projects saved money and the projects have been overwhelmingly successful; however, growth of the metro area continues to put new demands on the transportation system.

One of the most pressing future demands will be the Route 65 corridor. The goal is a six-lane roadway on this corridor. The Route 60 and Route 65 interchange has special challenges, including an at-grade railroad crossing and the James River flood plain. Construction for a new interchange there will begin in 2009 and will also eliminate the at-grade railroad crossing on Route 60 west of the interchange. With these improvements underway, the focus now turns to upgrading interchanges along Route 65 at Kearney Street, Division Street, Battlefield Road, and Chestnut Expressway. Although those interchanges are on the state system, Springfield is actively exploring local funding options to partner with MoDOT to accelerate these improvements.

Reconstruction of the interchange at James River Freeway and south Glenstone is planned to begin later this year. This will significantly improve traffic flow for major retail areas which are vital to Springfield's taxpayers.

The Springfield-Branson National Airport plays an important role in Springfield's growing economy by connecting to 12 different cities with 30 flights a day. A new \$117 million terminal is being constructed at the airport requiring an entirely new roadway, Route 266, to access the airport. MoDOT officials have worked to collaborate with Springfield in making this roadway a reality.

Upon conclusion of the video, Mr. Tate stated that the cooperative efforts and partnerships have brought positive change and improvements to the region's transportation system.

Commissioner Michie expressed appreciation and commended Mr. Tate and the region for looking at transportation issues in a positive way and determining how to pull a group together and make things happen; and he thanked them for their presentation.

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**PRESENTATION ON SHARED FOUR-LANE HIGHWAY,  
CAMDEN/LACLEDE COUNTIES**

On behalf of the Director, Kirk Juranas, District 8 Engineer, reported that MoDOT is using an innovative approach of a shared four-lane highway on a pilot project for Route 5 in Camden and Laclede counties.

Mr. Juranas stated that MoDOT has been reviewing the shared four-lane concept for several years. The concept was originally used in Europe and is now being used in other states. In the past, Missouri has used a passing lane concept on Route 63 and Route 37. However, the

shared four-lane proposal is different from the passing lanes concept. The shared four lanes are continuous through the corridor, whereas the passing lane system is spread out intermittently along the corridor. The shared four-lane concept will require specific signing and striping to direct and inform motorists, and will allow traffic to move faster and reduce the number of accidents, at less cost than a true four lane roadway.

Mr. Juranas explained that the shared-lane concept is a good design alternative for roadways with adequate capacity, but: (1) have bottleneck locations due to frequent presence of slow-moving vehicles, (2) have inadequate passing opportunities over substantial lengths of highway, (3) where a four lane highway is desirable, but sufficient funds are not available to construct it, (4) where environmental concerns make a four lane facility infeasible.

Mr. Juranas explained that there are two parts of the Route 5 corridor that will be improved with the shared four-lane concept. The northern section is a curvy two-lane section that will be relocated with enough right-of-way purchased for a future four-lane. The southern section is currently a Super Two highway that will be retrofit with the shared four-lane concept. The entire project is 18 miles long and carries approximately 10,000 vehicles a day, and will cost approximately \$50 million. Construction will begin in 2008 and the project will be completed by mid-year 2010.

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#### **SUCCESSFUL HANDLING OF THE CLOSURE OF I-44 DURING THE U.S. 65 BRIDGE REMOVAL AND DETOUR**

On behalf of the director, Kirk Juranas, reported on the successful closure and detour of I-44 and US 65 during demolition of a bridge on Route 65 over I-44. The closure started at midnight on Friday, with a plan to be open by rush hour on Monday morning, however by 9:30 p.m. on Saturday evening the roads were opened back to traffic. Before the closure, the traveling

public was notified of detours with message boards and media coverage. During the closure the bridge was demolished, with the rubble removed from the highway, and new piles were driven for the new over-pass before the highway reopened. A cooperative effort between MoDOT, the Missouri State Highway Patrol, Greene County Sheriff's office, Greene County / Springfield Emergency Management, and Springfield Police assisted in making a smooth trip for the traveling public while the detours were in place for the demolition. Mr. Juranas shared a time-elapsed video presentation of the demolition of the bridge.

Chairman Anderson noted that the level of planning and cooperation made this project very successful.

