



MISSOURI HIGHWAYS AND TRANSPORTATION COMMISSION

Official Minutes

TABLE OF CONTENTS

August 6, 2025

COMMISSION/DIRECTOR ITEMS

Approval of Minutes	4
Consent Agenda	4
Commission Committees and Commission Related Boards	5
Director's Report	6

PUBLIC PRESENTATIONS

Welcome by Missouri Western State University	8
Delegation Representing St. Joseph Region	9

MODOT PRESENTATIONS

Update from MoDOT's Northwest District	11
Medical Plan Funding Recommendation for Calendar Year 2026	13
Missouri Department of Transportation Proposed Fiscal Year 2027 Appropriations Submittal and Fiscal Year 2026 Supplemental Appropriations Submittal	16

RESOLUTION

Resolution Expressing Appreciation to the Honorable Mike Parson For Outstanding Service to the State of Missouri	23
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BUSINESS ISSUES

City of Republic, Cost Share Economic Development	24
Fiscal Year 2026 Budget Amendment	25

STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM (STIP)

Approval of Plans for Condemnation	26
--	----

REPORTS

MoDOT Briefing Report	27
Missouri Department of Transportation Financial Report – Fiscal Year 2025	27
Consultant Services Contract Report	27

**MINUTES OF THE REGULARLY SCHEDULED
HIGHWAYS AND TRANSPORTATION COMMISSION MEETING
HELD IN ST. JOSEPH, MISSOURI,
WEDNESDAY, AUGUST 6, 2025**

A regularly scheduled meeting of the Missouri Highways and Transportation Commission was held on Wednesday, August 6, 2025, at Missouri Western State University, Houlne Center for Convergent Technology, 4141 Mitchell Avenue, St. Joseph, Missouri and was available via live stream. Warren K. Erdman, Chair, called the meeting to order at 12:30 p.m. The following Commissioners were present: W. Dustin Boatwright, P.E., Gregg C. Smith, Daniel J. Hegeman, Francis G. Slay, and Ann Marie Baker.

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

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Ed Hassinger, Director of the Missouri Department of Transportation; Terri Parker, Chief Counsel to the Commission; and Jennifer Jorgensen, Secretary to the Commission, were present on Wednesday, August 6, 2025.

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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.*

-- OPEN MEETING --

COMMISSION/DIRECTOR ITEMS

APPROVAL OF MINUTES

The Commission tabled for future consideration the approval of the minutes of the regular meeting held on July 9, 2025, and the special meeting held on July 8, 2025.

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CONSENT AGENDA

Consent Agenda Process

In order to make the most efficient use of Commission meeting time and to ensure Commission members are well informed on issues requiring their action, staff prepares and submits to the Commission members, in advance of their meeting, internal memoranda consisting of advice, opinions, and recommendations related to the items of the Commission meeting agenda. Those items considered by staff to be of a routine or non-controversial nature are placed on a consent agenda. During the meeting, items can be removed from the consent agenda at the request of any one Commission member. The items that are not removed from the consent agenda are approved with a single motion and unanimous vote by a quorum of the members.

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

Consideration of August 6, 2025, Consent Agenda

No items were removed from the consent agenda. Upon motion by Commissioner Smith, seconded by Commissioner Boatwright, the consent agenda items were unanimously approved by a quorum of Commission members present.

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COMMISSION COMMITTEES AND COMMISSION RELATED BOARDS

The Commission has two standing 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. A Commissioner also serves on the Missouri Coalition for Roadway Safety Executive Committee. The following committee and board reports were made during the August 6, 2025, meeting.

Audit Committee – Commissioner Slay stated there was no report. The next audit committee meeting is scheduled for later this summer.

Legislative Committee – Commissioner Boatwright reported during the regular legislative session, 49 House and Senate bills were Truly Agreed and Finally Passed, in addition to the 16 budget bills. The Governor's deadline to sign or veto legislation was July 15. Notably, the Governor did not veto any bills passed by the General Assembly this year, except for budget bills that can be line-item vetoed. Unless otherwise specified, all bills will take effect on August 28.

On June 30, the Governor signed the Fiscal Year 2026 state budget, totaling \$50.8 billion. MoDOT's funding requests were included in the enacted budget; however, the General Assembly approved only approximately seven to nine months' worth of appropriations. As a result, the department will need to request a supplemental appropriation early in the upcoming legislative session.

On June 14, Governor Kehoe signed Senate Bills 1, 3, and 4 into law following the special session he convened for disaster relief, property tax relief, economic development and business retention, and budget initiatives. During special session, the Missouri General Assembly passed three bills in nine days.

In accordance with the state constitution, veto session is scheduled for September 10. Currently, there is no activity anticipated other than what is statutorily required. The department is developing a proposed legislative agenda for the Commission's consideration that will be shared and discussed during this report at the September Commission meeting.

