



**MISSOURI HIGHWAYS AND TRANSPORTATION
COMMISSION**

Official Minutes

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October 1, 2008

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**MINUTES OF REGULARLY SCHEDULED HIGHWAYS AND
TRANSPORTATION COMMISSION MEETING HELD IN
CARUTHERSVILLE, MISSOURI, ON WEDNESDAY, OCTOBER 1, 2008**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Wednesday, October 1, 2008, at First State Bank and Trust Company, Inc., 100 W. Third Street, Caruthersville, Missouri. Duane S. Michie, Chairman, called the meeting to order at 9:30 a.m. The following Commissioners were present at the meeting location: Duane S. Michie, James B. Anderson, Mike Kehoe, David A. Gach, Rudolph E. Farber, and Grace M. Nichols.

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 Pamela J. Harlan, Secretary to the Commission were present on Wednesday, October 1, 2008.

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

The Commission met in closed session from 8:00 a.m. until 9:15 a.m.

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-- OPEN MEETING --

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 October 1, 2008, Consent Agenda

No items were removed from the consent agenda. Upon motion by Commissioner Kehoe, seconded by Commissioner Gach, the consent agenda items were unanimously approved by a quorum of Commission members present, except that Commissioner Anderson abstained from voting on the following: "2009-2013 Statewide Transportation Improvement Program 2009 STIP Amendment".

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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 October 1, 2008, meeting.

Audit Committee – Commissioner Farber stated there was no report.

Legislative Committee – The Commission and the department continue to discuss, and desire to develop freight transportation on the rivers in Missouri. The Commission and the department would like to propose an additional legislative item and give Jay Wunderlich and his staff authority to work with the General Assembly, the Governor's office, and the Department of Natural Resources to

prepare a resolution that will promote and advance freight movement on Missouri's rivers.

Following discussion, Commissioner Kehoe moved for approval of this additional legislative proposal, seconded by Commissioner Anderson, the Commission unanimously adopted the additional legislative proposal for the 2009 legislative agenda.

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

MoDOT and Patrol Employees Retirement System – Commissioner Michie reported that the Board held a meeting on September 18 in Jefferson City. At this meeting the Board established new contribution rate for MoDOT and the Civilian Patrol at 31.43 percent and for the Uniformed Patrol a contribution rate of 39.98 percent. However, in light of the financial market meltdown, those funding rates are going to have to be reviewed and perhaps raised to a higher level. Another item discussed at the meeting was the progress of the installation of the pension administration system. This installation is about five months behind, and may fall a little further behind. The Board also reviewed the investment portfolio.

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DIRECTOR'S REPORT

During the October 1, 2008, Commission meeting, Director Pete Rahn provided the following report:

Bond rating trip to New York. A delegation of Commissioners and staff traveled to New York to make presentations to the bond rating agencies and credit rating agencies of Fitch, Moody's, and Standard & Poor's. The department and the Commission have a long history of extremely strong credit ratings. The Commission is one of only a few state departments of transportation that has a natural AAA rating, which is the highest rating. The bonds that the department is planning to issue are GARVEE bonds, that is a grant anticipation revenue vehicle, which is a pledge of future federal dollars. These are the first GARVEE bonds that the Commission has issued, and are in line to earn an AA rating, an extremely sound rating that is important in today's credit markets. We are looking forward to issuing the bonds October 20 through 22. However, we are in a position, if the credit markets have not settled down, to wait it out if necessary.

Awards. The department has won the Governor's Award for Productivity and Quality for the New I-64 project. The Governor recognized this project for the involvement of the public in scheduling the closures, and for the project's exceptional results. The department is very proud to receive an award from the Governor in recognition of quality performance on the part of the department. The department is also receiving a national award for innovation in the pay for performance program. Micki Knudsen, Director of Human Resources, is attending the American

Society of Human Resource Managers conference and is receiving that award on behalf of the department today. The department is pleased to receive recognition on a national scale for the tremendous work and innovation that is being produced by team MoDOT.

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DELEGATION REPRESENTING THE BOOTHEEL REGIONAL PLANNING & ECONOMIC DEVELOPMENT COMMISSION

Steve Duke, Executive Director of the Bootheel Regional Planning Commission (RPC) shared with the Commission the six transportation goals for the region. The first goal is enhanced safety. Missouri has reduced the number of highway fatalities by a significant amount over the past year and the RPC congratulates the Missouri Department of Transportation for the improved safety features installed and constructed on the highway system.