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**AMENDMENT 3 BONDS, RESOLUTION AUTHORIZING  
SERIES 2007 STATE ROAD BONDS**

On behalf of the Director, Roberta Broeker, Chief Financial Officer, recommended adoption of the following Resolution authorizing the issuance of Second Lien State Road Bonds, Series 2007, in an aggregate principal amount not to exceed \$550,000,000, to fund projects for the state highway system. The Resolution further delegates authority for approving certain documents and actions in connection with the issuance of said Series 2007 Bonds.

**RESOLUTION**

**RESOLUTION AUTHORIZING THE ISSUANCE OF SECOND LIEN STATE ROAD BONDS, SERIES 2007, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$550,000,000, TO FUND PROJECTS FOR THE STATE HIGHWAY SYSTEM; AND AUTHORIZING AND APPROVING CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID SERIES 2007 BONDS.**

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1. The Commission is duly organized and existing under Article IV, Section 29 of the Missouri Constitution and Sections 226.005 to 226.191 of the Revised Statutes of Missouri, as amended, and is vested with the powers and duties specified in Chapters 226 and 227 of the Revised Statutes of Missouri, as amended, including authority and supervision over the construction, reconstruction and repairs of state roads, highways and bridges which are constructed, improved and maintained in whole or in part by the aid of state moneys, and of highways constructed in whole or in part by the aid of moneys appropriated by the United States government, so far as such supervision is consistent with the acts of Congress relating thereto (the “**State Highway System**”).

2. The Commission is authorized to issue state road bonds to fund construction and reconstruction projects of the state highway system, which bonds are to be issued and be payable as provided in Article IV, Section 30(b) of the Missouri Constitution, as amended.

3. The Commission proposes to issue state road bonds (the “**Series 2007 Bonds**”), in the principal amount not to exceed \$550,000,000, and to pay certain costs related to the issuance of the Series 2007 Bonds, on the terms and conditions provided for herein and in the Indenture described herein.

4. The payment of the principal of and interest on the Series 2007 Bonds may be guaranteed or secured in whole or in part by a municipal bond insurance policy or other form of credit enhancement (“**Credit Facility**”) to be issued or provided by a bond insurance company, bank or other financial institution selected by the Commission.

5. The Commission finds and determines that it is necessary and desirable in connection with the issuance of the Series 2007 Bonds that the Commission execute and deliver certain documents and that the Commission take certain other actions as herein provided.

**NOW THEREFORE, BE IT RESOLVED BY THE MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION, AS FOLLOWS:**

**Section 1. Authorization of the Series 2007 Bonds.** The Commission is authorized to issue and sell the Series 2007 Bonds in an aggregate principal amount not to exceed \$550,000,000, for purposes aforesaid which shall be issued under and secured by and shall have the terms and provisions set forth in the Master Bond Indenture dated as of July 1, 2005, as supplemented and amended including the amendment by the Supplemental Bond Trust Indenture No. 4 referred to herein (collectively, the “**Indenture**”). The Series 2007 Bonds shall be issued in a series designated Second Lien State Road Bonds, Series 2007 (the “**Series 2007 Bonds**”). The Series 2007 Bonds shall bear interest at various interest rates not to exceed a true interest cost of 6.5% per annum, and shall mature in principal installments with a final maturity not later than 2027, and shall have such redemption provisions, including premiums, and other terms to be determined by the authorized officers of the Commission and the Missouri Department of Transportation (“**MoDOT**”) in the manner described herein. The Series 2007 Bonds shall be sold by the Commission to Merrill Lynch Pierce Fenner & Smith, Incorporated, as representative of the underwriters of the Series 2007 Bonds under the hereinafter-described Bond Purchase Agreement with an underwriter's discount of not more than 1.75% of the aggregate principal amount thereof, plus accrued interest. The final terms of the Series 2007 Bonds shall be specified in the Indenture and Bond Purchase Agreement upon the execution thereof, and the signatures of the officers of the Commission or MoDOT executing such Indenture and Bond Purchase Agreement shall, subject to approval as to form by the Chief Counsel, constitute conclusive evidence of their approval and the Commission’s approval thereof.

