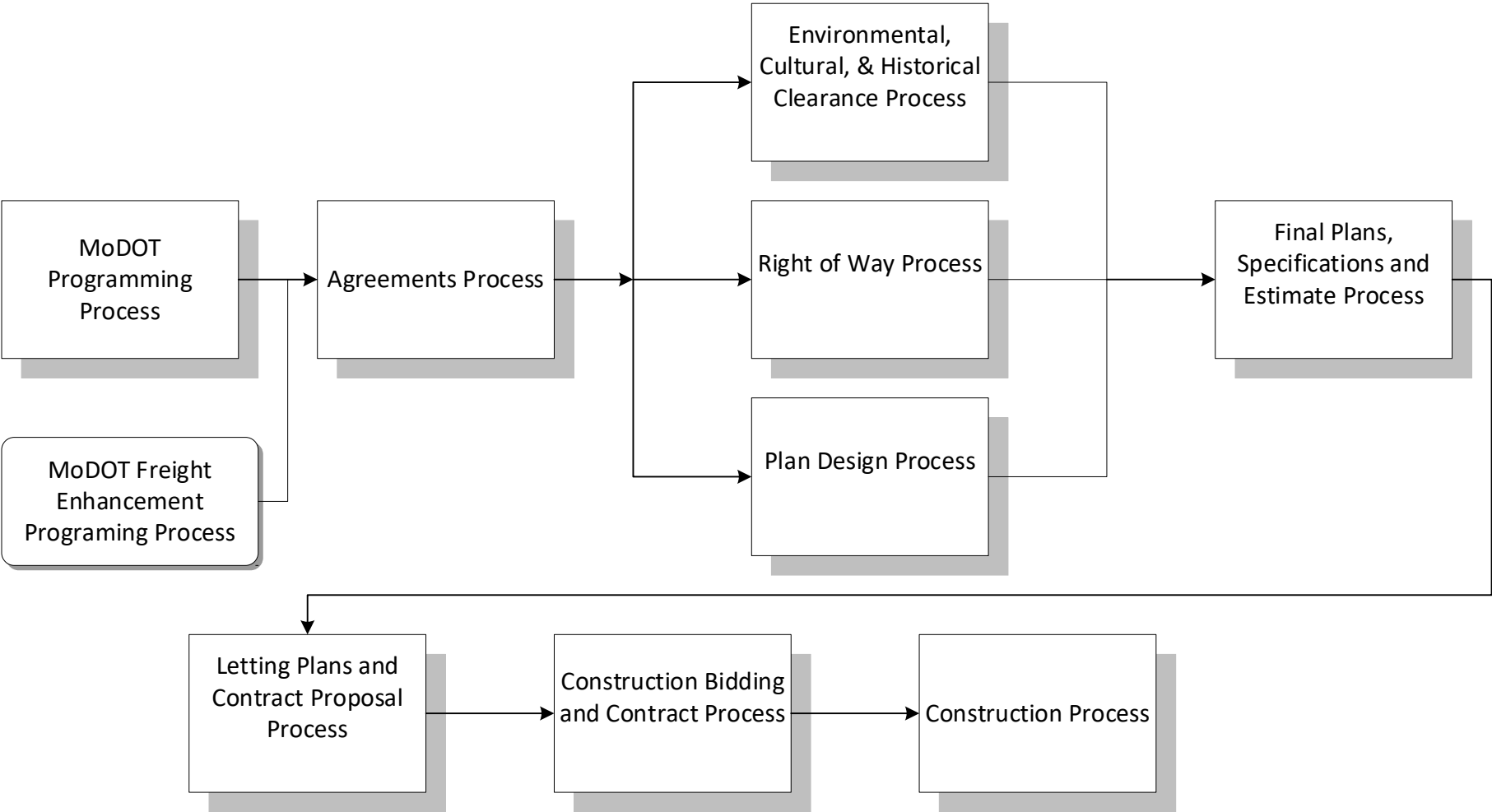


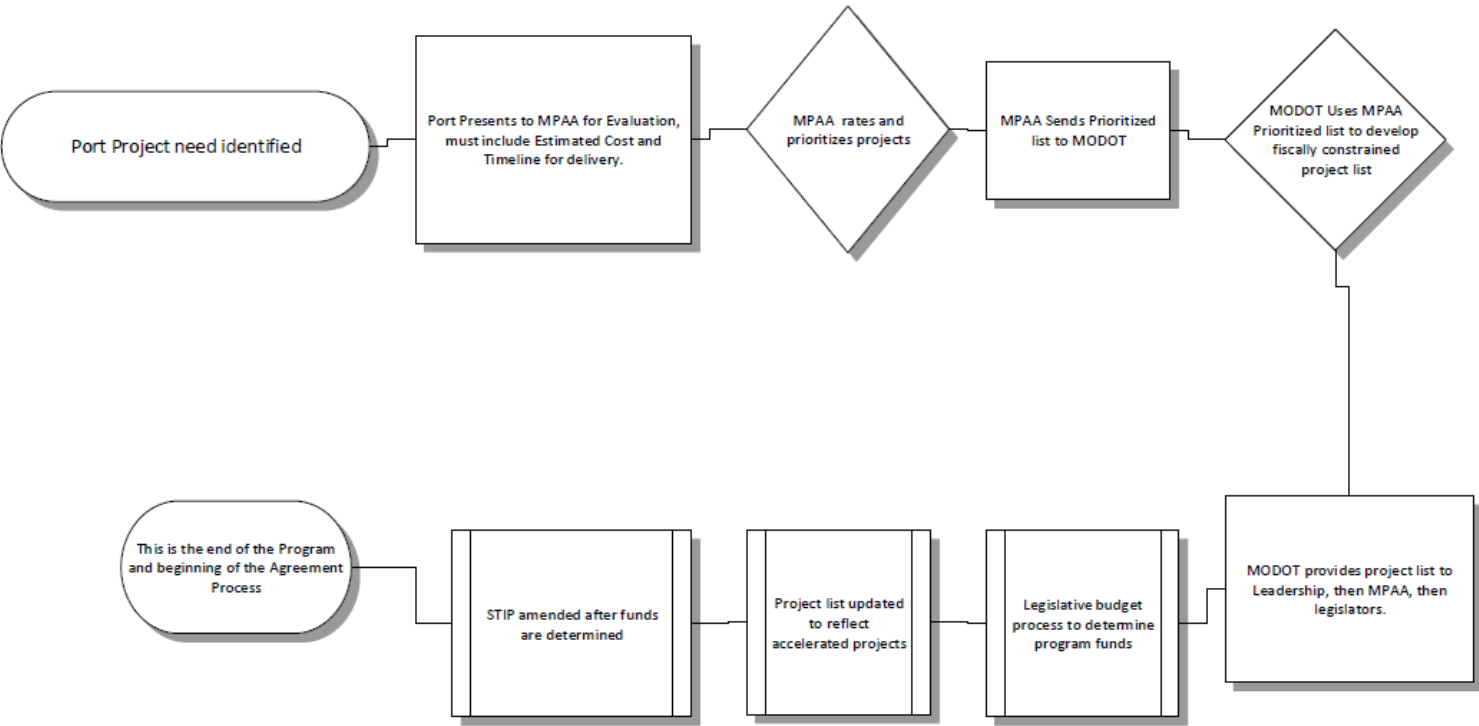
State Assisted Funding Implementation Guidance

Update 7/18/22

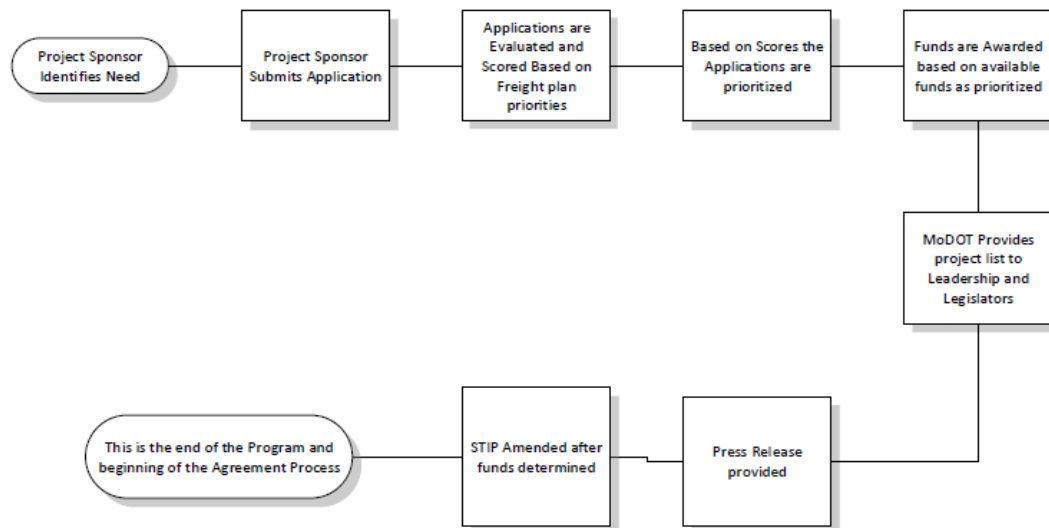
Project Flowchart for Local State-Aid Projects— Construction Projects