The second goal is facility improvements. The department's Smoother, Safer, Sooner program was a success and the results can be seen on the major corridors in the Bootheel and the RPC appreciates the department's efforts in these areas. The RPC looks forward to the implementation of the Safe and Sound Bridge program. There are fifty-seven bridges in the six counties of the Bootheel scheduled for improvements. These improvements cannot come too soon.

The third goal is intermodal connections. Mr. Duke stressed the value of intermodal connections in competing in the global economy. These connections also include bicycle, pedestrian, and transit facilities that are promoted by programs such as Safe Routes to School and Reverse Commute. The ability to move people, goods, and services from the home, the field, or the office to the highway, airport, railroad, or river port is vital to the economy of the Bootheel.

The fourth goal is preservation of environmental quality. Water quality is very important to the residents of the Bootheel area. The department's erosion control measures used during

construction activities has a positive impact on health, safety, and welfare of our residents and wildlife in the region.

The fifth goal is economic development. The most important locational factors in economic development are transportation costs, access to materials, access to markets, and labor costs. The RPC would support an initiative to include access roads to the river ports as part of the state and national highway system. The RPC also supports reclassification of Route 25 to a major arterial route to allow larger trucks to travel that route to local businesses, which would improve the area's economy.

The sixth goal is partnerships. The Missouri Department of Transportation's implementation of the planning and decision making partnership created a grass roots needs identification and prioritization network that gave credibility to the department's construction program. The RPC's partnership with District 10 has proven to be one of the most important partnerships. It is this partnership and others that will find solutions to improve the quality of life for the residents and visitors in the Bootheel of Missouri.

In concluding his comments, Mr. Duke discussed funding for transportation infrastructure. The state will need to find a solution that will not only take care of the existing transportation network but also fund system expansion and multimodal improvements to the highways, airways, railways, and waterways all across the state. As the department's partner, the Bootheel Regional Planning and Economic Development Commission is available to assist, advise, or implement any transportation funding initiatives proposed by the legislature that is fair and equitable to maintain and expand transportation infrastructure.

Chairman Michie thanked Mr. Duke for his presentation, the partnership between the RPC and MoDOT, and for understanding that transportation is the foundation for economic development.

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PUBLIC TRANSPORTATION IN RURAL MISSOURI

Dr. Tom Lawson, Route 67 Transportation Corporation Chairman spoke with the Commission about transit service in small towns and rural areas. Few people realize that one out of ten people who live in southern Missouri don't have any other form of transportation other than their rural transit service, Southeast Missouri Transportation Service, Inc. (SMTS). There are 12,000 people in approximately twenty-five counties that ride the SMTS service regularly for medical appointments, shopping, training, and other necessities. Mr. Lawson expressed appreciation of MoDOT's multimodal focus that will help transit seek additional funding from the legislature.

Dr. Lawson also expressed an understanding of the transportation funding issues that the state is facing in the future and a desire to keep the funding flowing to meet the needs on rural highways.

Chairman Michie expressed appreciation to Dr. Lawson and SMTS for the service they provide to the area. Mr. Michie stated that it truly is all about funding for a total transportation network.

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REPORT ON FREIGHT DEVELOPMENT EFFORTS

On behalf of the Director, Brian Weiler, Multimodal Operations Director, spoke with the Commission about the department's freight development efforts. Freight development can relieve highway congestion, improve stewardship of the environment, create jobs, increase economic development, improve transportation system efficiencies, and move Missouri's economy forward.

First there was a highlight of two local ports in New Madrid and Pemiscot County. Then there was a discussion of the recently completed low flow study of the Missouri River. Finally, a brief discussion about a new section in the multimodal division devoted to freight development.

Before the two local ports were highlighted, Mr. Weiler reviewed funding for Missouri's ports. During the 2008 legislative session ports received \$6.65 million for twelve capital infrastructure projects at seven ports. This funding is the highest amount that ports received in the last ten years combined. The department plans to build on this success and seek \$11 million from the legislature in 2009 to pay for fifteen capital improvement projects at eight ports over a two-year period.

The port capital improvement funds that the New Madrid port received will build a new railroad spur to a new industry at the port. Other improvements coming to this port include additional moorings and a truck scale.

David Madison, Executive Director of the Pemiscot County Port, discussed the industries and investments at the port. Mr. Madison explained that the port capital improvement funds that this port received will build a portion of a railroad spur to connect the port to the rail system.