**Section 2. Limited Obligations.** The Series 2007 Bonds shall be limited obligations of the Commission payable solely from the sources and in the manner as provided in the Indenture, and shall be secured by a pledge and assignment of and a grant of a security interest in the Trust Estate (as defined in the Indenture) to the Bond Trustee (herein defined) and in favor of the holders of the Series 2007 Bonds, as provided in the Indenture. The Series 2007 Bonds shall not be deemed to constitute a debt or liability of the State of Missouri or a pledge of the full faith and credit of the State of Missouri, and the payments on such Series 2007 Bonds shall be payable solely from the Trust Estate, and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Bond Trustee and in favor of the owners of the Bonds, as provided in the Indenture. Nothing in the Series 2007 Bonds shall be construed as obligating the State of Missouri to pay or redeem any of the Bonds from, and the owners thereof may not look to, any general or other fund of the State of Missouri or of MoDOT, except as specifically provided in the Indenture.

**Section 3. Authorization and Approval of Documents.** The following documents (the “Financing Documents”) are hereby approved in substantially the forms filed in the records of the Secretary to the Commission, and the Commission is hereby authorized to execute and deliver each of such documents (the “Financing Documents”) with such changes therein as shall be approved by the officers of the Commission or MoDOT executing such documents, such officers’ signatures thereon being conclusive evidence of their approval and the Commission’s approval thereof, subject to approval as to form by the Chief Counsel:

- (a) Supplemental Bond Trust Indenture No. 4 between the Commission and The Bank of New York Trust Company, N.A. (the “Bond Trustee”), providing for the issuance of the Series 2007 Bonds pursuant to the Indenture, and setting forth additional terms and provisions applicable to the Series 2007 Bonds.
- (b) Tax Compliance Agreement between the Commission and the Bond Trustee, which sets forth certain representations, facts, expectations, terms and conditions relating to the use and investment of the proceeds of the Series 2007 Bonds, to establish and maintain the exclusion of interest on the Series 2007 Bonds from gross income for federal income tax purposes, and to provide guidance for complying with the arbitrage rebate provisions of § 148(f) of the Internal Revenue Code.
- (c) Continuing Disclosure Agreement between the Commission and The Bank of New York Trust Company, N.A., as Dissemination Agent, under which the Commission agrees to provide continuing disclosure of certain financial information, operating data and material events, for the benefit of the owners of the Series 2007 Bonds and to assist the underwriters of the Series 2007 Bonds in complying with Rule 15c2-12 of the Securities and Exchange Commission.
- (d) Bond Purchase Agreement (the “Bond Purchase Agreement”) between the Commission and Merrill Lynch Pierce Fenner & Smith, Incorporated (“Merrill Lynch”), the representative of the underwriters of the Series 2007 Bonds, under which the Commission agrees to sell and Merrill Lynch agrees to purchase the Series 2007 Bonds with an underwriter's discount of not more than 1.75% of the principal amount thereof, plus accrued interest, upon such terms and conditions thereof as set in the Bond Purchase Agreement.

**Section 4. Approval of Preliminary and Final Official Statement.** The form and substance of the Preliminary Official Statement relating to the Series 2007 Bonds submitted to the Commission is hereby in all respects ratified, confirmed and approved, and the officers of the Commission and MoDOT are hereby authorized, empowered and directed to execute the Preliminary Official Statement and the final Official Statement in the name and on behalf of the Commission. The Commission approves the use and distribution of the Preliminary Official Statement and final Official Statement by the Underwriters in connection with the offering and sale of the Series 2007 Bonds. The Preliminary Official Statement and the final Official Statement shall be in substantially the same form as the draft Preliminary Official Statement now on file in the records of the Secretary to the Commission and hereby approved, with such changes therein as shall be approved by the officer of the Commission or MoDOT executing the same, and such execution shall constitute conclusive evidence of such officer's approval and the Commission's approval of any departures therein from the form of the Preliminary Official Statement now on file in the records of the Secretary to the Commission. For the purpose of enabling the underwriters to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the Commission hereby deems the information contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and the appropriate officers of the Commission and MoDOT are hereby authorized, if requested, to provide the underwriters a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the underwriters to comply with the requirements of such Rule.