On the federal side, each chamber of Congress is working on their version of the appropriations for Transportation, Housing and Urban Development, and related agencies and will need to get something passed prior to October 1. Additionally, with the federal reauthorization for surface transportation expiring in September 2026, the U.S. Department of Transportation Secretary Duffy opened a public comment period for consideration in the development of the next surface transportation authorizing legislation. Comments are due August 20, 2025.

Missouri Transportation Finance Corporation (MTFC) – Commissioner Smith stated there was no report. The next MTFC meeting will be in October.

MoDOT and Patrol Employees' Retirement System (MPERS) – Commissioner Hegeman stated there was no report this month. The next MPERS meeting will be September 18, 2025.

Missouri Coalition for Roadway Safety Executive Committee – Commissioner Boatwright stated the Committee is finalizing the agenda and program for the Highway Safety and Traffic Conference in Columbia, Missouri, on September 16-18, 2025. The conference contains a myriad of valuable topics, presentations, and speakers in each of the five safety system areas of Missouri's Strategic Highway Safety Plan – *Show Me Zero*.

Traffic fatalities remain lower than this same time last year, although the margin is narrow. To finish the year at a lower total than 2024, August and September will have to come in at or below last year's totals. To accomplish this, MoDOT, the regional coalitions, and law enforcement will need to step up visibility and awareness during the final two months of summer.

Through a cooperative effort with the Missouri Coalition for Roadway Safety, MoDOT has completed the first draft of Missouri's Strategic Highway Safety Plan – *Show Me Zero*. Preliminary graphic layout is underway as the first draft is undergoing review.

Commissioner Boatwright concluded his report with an update on traffic fatalities. As of Monday, July 28, there have been 497 people killed in Missouri traffic crashes so far in 2025.

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DIRECTOR'S REPORT

During the August 6, 2025, Commission meeting, Director Ed Hassinger provided the following report:

HPUN/LRTP Public Meetings – The past few weeks have been an active time for public meetings across the state. Along with the countless meetings the department holds for projects under design, they are also currently asking the public to think about the big picture and the future.

This month, meetings will be hosted across the state for the annual discussion on the High Priority Unfunded Needs (HPUN). This list helps guide the development of the needs the planning partners and communities across the state have identified as priority into funded projects as funds become available in future years. The draft document was released late last month. The public can provide comment on the projects identified in the three tiers through the MoDOT website or at the meetings. Comments will be accepted through September 11. Transportation Planning Director Llans Taylor will present the findings and a final document for the Commission's review and approval at the October meeting.

The department is also in the process of updating the Long-Range Transportation Plan (LRTP) and State Freight and Rail Plan and will be sharing an update on that process at these meetings. The Long-Range Transportation Plan is really the roadmap of the transportation system in Missouri for the next 25 years. The Freight and Rail Plan outlines the vision, goals, and priorities of Missouri's freight and passenger rail systems.

These meetings are an opportunity to look ahead to the transportation system envisioned in the next five to twenty-five years and provide the department with feedback to help get there. All upcoming meeting dates across the state are on the MoDOT website, and people are encouraged to attend these meetings and provide that crucial feedback.

Stand Up for Safety Day – Director Hassinger stated one of his focus areas as director is to work safely for the MoDOT team and for the traveling public. As the department’s annual Day of Remembrance, where we pause to honor and remember fellow team members who died in service to this state, approaches next month, it is a sobering reminder of what employees put on the line every day.

Each summer the department dedicates one day fully to the effort. The annual Stand Up for Safety Day, which took place last month, is a chance for employees to stop and fully evaluate and recalibrate the workplace, tools, and practices to make sure everyone is working as safely as possible, for ourselves and for the traveling public. This year, topics covered ranged from pre-shift planning meetings and updated risk-based assessments for certain operations to human trafficking awareness training.

The leadership team made it a point to get out to some of these events across the state, and it is always worthwhile to hear from team members who are putting themselves out there alongside the highway every day. Director Hassinger appreciated the opportunity to not only share dedication toward and concern for their safety, but to hear their concerns so their concerns can be addressed in efforts moving forward.

I-470 Resurfacing in Kansas City – The Kansas City District is hard at work getting the area in great shape to host the World Cup next year. A full closure of one direction of Interstate 470 near Lee's Summit for a resurfacing job has been scheduled. The closure allowed contracted crews to resurface more than three miles in just one weekend, and Director Hassinger played a video showing how much work they were able to achieve in such a short time.

While the contracted crews were working to resurface, MoDOT maintenance crews were able to clear and clean drains along the route. These full closures are one way to really minimize the time employees are in the way of the traveling public. As the video noted, the contractor and maintenance forces are going to do the same thing on the westbound lanes.