The second topic for discussion was the recently completed low flow analysis of the Missouri River. There has not been a full navigation season on the Missouri River since 2001. Drought in the upper basins of the Missouri River have reduced the amount of water released and does not support navigation on the river. Although transporting freight on the river would be a cost savings to businesses, the low river levels has made navigation on the Missouri river too unreliable to be a cost effective mode of transport. As a result the department sought for improved equipment that could navigate on low flow rivers. This study found that operators are willing to light load barges so that the nine foot draft that is required for a typical barge load of 1,500 tons is reduced to a

seven and a half foot draft for a light load of 1,200 tons. Although you can light load a barge, you can't light load a tug. A tug typically has a draft of nine or eleven feet. The concept of a shallow draft tug will reduce the draft needed to six or seven feet. While a new tug would cost approximately \$6 million, this study found technology that can be used to modify an existing tug for approximately \$500,000. Using low flow equipment and technology is a much more affordable way to try and entice operators to bring their equipment to the Missouri River and transport freight.

The final topic for discussion is the new freight development section. The department hired Mike Sinn as the new Administrator of Freight Development. The department has developed four freight focus areas:

1. Environment for success. Creating a supportive environment for the development of freight activities in the state of Missouri by identifying and removing obstacles to that development, and communicating the benefits of investing in freight.
2. Engage with partners. Develop outreach tools for partners and the department, seek out partnership opportunities and actively participate in various freight efforts at the local, state, and federal levels.
3. Enhance system capacity. Invest in infrastructure, and improve system management for additional efficiencies.
4. Evaluate performance. Quantify economic impacts and show the benefits of investing in freight development for the general public and the General Assembly.

Chairman Michie thanked Mr. Weiler and Mr. Madison for their presentations. The chairman also recognized Mr. Sinn, the new Administrator of Freight Development, and Sherrie Turley, Senior Multimodal Operations Specialist, for her good work with the ports in Missouri.

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REPORT ON MODOT ANNUAL CUSTOMER SATISFACTION SURVEY SUMMARY

On behalf of the Director, Mara Campbell, Organizational Results Director, shared with the Commission the recent results of MoDOT's annual customer satisfaction survey. The purpose of the survey is to gauge public support on a variety of transportation issues, and to populate seven Tracker measures with data.

MoDOT continues to wow Missourians. There is a significant increase in the number of Missourians who are satisfied with the job MoDOT is doing. In addition, more Missourians agree that MoDOT provides accurate, timely, and understandable information. Another finding is that more Missourians believe MoDOT considers their needs in transportation decision making.

There are numerous questions that seek public opinion about funding transportation. The survey asked Missourians about funding in context with other areas of state government such as economic development, public safety, and social services. Transportation ranked second to education as being the most beneficial expenditure of state funds. This is a significant finding as the department prepares for future funding issues.

When asked who should pay for transportation projects? Nearly eighty percent of Missourians continue to believe that statewide revenue sources should be used on state highway projects rather than local community sources. Two additional survey findings are that MoDOT should concentrate on maintaining existing facilities rather than building more lanes and highways, yet MoDOT does not receive enough money to take care of our existing infrastructure. The respondents to the survey were asked what type of transportation revenue option would be acceptable. The responses in order of most acceptable were: tolls (34%), general sales tax (22%), fuel tax (8%), and fees and registration (8%).

The data from the survey can be divided by MoDOT district. For example, the data indicates that the western half of the state is more supportive of tolling than the eastern half. The

segmentation of this data helps the department understand the customers so the department can tailor its communication and outreach efforts to those regions.

In summary, the data has three significant findings: (1) Missourians are satisfied with the job MoDOT is doing, (2) Missourians believe and are committed that transportation is a good investment, and (3) Missourians are beginning to understand the funding crisis facing transportation in Missouri.

Chairman Michie thanked Ms. Campbell for her presentation and inquired about the survey questions and responses to tolling this year compared to past years.

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RESOLUTION AUTHORIZING SERIES 2008 FEDERAL REIMBURSEMENT STATE ROAD BONDS

On behalf of the Director, Roberta Broeker, Chief Financial Officer recommended adoption of the following Resolution authorizing the issuance of Federal Reimbursement State Road Bonds, Series A 2008, in an aggregate principal amount not to exceed \$175,000,000 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 2008 Bonds.