**Section 5. Execution of Series 2007 Bonds and Financing Documents.** The Chairman or the Vice Chairman of the Commission, or the Director, the Chief Engineer or the Chief Financial Officer of MoDOT, are hereby authorized and directed to execute the Series 2007 Bonds by manual or facsimile signature and to deliver the Series 2007 Bonds to the Bond Trustee for authentication for and on behalf of and as the act and deed of the Commission in the manner provided in the Indenture. The Chairman or Vice Chairman of the Commission, or the Director, or the Chief Engineer or the Chief Financial Officer of MoDOT, are hereby authorized and directed to execute and deliver the Financing Documents for and on behalf of and as the act and deed of the Commission subject to approval as to form by the Chief Counsel. The Secretary to the Commission is hereby authorized and directed to attest to the Series 2007 Bonds by manual or facsimile signature, to the Financing Documents and to such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

**Section 6. Credit Enhancement.** The Commission may elect to enhance the security for the Series 2007 Bonds through the use of a Credit Facility. The Commission hereby approves of any Credit Facility and any agreements related to the delivery of such Credit Facility upon such terms to be determined by the authorized officers of the Commission and MoDOT in the manner described herein. The final terms of the Credit Facility shall be specified in the agreements upon the execution thereof, and the signatures of the officers of the Commission or MoDOT executing such agreements shall, subject to approval as to form by the Chief Counsel, constitute conclusive evidence of their approval and the Commission's approval thereof. The officers of the Commission are hereby authorized to take such customary actions necessary or desirable for the use of the Credit Facility.

**Section 7. Further Authority.** The Commission shall, and the officers, agents and employees of the Commission and MoDOT are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments, including, without limitation, any credit enhancement, liquidity or security documents, arbitrage certificate, closing certificates, redemption notices, and tax forms, as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of the Commission with respect to the Series 2007 Bonds and the Financing Documents subject to approval as to form by the Chief Counsel.

**Section 8. Effective Date.** This Resolution shall take effect and be in full force immediately after its adoption by the Commission.

After discussion, and upon motion made by Commissioner Michie, seconded by Commissioner Gach, the Commission unanimously:

1. Adopted the Resolution above authorizing the issuance of Second Lien State Road Bonds, Series 2007, in an aggregate principal amount not to exceed \$550,000,000, to fund projects for the state highway system; and authorizing and approving certain documents and actions in connection with the issuance of said Series 2007 Bonds.
2. Authorized the Secretary to the Commission to execute the Resolution confirming its adoption by the Commission, subject to approval as to form by the Chief Counsel.
3. Authorized the Director, Chief Engineer or the Chief Financial Officer to execute the following documents for the Series 2007 State Road Bonds: (1) Supplemental Bond Trust Indenture No. 4, (2) Tax Compliance Agreement, (3) Continuing Disclosure Agreement, (4) Bond Purchase Agreement, (5) the Preliminary Official Statement and Official Statement, and (6) any other ancillary documents, certificates, or instruments necessary to issue the bonds, subject to approval as to form by the Chief Counsel.

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## **MEDICAL AND LIFE INSURANCE PLAN FUNDING, CALEDAR YEAR 2008 AND MODIFY CERTAIN PLAN BENEFITS**

On behalf of the Director, Jeff Padgett, Manager of Employee Benefits, reported that Watson Wyatt Worldwide conducts an actuarial review and analysis of medical plan funding on a semi-annual basis. Based upon the June 30, 2007 review and recommendations, Mr. Padgett recommended the Commission absorb \$8.7 million of the estimated \$10.7 million increase in contributions recommended by the actuary for employees and retirees of MoDOT and the

Missouri State Highway Patrol in Calendar Year 2008. The projected total annual cost to the Commission is approximately \$76.5 million (\$57.8 million for MoDOT and \$18.7 million for the Missouri State Highway Patrol). This is an increase of approximately 12.5 percent. The amount applicable to MoDOT employees and retirees will be paid from MoDOT funds and the amount applicable to the Missouri State Highway Patrol will be paid from funds appropriated to the Patrol.

Mr. Padgett recommended the Commission approve modification of the current medical plan benefits as outlined below:

**Proposed MoDOT/MSHP Medical Plan  
In-Network Benefit Modifications  
Calendar Year 2008**

<b><u>Benefit</u></b>	<b><u>Current</u></b>	<b><u>2008 (Proposed)</u></b>
Individual Medical Deductible	\$300/annual	\$350/annual
Family Medical Deductible*	\$900/annual	\$1,050/annual
Individual Pharmacy Deductible	\$75/annual	\$100/annual
Out-of-Pocket Maximum**	\$750/annual	\$825/annual
Office Visit Co-payment	\$15/visit	\$20/visit

\* Combination of three or more enrolled plan participants

\*\* In addition to amounts applied toward annual deductible for medical services. There is no out-of-pocket maximum for pharmacy benefits.