Communications Director Announcement – Chief Administrative Officer Lester Woods introduced the newest member of the Senior Management Team, Taylor Brune as the new Communications Director. Ms. Brune is a graduate of the University of Missouri School of Journalism and has been with the department for nearly eight years, most recently as the assistant communications director. In that time, she has led multiple teams and efforts to improve the customer service and communications tools and processes for the department.

Recognition of Service: Todd Grosvenor – Director Hassinger concluded his report today with a different kind of staffing announcement. Todd Grosvenor is the Financial Services director, and after 35 years with the department, he is storing away the calculator next month to enjoy a well-deserved retirement.

Mr. Grosvenor has spent the past six and a half years as the Financial Services director but has vast previous experience across the team in Audits, Maintenance, and Design. Director Hassinger noted that it would be hard to find another person in this country who knows more about federal aid than Mr. Grosvenor. In fact, he is responsible for creating a computer program back in the aftermath of the 1993 flood to bill the federal government for reimbursement, which brought in \$100 million to the department’s recovery efforts. He also crafted a line for the 2005 federal transportation bill (SAFETEA-LU) that increased formula funds to Missouri by \$50 million. This became known as the “Missouri Fix,” and the

department is still reaping the benefits of that today. Director Hassinger congratulated Mr. Grosvenor on his retirement.

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PUBLIC PRESENTATIONS

WELCOME BY MISSOURI WESTERN STATE UNIVERSITY

Dr. Elizabeth Kennedy, President of Missouri Western State University, welcomed the Commission and distinguished guests to the campus. She stated that Missouri Western State University, or sometimes referred to as Mo West, is one of Missouri's nine public regional universities. The public regional universities in the state of Missouri last fall enrolled over 70,000 students combined, which is outstanding. She noted that regional public universities are the workhorses of higher education in America, educating nearly 5 million, or 70 percent of all students seeking a four-year degree at a public institution. They are producing graduates who spur innovation and growth in the local and state economies. Missouri Western focuses on contributing to the economic viability of the region they serve, and they are producing results. Last year alone, nearly 87 percent of Missouri Western State University graduates reported living and working in Missouri, and 62 percent in Buchanan County by intentionally aligning student demand with workforce needs. She noted the only center for convergent technology is an excellent example of that alignment. It was a \$19 million project that was funded in part by a sales grant and matched to local partnerships. As a result, they are seeing significant growth in their construction engineering technology programs as well as in their cybersecurity degree programs. According to research conducted at the Georgetown University, by 2030, 66 percent of all good jobs will require at least a bachelor's degree or an industry related certificate. Mo West provides that education our strong and deliberate mutual partnerships across vital sectors so that the university produces the much-needed workforce for the community, the region, and the entire state of Missouri.

Commissioner Erdman thanked Dr. Kennedy for her comments and appreciated the opportunity to meet at the Houlne Center on the Missouri Western State University campus.

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DELEGATION REPRESENTING ST. JOSEPH REGION

Abe Forney, Director of Public Works and Transportation for the City of St. Joseph, presented to the Commission about collaboration and partnership between the city, the chamber, Buchanan County, and MoDOT to get projects accomplished. Mr. Forney noted the city was the recipient of the Governor's Cost Share Program funds. The widening of Pickett Road and Craig Parkway is a significant project supported by the Governor's Cost Share Program. This road is a direct feeder to Altec, one of the region's biggest industries along with some other industries that are located south of Pickett Road. Construction on this project is slated to begin late summer. Another project is the Route AC bridge update. Once the Pickett Road project is completed, Altec will have an alternative entrance during the replacement of the Route AC bridge. This project will improve the intersection at the outer road and Route AC, and is partnership with Altec, the City of St. Joseph, and MoDOT, is a top priority for the area. Mr. Forney noted Governor's Cost Share Program has been great to get these projects underway and give those industries director routes to work every day.

Mr. Forney stated the St. Joseph Area Transportation Study Organization (SJATSO) is a metropolitan planning organization (MPO) in St. Joseph, similar to the Mid-America Regional Council in Kansas City. The MPO is a direct recipient of thousands of dollars to support various infrastructure improvements and transportation projects in collaboration with local engineering teams. The MPO will work with St. Joseph Engineering on transportation alternative program (TAP) projects that will focus on enhancing facilities to serve the community's growing needs effectively. Funding includes \$500,000 in TAP funds designated for Patee Branch phases 2 and 3, and the improvement of sidewalks on Cook Road, crucial for future road widening efforts.