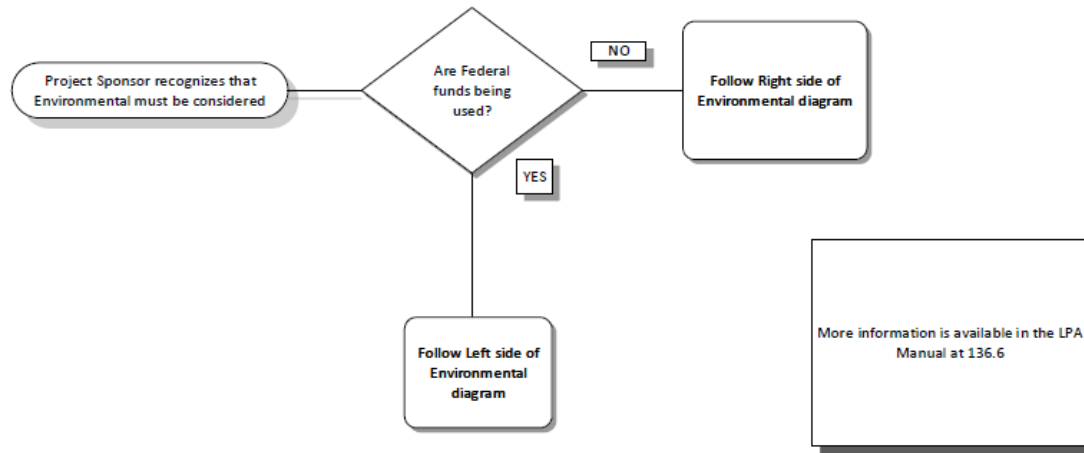
MoDOT Port Programming Process



MoDOT Freight Enhancement Project Programming Process

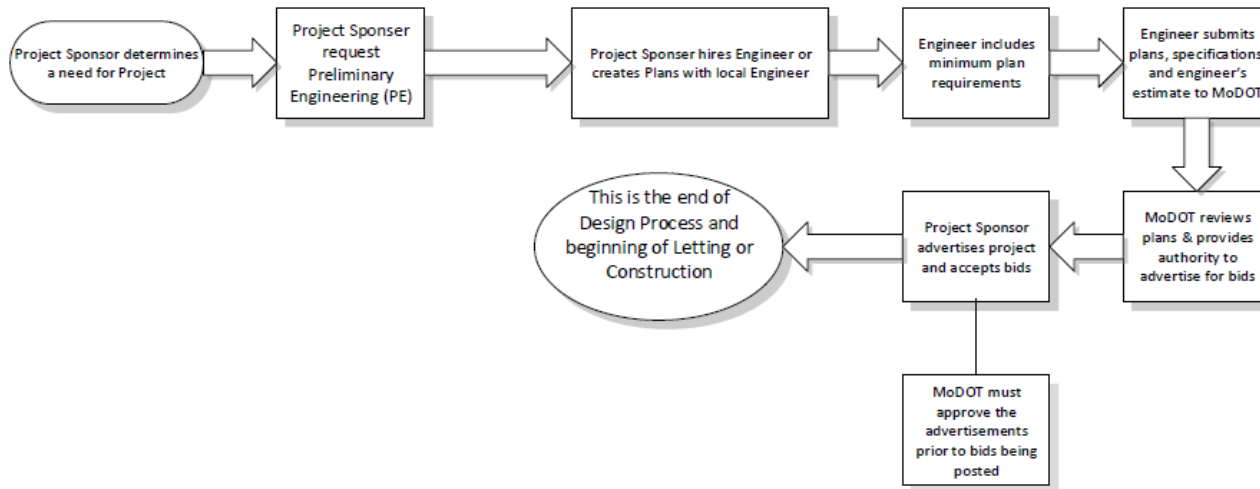


Environmental, Cultural, & Historical Clearance Process



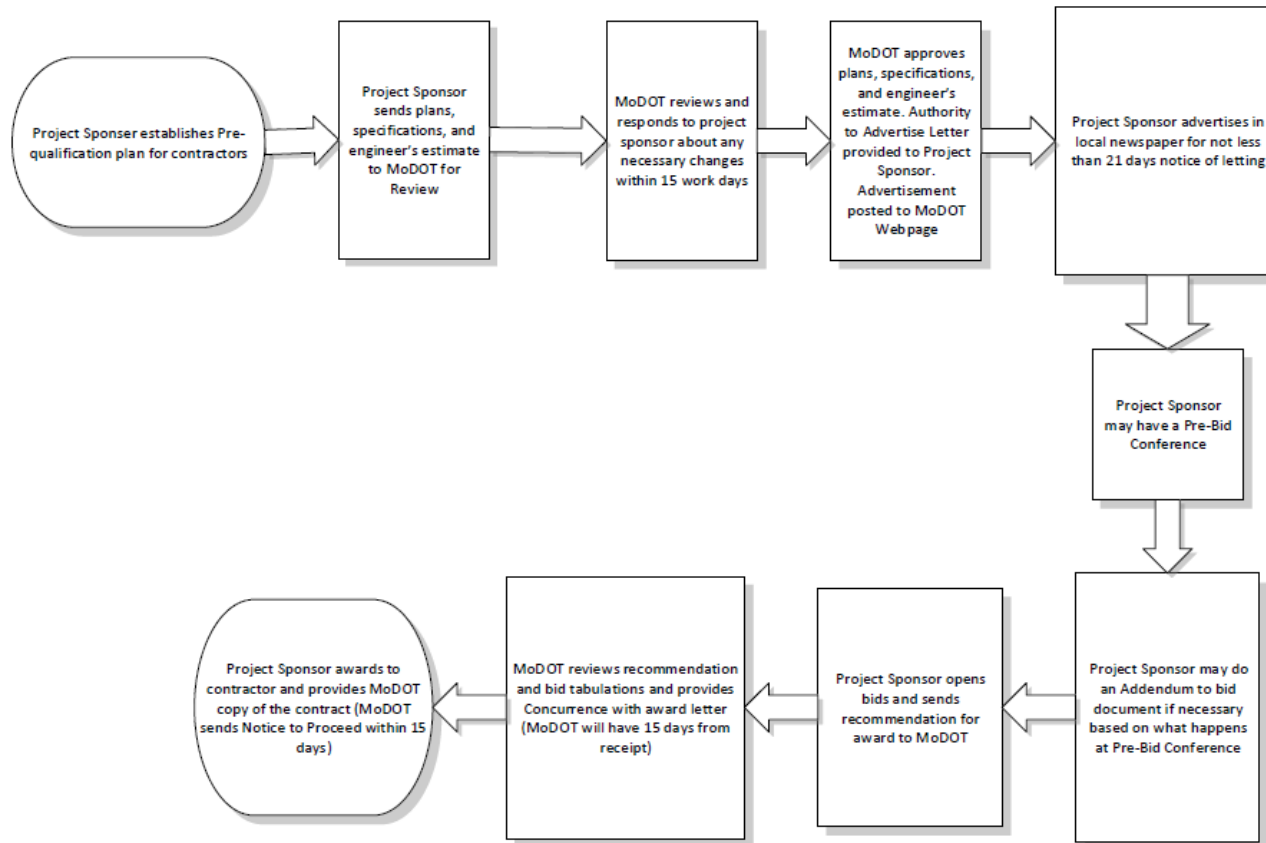
Plan Design Process

Design process is covered in LPA 136.7