**Active Employee Out-of-Pocket Premium Changes:**

	<b><u>Current</u></b>	<b><u>January 1, 2008</u></b>
Employee Only	\$0	\$10
Employee + Spouse	\$131	\$151
Employee + Family	\$151	\$171
Employee + 1 child	\$70	\$80
Employee + 2 children	\$140	\$150

Mr. Padgett further recommended the Commission approve the following funding breakdown: 12.5 percent increase in the current Commission contribution, and approximately a 12.5 percent increase in the current subscriber contributions.

Mr. Padgett advised the Commission that the pharmacy plan vendor change has been very good. Mr. Padgett explained that it is unusual for a medical trend to go down, especially on

the pharmacy side. He explained that pharmacy benefits had gone up while employee cost decreased. Mr. Padgett commended Employee Benefits staff, District and troop insurance representatives, the Commission, and the board for the collaborative effort experienced over the past several years to address issues and make the pharmacy plan work so well.

Mr. Padgett reported the Medicare part D prescription drug plan was in its second year, although there are administrative challenges when working with the Center for Medicare & Medicaid Services, the program has been successful. Mr. Padgett stated the plan received approximately \$3.5 million from the Center for Medicare & Medicaid Services as a part of this program. The cost savings go back to the plan and the Medicare participating members of the plan. A final reconciliation of that amount is expected to take place in September.

Mr. Padgett reported that he is continuing to work through the Controller's Office on the Governmental Accounting Standards Board 45 Review. Staff is working with consultants currently and a final recommendation is not ready at this time.

Chairman Anderson commented that these are some tough decisions that are being made. He noted that the recommendations were coming from the Board of Trustees of the plan that includes representatives of the State Highway Patrol and MoDOT. He said they are not easy decisions that anyone in the work place faces.

After consideration and upon motion by Commissioner McKenna, seconded by Commissioner Gach, the Commission unanimously approved the recommendations.

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**REPORT AND RECOMMENDATION REGARDING NOTICE OF PROPOSED AMENDED RULEMAKING, 7 CSR 10-25.030 AND 7 CSR 10-25.050 THROUGH 7 CSR 10-25.090, MOTOR CARRIER OPERATIONS AND NOTICE OF PROPOSED RESCISSION RULEMAKING, 12 CSR 20-1.010, 12 CSR 20-4.010, AND 12 CSR 20-7.050, HIGHWAY RECIPROCITY COMMISSION**

On behalf of the Director, Jan Skouby, Motor Carrier Services Director, presented proposed amended rulemaking for Section 10-25.030 and 10-25.050 through 10-25.090 of Chapter 7 of the Code of State Regulations, pertaining to commercial motor carrier operations. The proposed rules will reflect the transfer of functions from the Highway Reciprocity Commission (HRC) to the Missouri Highways and Transportation Commission. The proposed rescission rulemaking for Section 12 CSR 20-1.010, 12 CSR 20-4.010, and 12 CSR 20-7.050, will reflect updated reciprocity agreements and statutory amendments which became effective July 1, 2008.

After consideration, the Commission, via approval of the consent agenda, unanimously authorized the Secretary to the Commission to file the notice of proposed amended and rescission rulemaking with the Joint Committee on Administrative Rules and the Office of the Secretary of State for publication in the *Missouri Register*, and authorize the effective date of July 1, 2008 for proposed amended rulemaking 7 CSR 10-25.030 and 7CSR 10-25.080 and authorized the Director, Chief Engineer, or Chief Financial Officer to execute documents to initiate the rulemaking process.

\* \* \* \* \*

**REPORT AND RECOMMENDATION REGARDING TEMPORARY WAIVER OF NOTICE AND HEARING REQUIREMENTS INVOLVING APPLICATIONS BY HOUSEHOLD GOODS MOVERS FOR INTRASTATE OPERATING AUTHORITY EXCLUSIVELY WITHIN MUNICIPALITIES, CONTIGUOUS MUNICIPALITIES AND COMMERCIAL ZONES AS REQUIRED BY TRULY AGREED TO AND FINALLY PASSED SENATE BILL 30**

On behalf of the Director, Jan Skouby, Motor Carrier Services Director, presented a proposal to authorize the Director of Motor Carrier Services Division to issue a Notice and Order on August 28, 2007 to all regulated motor carriers authorized to transport household goods within the State of Missouri temporarily waiving the notice and intervention hearing process for the registration of household goods movers operating exclusively in municipalities, contiguous municipalities and commercial zones required to register with MHTC pursuant to Senate Bill 30.