RESOLUTION

RESOLUTION AUTHORIZING THE ISSUANCE OF FEDERAL REIMBURSEMENT STATE ROAD BONDS, SERIES A 2008, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$175,000,000, TO FUND PROJECTS FOR THE STATE HIGHWAY SYSTEM; AND AUTHORIZING AND APPROVING CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID SERIES 2008 BONDS.

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 payable as provided in Article IV, Section 30(b) of the Missouri Constitution, as amended, and Chapter 226 of the Revised Statutes of Missouri, as amended.

3. The Commission proposes to issue Federal Reimbursement State Road Bonds Series A 2008 (the “**Series 2008 Bonds**”), in the principal amount not to exceed \$175,000,000, and to pay certain costs related to the issuance and capitalized interest of the Series 2008 Bonds, on the terms and conditions provided for herein and in the Indenture described herein.

4. The Commission finds and determines that it is necessary and desirable in connection with the issuance of the Series 2008 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 2008 Bonds. The Commission is authorized to issue and sell the Series 2008 Bonds in an aggregate principal amount not to exceed \$175,000,000, 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 November 1, 2008, as supplemented and amended including the amendment by the Supplemental Bond Trust Indenture No. 1 referred to herein (collectively, the "Indenture"). The Series 2008 Bonds shall be issued in a series designated Federal Reimbursement State Road Bonds, Series A 2008 (the “Series 2008 Bonds”). The Series 2008 Bonds shall bear interest at various interest rates not to exceed a true interest cost of 6% per annum, and shall mature in principal installments with a final maturity not later than 2025, a weighted average maturity of not less than 8 years and not more than 15 years, 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 2008 Bonds shall be sold by the Commission to Citigroup Global Markets Inc. (“Citi”), as representative of the underwriters of the Series 2008 Bonds, under the hereinafter-described Bond Purchase Agreement with an underwriter's discount of not more than 0.75% of the aggregate principal amount thereof, plus accrued interest. The final terms of the Series 2008 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’s Office, constitute conclusive evidence of their approval and the Commission’s approval thereof.

Section 2. Limited Obligations. The Series 2008 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 2008 Bonds, as provided in the Indenture. The Series 2008 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. Nothing in the Series 2008 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’s Office:

- (a) Master Bond Indenture between the Commission and The Bank of New York Mellon Trust Company, N.A. (the “Bond Trustee”), providing for the issuance of Federal Reimbursement State Road Bonds pursuant to the Indenture, including a pledge and assignment by the Commission of the Trust Estate to the Bond Trustee for the benefit and security of the owners of the bonds upon the terms and conditions as set forth in the Master Bond Indenture and setting forth additional terms and provisions applicable to the bonds.
- (b) Supplemental Bond Trust Indenture No. 1 between the Commission and The Bank of New York Mellon Trust Company, N.A. (the “Bond Trustee”), providing for the issuance of the Series 2008 Bonds pursuant to the Indenture, and setting forth additional terms and provisions applicable to the Series 2008 Bonds.
- (c) 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 2008 Bonds, to establish and maintain the exclusion of interest on the Series 2008 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.
- (d) Continuing Disclosure Agreement between the Commission and The Bank of New York Mellon 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 2008 Bonds and to assist the underwriters of the Series 2008 Bonds in complying with Rule 15c2-12 of the Securities and Exchange Commission.
- (e) Bond Purchase Agreement (the “Bond Purchase Agreement”) between the Commission and Citi, the representative of the underwriters of the Series 2008

Bonds, under which the Commission agrees to sell and Citi agrees to purchase the Series 2008 Bonds with an underwriter's discount of not more than 0.75% 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 2008 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 2008 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 2008 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 2008 Bonds by manual or facsimile signature and to deliver the Series 2008 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, 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's Office. The Secretary to the Commission is hereby authorized and directed to attest to the Series 2008 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. 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 arbitrage certificate, closing certificates, 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 2008 Bonds and the Financing Documents subject to approval as to form by the Chief Counsel's Office.