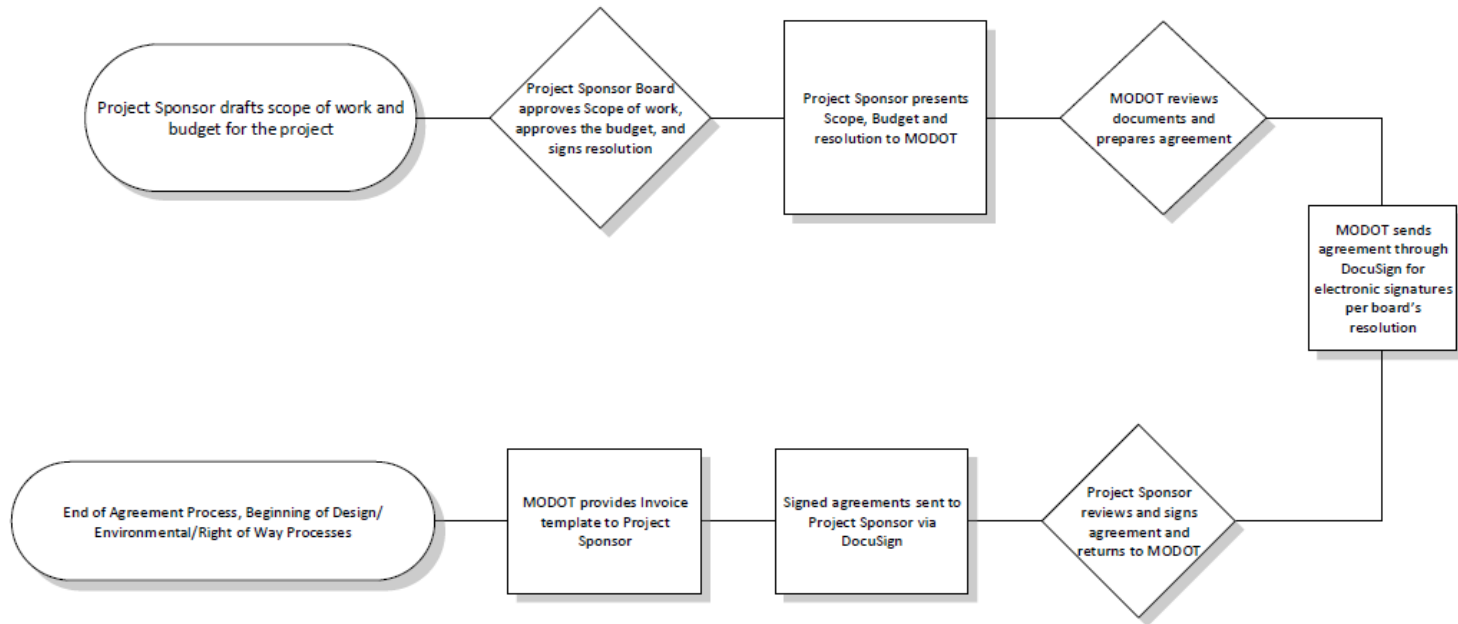


Letting Plans and Contract Proposal Process for Construction Projects

Construction bidding is also in LPA 136.10 and in RSMO 68.055 and 68.057

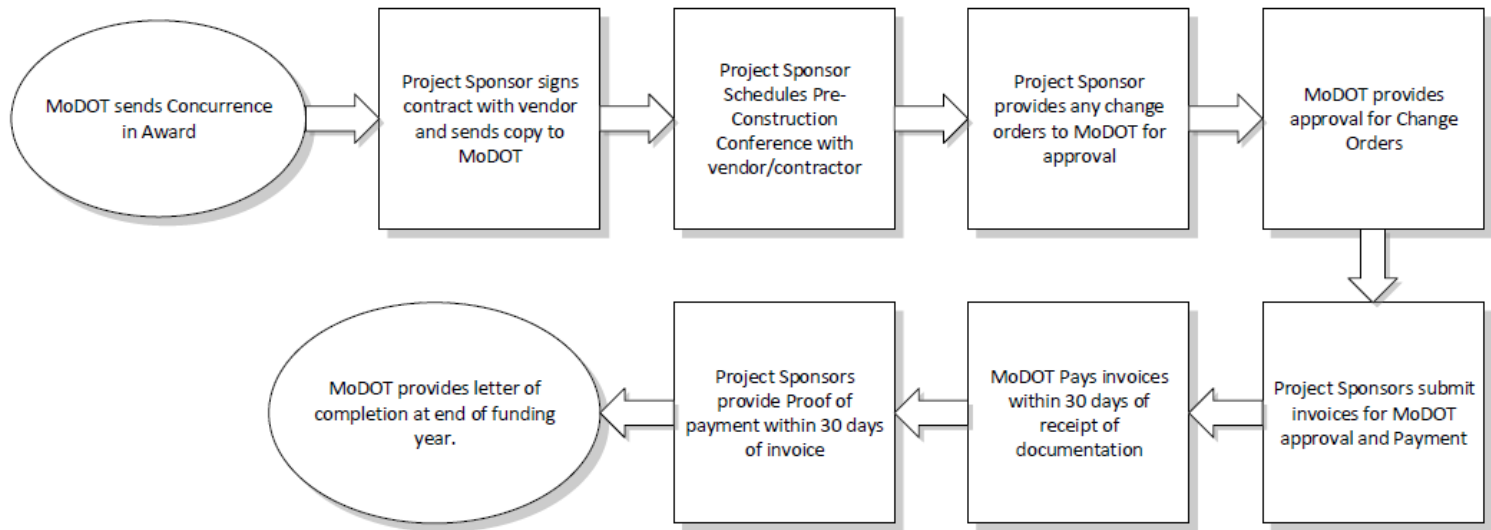


Agreements Process

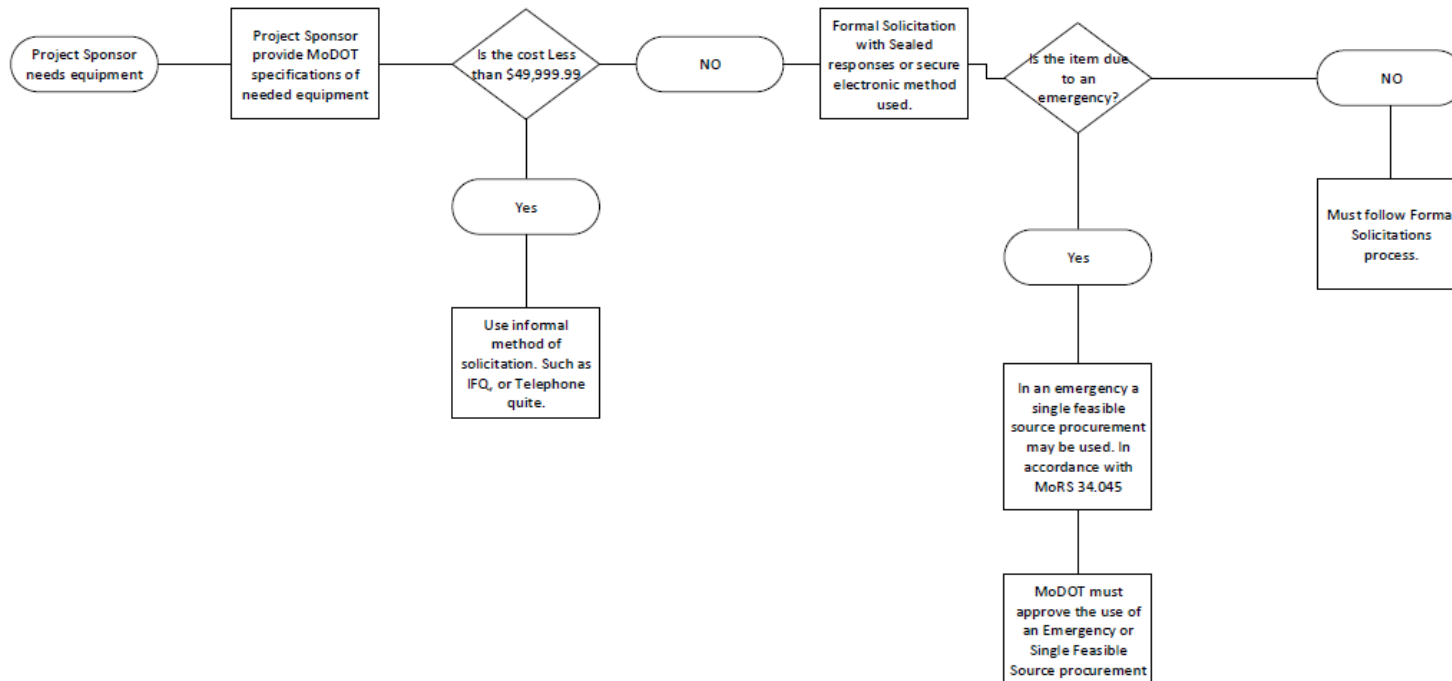


For Construction LPA136.11 is the guide.