After consideration, the Commission, via approval of the consent agenda, unanimously authorized the Motor Carrier Services Director to issue the notice and order as described above.

\* \* \* \* \*

**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) award of contracts to the lowest responsive and responsible bidders noted in Table I below, and (2) rejection of bid 603 as identified in Table II below, because it is considered excessive, and (3) acknowledge that bid 502 is a 50/50 cost share project with: the City of Jefferson, Cole County, U.S. Highway 50/63 and City View Transportation Development District, and Wal-Mart Stores East, LP; and there is a requirement of concurrence in the award and they have concurred with the award of this project.

**Table I  
Award of Contracts  
July 27, 2007, Bid Opening**

<b>Call No.</b>	<b>Route</b>	<b>County</b>	<b>Job No.</b>	<b>Bid Amount</b>	<b>Non-Contractual Costs</b>	<b>Contractor</b>	<b>Description</b>
301	70	Montgomery	J3I0767	\$106,116.15	\$0	Tarlton Corporation	Replace Bridge Expansion Joint and East Approach Slab.
402	40	Jackson	J4S1776	1,704,963.35	\$752.88	Leavenworth Exc. & Equip. Co., Inc./Julius Kaaz Const. Co., Inc.	Drainage, Retaining Walls and Alternate Paving.
502*	50/63	Cole	J5P0844	14,962,616.06	0	Bloomsdale Excavating Company, Inc.	Grading, Drainage, Alternate Bid Pavement (PPCP or Superpave) and Bridge - Steel Girder.
	50		J5P0844B				Grading, Drainage, Alternate Bid Pavement (PPCP or Superpave) and Retaining Wall.
601	170/100	St. Louis	J6M0122B	253,755.87	144.00	All Type Excavation, Inc./DBA L. Krupp Construction, Inc.	Widening to Add Left Turn Lane with Superpave and Traffic Signals in Two Disconnected Sections.
602	Various	Franklin/ Jefferson/ St. Charles/ St. Louis/ St. Louis City	J6M0114	125,430.00	0	Gerstner Electric Inc.	Traffic Signal Loop Detector Replacement.
604	70	St. Charles	J6I1995	250,541.94	656.00	Gershenson Construction Co., Inc.	Optional Pavement, Grading & Signals.
801	65	Dallas	J8P0779	371,614.25	512.00	APAC-Missouri, Inc.	Optional Pavement and Resurface with Superpave.
802	76	Stone	J8P0892B	741,719.66	656.00	APAC-Missouri, Inc.	Coldmilling and Resurfacing with Superpave.
803	65	Dallas	J8P0833B	860,050.51	656.00	APAC-Missouri, Inc.	Resurfacing with Bituminous Pavement (Superpave).
901	60	Carter/ Shannon	J9P0359B	36,379,847.99	5,595.01	Chester Bross Const. Co./ C. B. Equipment, Inc.	Grading, Alternate Pavement (PCC or SP), Bridges and Alternate Structures.
		Shannon	J9P0381D		1,906.33		Grading, Drainage, Alternate Pavement (PCC or SP), Optional Pavement and Box Culvert.

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
902	Various	Carter/ Crawford/ Dent/Howell/ Phelps/ Pulaski	J9P0606	107,978.28	0	Penhall Company	Rumble Strip Installation.
903	Various	Carter/ Crawford/ Dent/Howell/ Iron/Oregon	J9P0607	648,993.00	0	James H. Drew Corporation	On-Call Guardrail and Guard Cable Repair.
X01	67	Wayne	J0P0930A	3,311,657.98	0	Robertson, Incorporated Bridge & Grading Division	Construction of two Concrete I-Girder Bridges and four Box Culvert Extensions for Future Addition of Southbound Lane.
X02 **	U	New Madrid	J0S0885	280,403.25	0	Randy S. Callahan Construction Company, Inc.	Widening & Resurfacing (BP-1).
X03	67	Butler	J0M0024	85,109.00	0	Randy S. Callahan Construction Company, Inc.	Pavement Drainage.
				<b>\$60,190,797.29</b>	<b>\$10,878.22</b>		

\*Call 502 - Cost Share Job-Funding by City, County, TDD and Others-\$9,341,240.06.

\*\*Call X02 - Funding by the City of Lilbourn - \$168,478.25.

**Table II  
Rejection of Bids  
July 27, 2007, Bid Opening**

Call No.	Route	County	Job No.	Description
603	340	St. Louis	J6S1593	Soundwall Construction (three locations), Shoulder Replacement.