Section 7. 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 Farber, seconded by Commissioner Anderson, the Commission unanimously:

1. Adopted a resolution authorizing the issuance of Federal Reimbursement State Road Bonds, Series A 2008, in an aggregate principal amount not to exceed \$175,000,000, to fund projects for the state highway system; and authorizing and approving certain documents and actions in connection with the issuance of said Series 2008 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's Office.
3. Authorized the Director, Chief Engineer or the Chief Financial Officer to execute the following documents for the Series 2008 State Road Bonds: (1) Master Bond Indenture, (2) Supplemental Bond Trust Indenture No. 1, (3) Tax Compliance Agreement, (4) Continuing Disclosure Agreement, (5) Bond Purchase Agreement, (6) the Official Statements, and (7) any other ancillary documents, certificates, or instruments necessary to complete the bond issuance, subject to approval by the Chief Counsel's Office.

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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) Award of contracts to the lowest responsive and responsible bidders for bids received on September 19, 2008, as recommended and noted in Table I below. Non-contractual costs for these projects are shown on the below tabulation. (2) Rejection of bids received on Call 705, as noted in Table II below due to the bids being excessive per Section 102.15 of the Missouri Standard Specifications for Highway Construction. (3) In response to the recent

market volatility for steel products note the following projects were awarded by fax ballot on September 25, 2008: Calls 401, 404, 605, 701, and 801. The awards were recorded in the minutes of the fax ballot meeting.

**Table I
Award of Contracts
September 19, 2008, Bid Opening**

Call No.	Route	County	Job No.	Bid Amount	Non-Contractual Costs	Contractor	Description
601	70	St. Louis City	J6I2058	\$869,220.00	\$13,000.00	Gershenson Construction Co., Inc.	Signalization, Ramp Widening, Drainage, & Resurfacing
602	I-55	Jefferson	J6I1923	513,130.00	288.00	Thomas Industrial Coatings, Inc.	Bridge – Painting Under All Expansion Locations, Seal Abutment Beam Cap and Vertical Face of the Backwalls
603	I-70	St. Charles	J6I2059	604,438.29	264,450.00	Gerstner Electric Inc.	Network Connect Signals (Fiber & Wireless)
604	I-44	Franklin	J6I1880	1,504,338.95	2,296.00	APAC-Missouri, Inc.	Rehabilitation of three bridges
607	Various	St. Louis, St. Louis City	J6S2065	1,081,328.89	296,400.00	Gerstner Electric, Inc.	Network Connect Signals (Fiber & Wireless)
703	32	Cedar	J7P0591	1,524,308.45	656.00	Leo Journagan Construction Co., Inc.	Alternate Bid Pavement (PCCP or BP-1) Grading & Drainage
X01	60	Stoddard	J0P0572F	2,782,748.24	3,946.07	Emery Sapp & Sons, Inc.	Alternate Pavement (PCCP or BP-1 & PMBB), Optional Pavement & Highway Signing
			TOTAL	\$8,879,512.82	\$581,036.07		

**Table II
Rejection of Bids
September 19, 2008, Bid Opening**

Call No.	Route	County	Job No.	Description
705	FF & 43	Jasper	J7S0770B	Demolition of Structures

Commission Consideration and Action

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

1. Awarded contracts to the lowest responsive and responsible bidders for bids received on September 19, 2008, 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 705, as noted in Table II above, because they were considered excessive per Section 102.15 of the Missouri Standard Specifications for Highway Construction.
3. Noted award via fax ballot on September 25, 2008, for Calls 401, 404, 605, 701, and 801. The award is recorded in the minutes of the fax ballot meeting.

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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**2009-2013 STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM,
2009 AMENDMENT**

On behalf of the Director, Dave Nichols, Director of Program Delivery, recommended that six new projects totaling \$11,721,000 be added to the Highway and Bridge Construction Schedule and Multimodal Operations Projects of the 2009-2013 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 (Dollars in Thousands)
Platte J4U1192	9	Replace bridge over White Aloe Branch, 0.2 mile south of Rte. FF. \$475,000 from Parkville.	RW 2009 CN 2010	\$675
Ray J4S2248	EE	Replace bridge over the Burlington Northern Santa Fe (BNSF) Railroad 0.1 mile north of Rte. 210. \$350,000 from BNSF Railroad.	2009	803