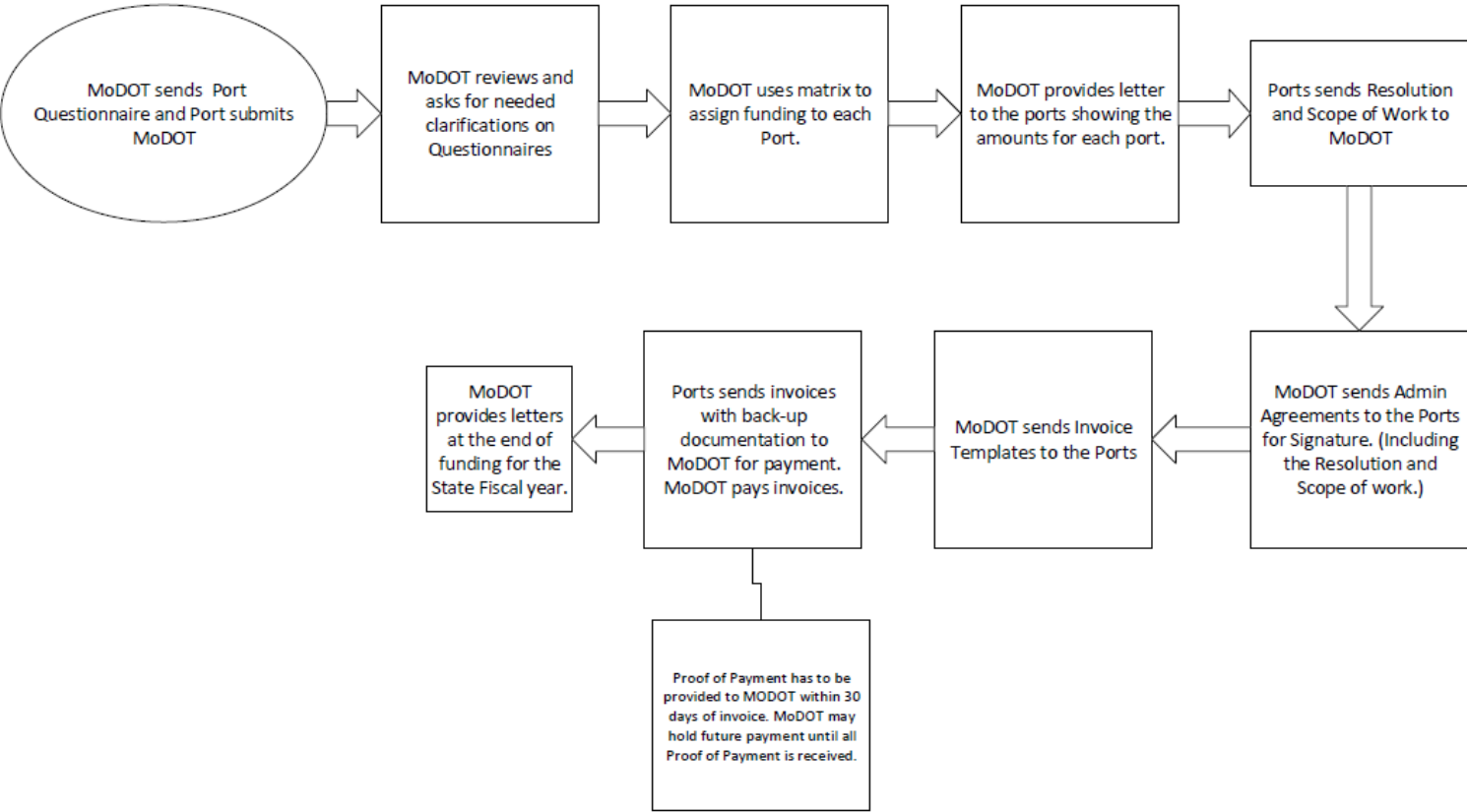
Construction Process



Project Flowchart for Local State-Aid Projects—Procurement of Equipment



Administrative Funding Process



Checklist for State Funded Capital Projects

This table provides an overview of the documentation and steps needed to be eligible for reimbursement at each project stage for these funding programs. If any project includes federal funding, the processes and checklists identified in [the EPG section 136 Local Public Agency Policy](#) shall govern.

- **Capital Improvement Program**
- **Port Administrative Funds Used for Preliminary Engineering**
- **Port Administrative Funds Used for Construction**
- **Freight Enhancement Program**

Project Stage	Project Sponsor's Submittal to MoDOT	Requested MoDOT Action	MoDOT Action Required for Reimbursement Eligibility	Comments
<input type="checkbox"/> Programming	<ul style="list-style-type: none"> ○ Detailed description of work ○ Timeline for project delivery ○ Estimated Cost 	Assign Project Number	Project added to State Transportation Improvement Program (STIP) and, if appropriate, MPO TIP	Timeline should identify latest possible dates. This will be used to identify when delay is sufficient to begin discussion of shifting funds to other projects.
<input type="checkbox"/> Agreement	<ul style="list-style-type: none"> ○ Scope of Work ○ Board resolution for signature ○ Budget outline for project 	Execution of Agreement	Fully executed agreement returned to port	

Project Stage	Project Sponsor's Submittal to MoDOT	Requested MoDOT Action	MoDOT Action Required for Reimbursement Eligibility	Comments
<input type="checkbox"/> Plan Design	<ul style="list-style-type: none"> ○ Scope of work ○ Qualification based selection (QBS) RSMO 8.285-8.291 <ul style="list-style-type: none"> ▪ Request for Qualifications (RFQ) ▪ Advertise on MoDOT website and local newspaper ▪ Overview of decision-making process used ○ On-call consultant <ul style="list-style-type: none"> ▪ Port Board has formally adopted MoDOT's two on-call lists ○ Copy of contract 	Authority to sign contract with selected consulting engineer	MoDOT letter concurring with consultant selected and approval to proceed incurring reimbursable expenses	
<input type="checkbox"/> Right of Way	<ul style="list-style-type: none"> ○ Appraisal ○ Copy of Purchase documents with price 	Requesting concurrence with process NOTE: Must follow Uniform Relocation Act to retain the federal funding eligibility for 10 years in the future	MoDOT letter concurring that acquisition process followed appropriate steps.	

Project Stage	Project Sponsor's Submittal to MoDOT	Requested MoDOT Action	MoDOT Action Required for Reimbursement Eligibility	Comments
<input type="checkbox"/> Equipment or Material Purchase (Procurement) 7 CSR 10-11 Advertisement for Bids	<ul style="list-style-type: none"> ○ <\$3,000 no advertisement required ○ <\$25,000, request minimum of three quotes ○ >\$25,000 formal sealed bid process 	Authority to advertise for bids	MoDOT letter authorizing advertisement for bid methodology	
<input type="checkbox"/> Equipment or Material Purchase (Procurement) 7 CSR 10-11	<ul style="list-style-type: none"> ○ Tabulation of bids received ○ MoDOT letter authorizing advertisement for bid methodology (see above) 	Concurrence in award to lowest bidder.	MoDOT letter concurring in award to lowest bidder and notice to proceed with purchase.	
<input type="checkbox"/> Construction Bidding	<ul style="list-style-type: none"> ○ Environmental permits, CE, or EIS (see environmental flowchart) ○ Proposed advertisement ○ Construction Estimate ○ Bid package – specifications, plans, bid documents ○ PS&E checklist completed by engineer 	Authority to Advertise for Bids	Written Authority to Advertise	
<input type="checkbox"/> Construction Bid Award	<ul style="list-style-type: none"> ○ Tabulation of Bids ○ Proof of advertising for 21 days prior to bid opening ○ Prior authority to advertise from MoDOT 	Concurrence in Award to lowest bidder	Written concurrence in award and notice to proceed with incurring construction costs	
<input type="checkbox"/> Final Close Out	<ul style="list-style-type: none"> ○ Notification of project completion ○ Date of final inspection ○ Final Invoice 	Close out project		

Project Stage	Project Sponsor's Submittal to MoDOT	Requested MoDOT Action	MoDOT Action Required for Reimbursement Eligibility	Comments
<input type="checkbox"/> Reimbursement Requests	<ul style="list-style-type: none"> ○ Invoice from Port to MoDOT ○ Supporting Documentation to verify: <ul style="list-style-type: none"> ▪ The vendor who was paid ▪ The goods or service purchased is within executed agreement's scope of work ▪ How much was paid for the goods or service ▪ The invoice was already paid by your organization 	Payment from Appropriation	Executed Agreement for project	

I. Introduction

Section 68.065 of the RSMo provides that the state highways and transportation commission (MHTC) is granted powers including development of a statewide plan for waterborne commerce and providing technical advice and assistance to public port authorities in matters of importance to port development.

The State Appropriated Funds Implementation Guidelines (SAFIG), produced by the Missouri Department of Transportation (MoDOT) is intended to be used as a guide for entities that sponsor projects using state general revenue (GR) or transportation (STF) funds. The SAFIG addresses three local programs funded through GR and STF:

- The port capital improvement program (CIP)
- The port administration program
- The freight enhancement program (FRE)

For projects funded through these programs, MoDOT will furnish information concerning the applicable state laws and will act as coordinator. The necessary design, acquisition, environmental, historical and archeological clearances and approvals, construction and maintenance of improvements will be the responsibility of the project sponsor. MoDOT personnel can advise and assist the local agency in meeting these requirements.

If federal funds are used for any portion of the project, additional project requirements may be necessary as dictated by the federal funding source. Any project using federal ferry boat program funds or receiving a USDOT discretionary grant should refer [to section 136 of MoDOT's Engineering Policy Guide](#) that details steps required for those funds.