### Commission Consideration and Action

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

1. Awarded contracts to the lowest responsive and responsible bidders for bids received on July 27, 2007, 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 Call 603 as noted in Table II above, because it is considered excessive.
3. Acknowledge that bid 502 is a 50/50 cost share project with: the City of Jefferson, Cole County, U.S. Highway 50/63 and City View Transportation Development District, and Wal-Mart Stores East, LP; and there is a requirement of concurrence in the award and they have concurred with the award of this project

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.

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## **ROADWAY LOCATION AND DESIGN APPROVAL**

On behalf of the Director, Beth Wright, District 4 Engineer recommended approval of the location and design of the following project as presented on the preliminary plans and exhibits shown to the public at the noted hearings with modifications noted below, if any.

**Route 71, Cass County  
2.0 Miles South of Route 58  
Job No. J4P1708  
Public Hearing Held February 22, 2007**

The proposed improvement consists of construction of a new interchange on Route 71, two miles south of Route 58 and realignment of the west outer road (Peculiar Drive). The project will have limited access right of way. The improvement will be constructed under traffic with lane closures and reductions as necessary. The project is 1.3 miles in length.

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 location and design would best serve the interest of the public and approved the recommendation.

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## **ROADWAY DESIGN APPROVAL**

On behalf of the Director, Beth Wright, District 4 Engineer, recommended approval of the design of the following project as presented on the preliminary plans and exhibits shown to the public at the noted hearing.

**Route I-470, Jackson County  
From Colbern Road to Woods Chapel Road  
Job No. J4I1650  
Public Hearing Held June 19, 2007**

The proposed improvement provides a new diamond interchange on I-470 at Strother Road with auxiliary lanes between Colbern Road and Woods Chapel Road; the extension of Strother Road east of I-470 to the new Todd George Parkway (a local road); and the extension of Todd George Parkway from Colbern Road to Woods Chapel Road. I-470 will consist of four 12-foot lanes with 12-foot auxiliary lanes and 6-foot shoulders. This project will have fully controlled right of way access on I-470. The project will be constructed under traffic utilizing temporary bypasses. The project on I-470 is 2.4 miles in length and on the local roads it is 2.9 miles in length.

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

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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>
Jackson	I-435	J4I1121B	May 10, 2006
Camden	5	J5P0592A	January 16, 2004
Greene	BU65	J8P0789	Fewer than 5 parcels
St. Francois	67	J0P0591H	September 13, 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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**GANS ROAD AND U.S. 63 TRANSPORTATION DEVELOPMENT DISTRICT,  
CONSIDERATION OF PROJECT AND APPOINTMENT OF ADVISOR**

On behalf of the Director, Roger Schwartze, District 5 Engineer, and Kirk Boyer, Resource Management Director, advised the Commission that in response to a petition filed by Bristol Lake Investment Company, LLC, and Bristol 6789, LLC, on September 16, 2005, the Circuit Court of Boone County established the Gans Road and U.S. 63 Transportation Development District (TDD) as a political subdivision for the purpose of improving Gans Road and U.S. 63. 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 U.S. 63 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 5 Engineer, or his designee, as the Commission advisor to the Gans Road and U.S. 63 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.

\* \* \* \* \*

**DISPOSAL OF EXCESS PROPERTY,  
ST. LOUIS COUNTY, ROUTE I-170**

On behalf of the Director, Ed Hassinger, District 6 Engineer, recommended conveyance of 0.44 acre of land located adjacent to Route I-170, St. Louis County to Bi-State Development Agency of the Missouri-Illinois Metropolitan District (Metro) for a nominal consideration.

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

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**DISPOSAL OF EXCESS PROPERTY,  
FRANKLIN COUNTY, ROUTE 100**

On behalf of the Director, Ed Hassinger, District 6 Engineer, recommended conveyance of 3.68 acres of land located adjacent to Route 100, Franklin County to Phoenix Center II Development Co., LLC, a Missouri Limited Liability Company for the offer of \$360,000.

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, JUNE 30, 2007**

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

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**DESIGN/BRIDGE ENGINEERING CONSULTANTS**

Dave Nichols, Director of Program Delivery, presented the Design/Bridge Engineering Consultants Report as of June 30, 2007. The report reflects current active consultant work on projects contained in the State Transportation Improvement Program.

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

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