County Job No.	Route	Description of Improvement/Location	Tentative Award State Fiscal Year	Contract Estimate (Dollars in Thousands)
Jefferson J6S2262	61	Relocate Scenic Drive to provide two lanes in each direction and widen McNutt Street (Rte. 61 Spur) between Rte. 61/67 and I-55. \$4.325 Million from Herculaneum and \$4 Million from MoDOT's Cost Share Program.	RW 2010 CN 2012	8,325
Greene J8S2153	D	Relocate Bedford Avenue intersection to the west to connect with Eastgate Avenue 0.2 mile east of Rte. 65 in Springfield. \$300,000 from Springfield.	2009	491
Various J0Q2168	Various	Dynamic message signs and closed-circuit TV on I-57, I-55 and Rte. 60. \$800,000 from Delta Region Transportation Development Program for the Rural Safety Innovation Program. \$200,000 from Traffic Division.	2009	1,000
			Total:	\$11,294.00

Multimodal Operations Schedule

County District	Location	Description of Improvement/Location	Tentative Award State Fiscal Year	Requested Additional Funds (Dollars in Thousands)
Ste. Genevieve District 10	New Bourbon Regional Port Authority	Construction of a ferry dock structure for high water river stages.	2009	\$427
			Total:	\$427

Via approval of the consent agenda, the Commission unanimously approved the amendments to the 2009-2013 STIP as noted in the tabulation above.

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REQUEST FOR APPROVAL OF LOCATION AND DESIGN OF HIGHWAYS

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

**Route 61/U, Lincoln County
Job Nos. J3P2146 & J3P2146C
Public Hearing Held May 22, 2008**

The proposed improvement provides for construction of an interchange at the intersection of Route 61/Route U and relocation of a portion of Route U. Route U will consist of two 12-foot lanes with 8-foot paved shoulders. The project will have controlled access right of way. Traffic will be maintained on the existing Route 61 during construction. This project is 0.7 mile in length.

Ms. Paula Gough, District 3 Engineer, recommended approval of the location and design of the improvements as presented at the public meeting.

**Route 9, Platte County
Route FF at Parkville
Job No. J4U1192
Public Hearing Held March 3, 2008**

This proposed improvement will replace the existing bridge over White Aloe Branch with a box culvert. The roadway will consist of two 12-foot lanes with a center turn lane at Route FF. The project will have controlled access right of way. Route 9 will be closed to southbound thru traffic during construction with traffic using other state route detours during the closure. Northbound Route 9 traffic will use a one-way bypass during construction. This project is 0.1 mile in length.

Ms. Beth Wright, District 4 Engineer, recommended approval of the design as presented at the public hearing.

**Route 45, Platte County
From Route K to Route 9
Job No. J4U1108B
Public Hearing Held April 17, 2008**

This proposed improvement provides for widening existing Route 45 to a four-lane facility. The new roadway will consist of four 11-foot thru lanes; with an 11-foot center turn lane and curb and gutter. The project will have partial controlled access right of way. Traffic will be maintained on Route 45 during construction. This project is 3.3 miles in length.

Ms. Beth Wright, District 4 Engineer, recommended approval of the design as presented at the public hearing, with the addition of a bicycle and pedestrian facility being constructed along the south side of Route 45.

**Route I-55, Pemiscot County
1.0 Mile North of Route 84 Interchange
Job No. J0I0972
Public Hearing Held March 8, 2007**

This proposed improvement provides a new Missouri Welcome Center at Hayti with access to and from Northbound I-55. The required land area is approximately 50 acres. This project will have fully controlled access right of way. Northbound I-55 traffic will remain on the existing roadway during construction with lane reductions during construction of the acceleration and deceleration lanes to the Welcome Center. This project is 0.9 mile in length.

Mr. Mark Shelton, District 10 Engineer, approved the location and design as presented at the public hearing.

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

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--- REPORTS ---

The Commission received the following written reports.

**FINANCIAL – BUDGET – REPORTS
YEAR-TO-DATE FINANCIAL REPORT, August 31, 2008**

Deborah S. Rickard, Controller, provided to the Commission the Fiscal Year 2009 monthly financial report for the period ending August 31, 2008, with budget and prior year comparisons.

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**MEDICAL AND LIFE INSURANCE PLAN: MISSOURI DEPARTMENT OF
TRANSPORTATION AND MISSOURI STATE HIGHWAY PATROL MEDICAL LIFE
INSURANCE PLAN REPORT**

Mr. Jeff Padgett, Director of Risk and Benefits Management and Chairman-Medical and Life Insurance Plan Board of Trustees, presented reports on the financial status of the Medical and Life Insurance Plan covering the period from January through June 2008. The report indicated that the number of claims continues to increase, which was primarily attributable to increased utilization. The Medical and Life Insurance Plan Board of Trustees continues to closely monitor increases in utilization and trends.

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

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