The SAFIG is divided into sections corresponding to specific project related phases and includes multiple examples, forms, and checklists that the project sponsor and their consultants can use, if desired. The sections are:

- [Program Funding](#)
- [Project Selection & Programming](#)
- [Engineering Professional Services Selection](#)
- [Environmental Permits and Clearances](#)
- [Acquisition of Real Property](#)
- [Advertising for Bids and Construction Contractor Selection](#)
- [Invoicing and Reimbursement](#)
- Finalizing Project
- Procurement of Equipment or non-Engineering Professional Services

II. Program Funding

The CIP, the FRE, and the port administration funding program require an annual budget appropriation from the general assembly and signature by the governor. The CIP funds are appropriated from general revenue and require a local match of at least 20%. The FRE funds are appropriated from the State Transportation Fund (STF) and require a local match of at least 20%. The port administration funds are appropriated from the STF and require no local match.

The funds become available to MoDOT on the latter of July 1 or the date the governor signs the budget bill. Since the funds are annual appropriations, they expire on June 30 each year. Each project must be completed and reimbursement requested no later than June 15 in order to prevent funds from lapsing. A limitation has been placed on cash flow for the programs by quarter

III. Project Selection & Programming

A. Port Administration Funding. [RSMo 68.035.1](#)

The port administration funding is divided into two programs. First, \$600,000 is divided by formula between the public port authorities for use in any expense related to port business. The formula is agreed upon by MoDOT and the public port authorities at the Missouri Port Authority Association (MPAA) meeting. The formula has two components: a base amount and performance. The base amount (1% of the \$600,000) is allocated to each port to provide minimum level of support for port activities. The formula allocates the remaining \$344,000 based on each ports relative response to performance criteria. An example of the [port questionnaire](#) is located in the appendix.

The remaining \$250,000 is used for preliminary engineering for future construction projects. When the MPAA meets to develop a list of prioritized projects for the upcoming legislative budget discussions, the members also develop recommendations for allocation of these preliminary engineering funds to prepare the plans for those projects.. This project development process allows the ports to have plans on the shelf and ready for construction when the CIP funds are released each fiscal year.

All proposed allocations of the port administrative funds are included in MoDOT's Statewide Transportation Improvement Program (STIP). The draft STIP is published for public comment each year before final approval from the Missouri Highways and Transportation Commission (MHTC). Changes can occur to the allocation of the port administrative funds between draft STIP and final STIP based on public comment, designation of projects in the final legislative budget bill, or funding increases or decreases in the final legislative budget bill.

After the budget bill is signed by the governor, an agreement is signed with each port receiving funds detailing the scope of work, the amount of available funds, and any other requirements necessary for the receipt of state revenue. The port board must

include a [resolution](#) authorizing execution of the agreement. The fully executed agreement is returned to the port authority with a letter issuing a notice to proceed for the specific scope of work.

B. Port Capital Improvement Program. [RSMo 68.035.2](#)

An overview of the port CIP project prioritization and selection process is provided here. A detailed policy, process and statutory references are provided in the [appendix](#).

The port capital improvement program provides a maximum of 80% of funding for specific undertakings of port development such as land acquisitions, construction, terminal facility development, port improvement projects, and other related port facilities. Projects funded through this program are focused to support moving people or goods on the river and have included conveyor systems, port rail, warehousing, docks, security systems and dolphins.

CIP projects are identified by each port director prior to the summer MPAA meeting. The entire list of projects is accumulated and sent to each voting member of MPAA prior to the meeting. At the summer meeting, each project is presented to the group by the sponsoring port with discussion on why it is important for the port and how it will help overall waterborne freight or passenger movement. MPAA members jointly use this information as a guide to develop a prioritized project list.

This prioritized project list contains two segments, one section fiscally constrained to MoDOT's proposed budget request and another containing the remaining prioritized port needs. The recommended prioritized project list is determined via consensus of the MPAA voting members.

The MPAA's prioritized project list is shared with planning partners at the Metropolitan Planning Organizations (MPOs) and the Regional Planning Commissions (RPCs) during the fall development of the draft STIP. Elected officials from the MPO and RPC regions are invited to provide input on the prioritized project list for consideration in development of the final list of prioritized port projects that is incorporated into MoDOT's legislative budget request and the draft STIP.

The draft STIP is published for public comment each year before final approval from the Missouri Highways and Transportation Commission (MHTC). Changes can occur to the port CIP project list between draft STIP and final STIP based on public comment, designation of projects in the final legislative budget bill, or funding increases or decreases in the final legislative budget bill.

After the budget bill is signed by the governor, an agreement is signed with each port receiving funds detailing the scope of work, the amount of available funds, and any other requirements necessary for the receipt of state revenue. The port board must include a [resolution](#) authorizing execution of the agreement. The fully executed

agreement is returned to the port authority with a letter issuing a notice to proceed for the specific work phase.

C. Freight Enhancement Program

The freight enhancement program provides a maximum of 80% state funding for non-highway capital projects to improve the efficient movement of freight. The program is open to public, private, and not-for-profit entities. Project applications are solicited each spring. Selections are made based on criteria including percentage of local match and furtherance of the Missouri State Freight Plan goals, objectives, and performance metrics.

After the budget bill is signed by the governor, the FRE projects are amended into the final STIP, an agreement is signed with each FRE recipient detailing the scope of work, the amount of available funds, and any other requirements necessary for the receipt of state revenue. Public and not-for-profit entities must include a [resolution](#) authorizing execution of the agreement. The fully executed agreement is returned to FRE recipient with a letter issuing a notice to proceed for the specific work phase.

IV. Engineering Professional Services Selection

A. Introduction

If the project sponsor is not adequately staffed to provide the necessary engineering, architectural, and land surveying they may hire a consultant to provide professional services. Selection of these professional services is governed by section [68.057 RSMo](#) and [sections 8.285 to 8.291 RSMo](#). If the project has federal funding, Federal Laws apply and supersede these State Laws.

Public entities in Missouri are required to follow the qualification-based selection (QBS) process regardless of whether seeking reimbursement from any of the funding streams noted in the SAFIG. If the project sponsor will be seeking reimbursement from the Port Admin, CIP, or FRE funding for the professional services, they must request and receive a notice to proceed from MoDOT ***prior to advertising for the professional services***. In order for MoDOT to provide an approval to advertise the project sponsor must allow MoDOT 15 business days from receipt of bid documents for review.

B. Solicitation and Selection Process. RSMo 8.285-8.291

The project sponsor must first develop a scope of work for the professional services before soliciting for the firm. After the scope is developed, the engineering professional services can be procured using either (1) using an on-call consultant list or (2) solicitation using the request for qualification (RFQ)/request for proposal (RFP) process. MoDOT discourages use of lump sum contracts for engineering professional services.

1. Selection Using the On-Call Consultant List

MoDOT maintains two on-call consultant lists. Both lists are in compliance with the QBS process required by Missouri statute.

The first is the [Local Public Agency \(LPA\) On-Call consultant services listing](#) discussed in the Engineering Policy Guide (EPG) section [136.4.2.4.3 Using the LPA On-Call Consultant List](#). The on-call selection option was created to streamline the project delivery process for local agencies, however, this process of selection is not mandatory and the standard QBS process can be used at any time. The LPA on-call list is available for projects less than \$100,000 for work that fits into the five categories listed – structures, construction, inspection, roadway, trails and sidewalks, and traffic engineering. Details for those scopes of work are included in the EPG.

The second [on-call listing is used for MODOT work](#). Every three years MoDOT requests interested firms respond to a list of specific work categories. MoDOT uses the QBS process to select firms from those responses in those particular work categories. These contracts are used for quick delivery of small projects (Less than \$200,000) that are limited in scope. Section 134.2.4 of the EPG outlines this process as well.

For ports to use either of these lists, the port board needs to document that it is adopting section 134.2 (MoDOT list) or section 136.4 (LPA list) of the EPG for selection of consultants. Once that is documented, the ports may select from the list and be compliant with the QBS process.

Once the port has selected a consulting firm and the firm has agreed to the scope of work, a [consultant contract](#) should be developed and executed by both parties. The example in the appendix is for informational purposes and could be modified by the project sponsor if so desired. MoDOT recommends that all consultant contracts include provisions that:

- Identifying how/when/who can make changes to the contract
- Each parties' respective responsibilities
- Explain how costs will be calculated, billing process and payment process
- Identify who owns and stores any property acquired through the contract and documents developed
- Require notification and approval before work is sublet
- Require a professional engineering seal on plans
- Detail retention of records, who and for how long
- Identify In what conditions can the contract be terminated or suspended and what payments will occur in those instances

- Require all successors be bound by the terms of the contract
- Require the engineer to comply with all laws
- Require the engineer be responsible for any negligence claims
- Require the engineer to maintain insurance/performance bond that can be accessed if they fail to complete the contract so the project sponsor can hire another firm
- Attest the engineer does not have a conflict of interest related to this project.

Once it is fully executed, a copy should be submitted to MoDOT. MoDOT will use this contract to set up the financial system to reimburse for this contract and will issue a notice to proceed to the project sponsor. **Any work performed under this contract prior to this notice to proceed is not eligible for reimbursement (MoDOT will have 15 days from receipt of the contract to issue a notice to proceed.)**

2. **Selection Using the Qualification Based Selection Process (QBS)**

MoDOT requires that when using the QBS a Request for Qualifications (RFQ) be advertised in accordance with section 68.057 RSMo and section 8.285 to 8.291 RSMo, and in accordance with MoDOT agreements.

RFQ must be reviewed by MoDOT Waterways staff prior to being advertised. The responses to the RFQ must be evaluated on the following as per [section 8.289 RSMo](#):

- (1) The specialized experience and technical competence of the firm with respect to the type of services required;
- (2) The capacity and capability of the firm to perform the work in question, including specialized services, within the time limitations fixed for the completion of the project;
- (3) The past record of performance of the firm with respect to such factors as control of costs, quality of work, and ability to meet schedules;
- (4) The firm's proximity to and familiarity with the area in which the project is located.

According to state law, the Project Sponsor must rate a minimum of 3 firms and then select the firm best qualified to perform the work, based on the rating criteria outlined in the RFQ, and not based on price quotations. It is not necessary for the Project Sponsor to interview the firms but should be considered. When less than three responses are received, it is suggested that

the RFQ be re-advertised at least once. If the Project Sponsor still receives less than three responses, the Project Sponsor must then determine whether or not this is a suitable number of responses based on the nature and size of the project. The Project Sponsor should also consider whether there was some aspect of the RFQ that was overly restrictive or otherwise had an adverse impact on the completion of the project. If the Project Sponsor still wants to move forward, then they, in consultation with the MODOT Waterways and Freight team, should document that the RFQ requirements were not restrictive, it was adequately publicized and that the one or two firms who responded were capable of performing the tasks outlined for the project.

It is recommended that more than one person in the Project Sponsor's organization rate/score the consultant.

Each individual shall rate the firms independently. It is required that each of the evaluators write how they determined the scores for each consultant at the bottom of the score sheet. It is suggested that all independent scores be added together and averaged on a combined score sheet. Upon request the evaluation sheets shall be provided to MoDOT Waterways.

After the Project Sponsor has determined which Consultant they wish to contract with, price is negotiated. [Fig 136.4](#) of the LPA manual contains a list of common Unallowable Cost that are not reimbursable for any project. **Additional scope beyond what was advertised in the RFQ cannot be negotiated into the contract.**

The Project Sponsor may use the Engineering Service Contract ([Figure 136.4.1](#)) from the LPA manual.

Once the contract is signed by both the Engineering Consultant and the Project Sponsor a copy must be provided to MoDOT Waterways.

V. Environmental Permits and Clearances

Environmental permits and clearance [flowchart](#)

[Section 106 timeline](#)

[Section 106 Definitions](#)

VI. Acquisition of Real Property

A. Local Public Agency Land Acquisition

VII. Any property which the Port/Project Sponsor wishes to purchase and which may at some point in time receive federal funding must follow [LPA 136.8](#). Advertising for Bids and Construction Contractor Selection

A. MoDOT responsibilities

MoDOT will review the plans and bid documents prior to the Project Sponsor release the bid for letting. The Projects Sponsor must provide the plans and bid documents to MoDOT for review. MoDOT will provide any needed changes to the Project Sponsor within fifteen (15) workdays of receipt of the bid documents and plans. The Project Sponsor must provide proof of changes to MoDOT so that MoDOT can issue an Authority to Advertise to the Project Sponsor.

B. Advertising

Per RSMO 68.055 Port Authorities shall let contracts for all work done, equipment and supplies or materials. Based on the instructions with in RSMO 68.055 the port must advertise for “not less than twenty days” (21 days) in the local Newspaper. Additionally, MoDOT will post the letting on the MoDOT LPA website for a wider circulation to help ensure that the Ports will receive the best bids possible for their projects.

C. Pre-Bid Conferences

The Project Sponsor/Port Authority may convene a Pre-Bid Conference to allow interested bidders to learn more about what is required for the project. Often the Pre-Bid Conference result in the Project Sponsor needing to create an addendum to the bid documents. This usually occurs due to questions asked during the conference by interested bidders. The Project Sponsor must provide MoDOT the addendum to include as part of the bid documents. Each bidder will need to acknowledge the addendums in their bids.

VIII. Innovative Contracting

A. Value Engineering

[Value Engineering \(VE\)](#) is a systematic method of examining projects or process to find cost savings. VE can be done at either before a project is awarded by the project sponsor or a proposal can be submitted by the contractor after the awards. The contractor VE proposal cannot reduce the scope of work but can propose alternate delivery or materials. If accepted, the contractor receives 50% of the cost savings.

B. Innovative Contracting

Bid documents can reflect traditional methods for construction (the design, bid, build) method or employ non-traditional, innovative contracting methods to improve efficiency, increase flexibility, and maximize value for unique challenges presented.

[Section 147 of MoDOT's Engineering Policy Guide](#) is an online resource available to all public project sponsors providing additional details on each method.

1. Contract Time Innovations

Encourages expedited completion of projects and minimizes construction time, closure, and user delay.

- [Accelerating the Completion of Closure Work \(A+B Bidding\)](#) allows the bidder to bid the time the work may be completed. The bid consists of two components and the lowest bid is determined by adding A plus B.
 - A – traditional bid for contract items
 - B – total number of calendar days the bidder states will be required times the user cost per unit of time.
- [Incentive/Disincentive Bidding](#) job special provision allows an incentive to be paid for early completion time. The project sponsor sets the completion time and the daily incentive amount in the JSP. If the contractor finishes the work ahead of time, the contractor receives an incentive. If the contractor finishes the work after the time set for completion, the contractor is assessed a liquidated damage. The lowest bidder is determined using the traditional bid for contract items.

2. Alternate Project Design

Innovative approaches that improve contractor flexibility and may assist in cost reduction by allowing contractors to tailor the work to most advantageous process and practice. This flexibility encourages contractors to find innovative solutions to meet the project needs.

- [Alternative Technical Concepts](#) (ATC) is a proposed change proposed by the contractor that provides a solution that is equal to or better than the requirement in the bid contract. ATC is similar to value engineering,

but they are made as a part of the bid proposal before contract award. The contractor proposes a change to the project design. If approved, the contractor can submit that with their bid documents. Low bidder is determined using the lowest overall bid.

- [Add Alternates](#) can be used to fully utilize the budget available and maximize the amount of work awarded within a project budget. Add alternates are additional items of work that may be awarded as part of the contract if bids come within the budget specified in the contract. Add alternates may include adding length or additional quantity to a project of similar work type or adding enhancements of different work type to a project. The lowest bidder is base plus add alternates up to the budget specified.

3. **Project Delivery Methods**

Assist the project sponsor and contractor with implementing projects in an effective and efficient manner while maximizing the opportunity to meet targets on specific financial limitations. Overall project delivery may occur at faster rate than traditional process would allow.

- [Design – Build](#) is a project delivery method in which the design and construction services are contracted by a single entity. It provides a single point of responsibility in the contract in an attempt to reduce project risk, shorten the delivery schedule by overlapping the design phase and construction phase of a project and minimize overall project costs. The selection of the design-build contractor is based on qualifications of the proposed teams and the overall best value of each proposal based on the established end result goals of the project.

IX. Invoicing and Reimbursement

A. Invoices

MoDOT will provide an invoice template for each project/agreement. For example, if a Port Authority is receiving funds for a Capital Improvement project, Admin funds, and Preliminary Engineering the Port Authority will receive individual templates for each of those projects.

B. Documentation

Each invoice submitted for payment must include back up documentation that relates directly to the related project/funds scope of work from the signed agreement. For example, if you are invoicing for Admin funds the expenses must relate to port operations and/or expenses. Or if you are submitting a Capital Improvement Invoice, the invoice must be in accordance with the scope of the work for the signed agreement.

1. Required for Reimbursement

a) Invoice template including name of vendor and amounts of goods of service.

b) Invoice from vendor showing services or items purchased and date of purchase

c) Proof of Payment

Proof of Payment must be received within 30 days of the submitted invoice. No additional invoices for project can be processed until Proof of Payment is received from the previous invoice.

2. **Acceptable for documentation**

a) *Invoices must have accurate information*

- (1) Check Vendor number to ensure it is correct
- (2) Check the Port address and ensure it matches what is registered in MissouriBuys (payment system)
- (3) Ensure the invoice matches back-up and proof of payment documents.

b) *Invoices must be in accordance with the Scope of Work from the signed agreement.*

c) *Invoices from vendor should include:*

- (1) Vendor name who incurred the expense
- (2) Goods or services purchased
- (3) Cost of Goods or services purchased
- (4) In the event you are asking for reimbursement for rent you can provide a copy of the lease one time for the year.
- (5) In the event you are paying for cleaning or another service that the port doesn't have a contract, MoDOT can accept a letter on port letterhead stating who is paid, how often, and for what service, with signature of the port and the person you are paying.
- (6) An Income and Expenses sheet or Budget Overview is appreciated but not required.

(a) This documentation helps staff interpret what the ports have provided by giving a play by play of expenses.

d) *Proof of Payment*

- (1) Proof of payments can be the following:
 - (a) Copy of bank statement with identified payments.*
 - (b) Copy of cleared check or Electronic Fund Transfer (EFT).*
 - (c) Copy of a receipt, showing payment and method of payment.*

(2) When submitting Proof of payment documents, it is necessary for the Port to Redact all account and/or social security numbers from the documentation prior to submitting it to MoDOT. Failure to Redact may result in documentation being returned to the Port unprocessed.

3. MoDOT invoice processing

MoDOT has 30 days from receipt of complete (with all back up documentation) to pay grantees invoices. The checklist MoDOT uses to review the invoices can be found in the Appendix under the name "Invoice Processing."

Appendix

Invoice Processing

Checklist for Invoice Processing

1. Check and see if there is an agreement that is fully executed.
 - a. --Write the eAgreement number on the invoice
2. Ensure that PCT's are completed prior to starting signature for payment
 - a. --if not-- complete the PCT Memo
 - b. --if so--check to ensure that funding is available in SAMII
3. ----Print SAMII page
4. Assign an Invoice number
5. Check the Agreement number
6. Check the SAMII Vendor Code and make sure it matches the name on the invoice.
7. Check the Date and make sure it matches the period the invoice is for.
8. Make sure that amounts entered match the backup documents provided
9. Ensure that any account information has been redacted
 - a. Redact any account information not redacted.
 - b. Delete any nonredacted version of the invoice.
10. Check to see who has to sign/approve the invoice
11. Check-in the agreement so that reviewer has all items in the agreement for review
12. Update the Waterways Spreadsheet for the agreement type and year.
13. After all signatures are obtained, email FS for payment.

This checklist is in Trello and is being used there. This is for reference and if this is updated remember to update the checklist in Trello.

EXAMPLE Port Administrative Funds Allocation Matrix

Port Administrative Funds SFY 22 Matrix Distribution with Tangible Results Required Gov Parson Signs Bill Granting Property to HPCM											
Port Name	Performance Rating 0-7	Equal Allocation ¹	Performance Allocation	Calculated Allocation	Difference FY22-FY21	Percent Difference	FY2021	FY2020	FY2019 Allocation	FY2018 Allocation	FY2017 Allocation
Heartland Port of Central Missouri	5	\$ 4,500	\$ 33,552.63	\$38,052.63	-\$4,308.03	-10.2%	\$ 42,360.66	\$ 23,471.70			
Howard/Cooper Port Authority	5	\$ 4,500	\$ 33,552.63	\$38,052.63	-\$4,308.03	-10.2%	\$ 42,360.66	\$ 29,962.26	\$ 30,666.67	\$31,755	\$25,250
Jackson County Port Authority		-	\$ -	\$0.00	\$0.00		\$ -				
Jefferson County Port Authority	3	\$ 4,500	\$ 20,131.58	\$24,631.58	-\$11,335.63	-31.5%	\$ 35,967.21	\$ 36,452.83	\$ 37,333.33	\$38,694	\$39,417
Kansas City Port Authority	3	\$ 4,500	\$ 20,131.57	\$24,631.57	\$1,451.25	6.3%	\$ 23,180.32	\$ 23,471.70	\$ 24,000.00	\$24,816	\$25,250
Lewis County Port Authority	4	\$ 4,500	\$ 26,842.11	\$31,342.11	-\$4,625.10	-12.9%	\$ 35,967.21	\$ 36,452.83	\$ 30,666.67	\$31,755	\$32,333
Marion-Ralls County Port Authority	5	\$ 4,500	\$ 33,552.63	\$38,052.63	\$8,478.86	28.7%	\$ 29,573.77	\$ -	\$ 4,000.00	\$4,000	\$4,000
Mississippi County Port Authority	4	\$ 4,500	\$ 26,842.11	\$31,342.11	-\$4,625.10	-12.9%	\$ 35,967.21	\$ 36,452.83	\$ 37,333.33	\$38,694	\$39,417
New Bourbon Port Authority	6	\$ 4,500	\$ 40,263.16	\$44,763.16	\$2,402.50	5.7%	\$ 42,360.66	\$ 36,452.83	\$ 37,333.33	\$38,694	\$39,417
New Madrid Port Authority	5	\$ 4,500	\$ 33,552.63	\$38,052.63	\$2,085.42	5.8%	\$ 35,967.21	\$ 36,452.83	\$ 30,666.67	\$31,755	\$32,333
Pemiscot County Port Authority	2	\$ 4,500	\$ 13,421.05	\$17,921.05	\$1,134.16	6.8%	\$ 16,786.89	\$ 16,981.13	\$ 17,333.33	\$17,878	\$18,167
Pike/Lincoln Port Authority	6	\$ 4,500	\$ 40,263.16	\$44,763.16	\$8,795.95	24.5%	\$ 35,967.21	\$ 36,452.83	\$ 37,333.33	\$38,694	\$32,333
St. Joseph Port Authority	5	\$ 4,500	\$ 33,552.63	\$38,052.63	\$2,085.42	5.8%	\$ 35,967.21	\$ 36,452.83	\$ 37,333.33	\$38,694	\$39,417
St. Charles County Port Authority				\$0.00	\$0.00		\$ -	\$ -	\$ -	\$0	\$0
St. Louis City Port Authority	2	\$ 4,500	\$ 13,421.05	\$17,921.05	\$1,134.16	6.8%	\$ 16,786.89	\$ 29,962.26	\$ 37,333.33	\$38,694	\$39,417
St. Louis County Port Authority		\$ -		\$0.00	\$0.00		\$ -	\$ -	\$ 17,333.33	\$4,000	\$11,083
SEMO Port Authority	2	\$ 4,500	\$ 13,421.05	\$17,921.05	\$1,134.16	6.8%	\$ 16,786.89	\$ 16,981.13	\$ 17,333.33	\$17,878	\$18,167
Multi-state Port Commission											
Mid America Port Commission	0	\$ 4,500	\$ -	\$4,500.00	\$ 500.00	12.5%	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$4,000	\$4,000
		67500	\$ 382,500.00								
	57	\$ 67,500	\$ 382,499.99	\$449,999.99			\$ 450,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,001

NOTES:
 The SFY22 Administrative Funds allocation formula is based on 2 components: a base amount and performance. The formula allocates a base amount of \$4,500 (or 1% of the total funds available) to each recipient to provide a minimum level of support for port activities. The formula allocates the remaining \$382,500 based on a performance rating scale of 0-7. The performance rating is based on answers each recipient gives to the Performance Criteria Questions that has been distributed to each director. The Performance Allocation is calculated by dividing each recipient's Performance Rating by the sum of the Performance Ratings of all recipients, and multiplying that by \$382,500. The Calculated Allocation is the sum of the Equal Allocation and your Performance Allocation. The final columns provide a comparison of the proposed allocation with the past four years'.

¹ The equal allocation must be requested by each port authority

Figure 1. Sample Administrative Funding Allocation Method

Example of Performance Criteria Questions for Administrative Funds

SFY 2023 Performance Criteria Questions for Administrative Funds

Port Name: _____

Name of person completing this questionnaire: _____

(Choose only one answer per question that best explains your situation)

1. **Capital Assets:** –Capital Assets are defined as ownership or long-term leases of real property, not including the port office.
 - Port Authority owns or leases property (add 1 point)
 - Port Authority does not have, but workplan supports having capital assets within three years (add 1 point)
 - Port Authority does not have capital assets, and workplan does not support having capital assets within three years (add 0)

2. **Leases with tenants:**
 - Port Authority owns or leases property, has signed leases with tenants, and tenants are moving freight or passengers (0 points)
 - Port Authority owns or leases property, has signed leases with tenants, and tenants are not moving freight or passengers (add 1 point)
 - Port Authority owns or leases property, but does not have signed leases with tenants, and is not moving freight or passengers (add 1 point)
 - Port Authority does not own or lease property. (0 points)

3. **Freight Movement:** Movement of either passengers or freight.
 - Port Authority moved either passengers or freight in the previous calendar year (add 1 point)
 - Port Authority did not move passengers or freight in the previous year, but the workplan supports movement within three years (add 1 point)
 - Port Authority did not move passengers or freight in the previous year, and workplan does not support moving freight or passengers within three years. (0 points)

4. **Port cumulative tonnage moved:**
 - Port Authority's total cumulative tonnage moved over the last four years exceeded one million tons (subtract 1 point)
 - Port Authority's total cumulative tonnage moved over the last four years did not exceed one million tons (0 points)

5. **Studies and/or Preliminary Engineering (PE):**
 - The Port Authority's workplan for the upcoming fiscal year includes feasibility studies or design work for future capital projects. (add 1 point)
 - The Port Authority's workplan for the upcoming fiscal year does not include feasibility studies or design work for future capital projects. (0 points)

6. **Unexpended Administrative Funds:**
 - The Port Authority had unexpended administrative funds at the close of the fiscal year in the past five years. (subtract 1 point)
 - The Port Authority did not have unexpended administrative funds remaining at the end of the fiscal year in any of the past five years. (0 points)

7. **Port Authority Administrative Budget:**
 - More than 25% of the Port Authority's administrative budget is paid by Missouri Department of Transportation (MoDOT) funds. (add 2 points)
 - MoDOT funds comprises less than 25% of the Port's administrative budget. (0 points)

Total Points _____

*Per Chapter 68.020 RSMo, the movement of freight includes freight moved by any mode.

RESOLUTION

WHEREAS, the Missouri Highway and Transportation Commission is authorized to make grants for administration and planning by port authorities; and,

WHEREAS, the _____ Port Authority desires to file an application with the Missouri Highway and Transportation Commission for funds to aid in said Port Authority's project,

NOW THEREFORE, be it resolved by the _____ Port Authority as follows:

1. That the Port Authority _____ and _____ be and hereby authorized to file an application for funds with the Missouri Highway and Transportation Commission and executed on behalf of the Port Authority any documents necessary thereto.

2. That the present _____ is _____ and _____ is _____ and the Port Authority will immediately notify the Missouri Highway and Transportation Commission of any changes in these positions.

Adopted by the _____ Port Authority on the _____ day of _____, 20__.

Signature

Name (Typed)

Title

ATTEST:

Secretary

Capital Improvement Program
Project Prioritization and Selection
Revised 6/26/2019

Guidance Modification Process

This prioritization and selection process guidance is a living document. Modifications to the document are brought before MPAA for a collaborative discussion.

Items to be discussed at the October 2019 meeting include:

- Process for emerging projects tied to new or expanding businesses
- Increasing MoDOT's role as facilitator in the prioritization process

Overview

Each year, MoDOT submits a list of unfunded, prioritized public port projects to the legislature in support of a funding appropriation. Prior to 2013, applications for these projects were received by MoDOT who defined the priority. However, in 2013, MoDOT initiated a project prioritization process where the executive directors of the public port authorities presented their capital improvement program (CIP) project requests to both MoDOT and the other port directors. This allowed the group to jointly identify what would be the best use of the limited funding to support the statewide goals of increased volume of commerce and improved transportation facilities on or adjacent to the navigable rivers of Missouri.

Over the last few years, new executive directors, new port board members and even new port authorities have joined this discussion. A need for documentation on eligible project types and the process for prioritization and selection emerged during these discussions.

Funding

The state legislature is authorized to appropriate funds to MoDOT for allocation through §68.035.2 RSMo which states:

The state may make capital improvement matching grants contributing eighty percent of the funds and local port authorities contributing twenty percent of the funds for specific undertakings of port development such as land acquisitions, construction, terminal facility development, port improvement projects, and other related port facilities. Notwithstanding the foregoing, any matching grants awarded by the Missouri highways and transportation commission under the Port Capital Improvement Program **shall be transportation related.**

Each year, MoDOT submits a legislative budget appropriation requesting General Revenue (GR) for CIP funding. A list of prioritized projects accompanies this budget request.

Purposes and Powers

The purpose of port authorities is defined in §68.020 RSMo which states:

It shall be the purposes of every port authority to promote the general welfare, to promote development within the port district, to encourage private capital investment by fostering the creation of industrial

facilities and industrial parks within the port district and to endeavor to **increase the volume of commerce**, and to promote the establishment of a foreign trade zone within the port districts.

Section 68.065 RSMo enumerates MHTC's powers relating to ports. Section 68.056 states, in part, as follows:

The state highways and transportation commission is hereby granted, has and may exercise all powers necessary or convenient to effectuate its purposes, including the following:

(1) To develop a statewide plan for **waterborne commerce** and to review the plans of local or regional port authorities for major public capital improvements to encourage coordination with a state plan;

(4) To petition any interstate commerce commission (or like body), public service commission, public utilities commission (or like body), or any other federal, state, local or municipal authority, administrative, judicial or legislative, having jurisdiction, for the adoption and **execution of any physical improvements**, which, in the opinion of the state highways and transportation commission, may be designed to improve the **handling of commerce or terminal and transportation facilities on or adjacent to the navigable rivers of the state**;

(5) To represent the state in any **programs to achieve financial assistance for waterborne commerce**;

(9) To receive for its lawful activities any contributions, moneys, gifts, grants, or loans from the United States; the state of Missouri; any other state; any local port district, municipality, county, or other political subdivision or agency of this or any other state; any agency created by interstate compact; or any public or private person, firm, corporation, trust or **foundation for purposes consistent with the provisions of this chapter**;

(11) To provide technical advice and assistance to local and regional port authorities in their activities, including planning, issuing bonds, financing port facilities, availability of state and federal grants, interagency coordination, and **related matters of importance in port development** (Bold language is MO emphasis).

Project Types

While each need is important to the port requesting, some needs are more local in nature and have less benefit to the statewide handling of commerce. State General Revenue funds should be focused on those with the broader benefit. The following guidance will maintain flexibility for ports while providing accountability for state GR funding to the ports and state.

All projects funded with CIP should:

- Focus on execution of physical improvements designed to improve the handling of commerce or terminal and transportation facilities on or adjacent to the navigable rivers of the state (RSMo 68.065(4))
- To maintain the flexibility for evolving port needs, as port projects are presented for prioritization, the following needs to be included with the request:
 - How this project improves the handling of commerce
 - For property acquisition, how this property lies in relation to the rest of the port and how it fits into the overall comprehensive plan for the port

- What specifically the funds would be used to accomplish. There should be enough detail to support a legislative request.
- If funded, some projects need to have claw-back provisions. An accounting made annually during the CIP discussions:
 - For equipment purchases, a requirement that the item be depreciated in accordance with IRS tax rules. When the equipment is sold/salvaged, the amount of value remaining should be used for CIP eligible projects at that port site. This should be reported back to MPAA and MoDOT annually.
 - For buildings, if the building is transferred to private ownership, the sale price should be used for CIP eligible projects at that port site. This should be reported back to MPAA and MoDOT annually.
- Routine maintenance is not an eligible project type.
- Each project submitted shall include a timeline for implementation that will be used for project progress reports throughout the fiscal year. The project progress actual versus proposed will be shared with MPAA members each year.

Project Prioritization and Appropriation Process

The port CIP draft project list is developed as a collaborative effort between MPAA and MoDOT annually. Each port is eligible to submit two projects for consideration. At the summer MPAA meeting, the projects are presented to members for discussion. Any port seeking project funding must have a representative present to answer questions related to the proposed improvement.

The MPAA members created a matrix that evaluates the relative priority of each project submittal to waterborne commerce and economic impact to Missouri. This list is then evaluated by MPAA and MoDOT jointly for adjustment to account for ability to match, consideration for new tenants, and funding limitations for the program.

The draft list is shared with legislative members for use in their budget deliberations. The draft list is also added to the State Transportation Improvement Program (STIP). Modifications are made throughout the year to allow projects with unforeseeable delays to move to following years and projects that are ready for construction to move into the current year. The list is finalized after the governor signs the budget bills. Amendments are made to the STIP for any modifications from draft to final project list.

Modifications to Final Project List

After the project list is finalized, agreements between MoDOT and the port are executed. During the course of the fiscal year, modifications to this project list can become necessary due to unforeseen events at a port such as rising water, weather, or delay in permits. In those cases, MoDOT works with the port to move the project to the next fiscal year, allowing a project prioritized high for the following fiscal year to be accelerated. This rolling over of funds allows best use of the available general revenue funding each fiscal year. Any proposed modification between the fiscal years is discussed with the Chair and Vice-Chair of MPAA. A STIP Amendment is made for any project changes that occur throughout the year.

Funds allocated to projects can be rolled to a subsequent year no more than twice. After that, the project must be reprioritized with other new projects. MoDOT provides MPAA with a comparison of when projects were initially allocated funding and when the projects have rolled over to subsequent years at the summer MPAA meeting.

A port's priorities can change throughout the year based on new tenants or expansion by existing tenants. The scope of projects can be modified within the fiscal year through a discussion with MoDOT and the Chair and Vice-Chair of MPAA. Scope changes will be reported annually to MPAA at their summer meeting.

Environmental Requirements