Mr. Forney noted the 139th Airlift Wing is housed at Rosecrans Memorial Airport along with the Advanced Airlift Tactical Training Center. Over 18 different allied nations are trained at these facilities. Rosecrans Memorial Airport received a block grant through MoDOT from the Federal Aviation Administration (FAA) for a runway project. The funding breakdown is 65 percent from the National Guard Bureau, 30 percent from Airport Improvement Program grants, 5 percent contribution from MoDOT funding, and 5 percent of the total funding from the City of St. Joseph. He remarked that this is a lot of collaboration on the \$28 million runway project.

Mr. Forney reported that Interstate 29 (I-29) is extremely busy in the St. Joseph region. From Frederick Avenue to Highway 169, there are 20,000 vehicles a day which highlights the heavy traffic on I-29. The city also has received a grant for a study that focuses on potential developments at Faron Street and an exit onto I-29. In addition to those projects, the Gene Field Bridge replacement project is slated for 2027. MoDOT will replace the Gene Field Bridge; the new bridge, a collaboration with the city, will include aesthetic enhancements to the Cook Road Bridge, improving both functionality and visual appeal. Lastly, since 2016, the City of St. Joseph has been working with MoDOT on a conceptual design for the future of the double-decker I-229 bridge. The city looks forward to a continued partnership with MoDOT on the design-build process to enhance connections to I-229 and improve flow into downtown, supporting smarter infrastructure and better traffic movement.

Natalie Hawn, Chief Executive Officer of the St. Joseph Chamber of Commerce, provided an economic overview of the St. Joseph region. She also highlighted some of the region's statistics including the close location to Kansas City International airport and being located at the crossroads of I-29 and Highway 36. The city was named first in best places to work in manufacturing, the top 20 small business startups, and a great place to start a business. St. Joseph is also the birthplace of the Pony Express, Cherry Mash, and home to the 139th Airlift Wing. She noted that St. Joseph is the third largest exporter in the state, and several companies have headquarters in the city. Ms. Hawn stated there are numerous

manufacturers in St. Joseph, approximately 35 percent. These industries rely on roads, airports, and ports to be successful.

The City of St. Joseph's port recently received funding for storage bins and a conveyor system. The multimodal port also has rail transloading and barge transloading, to move large items like wind turbine blades. Additionally, the port recently installed a seawall that was funded through MoDOT. Ms. Hawn thanked the Commission and department for their investments and support.

Commissioner Hegeman thanked Mr. Forney and Ms. Hawn for their presentation along with their partnership and support of the region.

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MODOT PRESENTATIONS

UPDATE FROM MODOT'S NORTHWEST DISTRICT

On behalf of the Director, Marty Liles, Northwest District Engineer, provided a brief overview of the current state of roads, bridges, and safety improvements in the Northwest District.

The Northwest District proudly supports the MoDOT values of safety, service, and stability while serving more than 262,000 Missourians in 20 counties. The Northwest District maintains 11,350 lane miles of interstates and major, minor, and low volume routes, including Interstates 29, 35, and 229 and several U.S. Routes including 36, 65, 71, and 24, and 1,359 bridges. The district is currently staffed at 87 percent with 470 employees; of those, there are 295 in maintenance. They continue to focus on recruitment and outreach.

Mr. Liles highlighted the region's planning partners including the northwest Missouri Regional Council of Governments, Mo-Kan, Green Hills Regional Planning Commission, and the St. Joseph Area Transportation Study Organization. He appreciated the partnership with the planning partners and noted their contributions to transportation priorities and needs in the region. Mr. Liles also thanked the legislature and governors for dedication of general revenue funding for low volume roads throughout the

entire state. The Governor's Rural Routes Program provided \$117.5 million in funding on 2,278 lane miles of low volume roads in Northwest Missouri.

The Northwest District's 775 miles of interstate roads are maintained at 87 percent good; 1,440 miles of major roads are maintained at 82 percent good (statewide goal 90 percent); 81 percent of its 3,595 miles of minor roads are in good condition (statewide goal 80 percent) and 77 percent of its 5,540 miles of low volume roads are in good condition (statewide goal 70 percent), which is up from 69 percent last year. Since 2023, the district has received General Revenue funding, which has allowed the district to make improvements to 41 percent of their low volume roads.

The Northwest District has 1,359 bridges with 95 in poor condition. The district continues to focus on making improvements to these poor condition bridges. In 2020, the district had 214 poor condition bridges. This is a reduction of 119 bridges off the poor condition list in part due to the Fixing Access to Rural Missouri (FARM) Bridge Design-Build project in the Northwest and Northeast districts and the Governor's Focus on Bridge Program.

The I-229 Environmental Assessment Study has been completed. Mr. Liles noted final approval has been received from the Federal Highway Administration (FHWA). The preferred alternative is to remove the bridge and place the highway on the ground in its current footprint. Ms. Joyce Reynolds has been selected as the Project Director and will move this project into completion.

Mr. Liles highlighted current projects included the Northwest Bridge Bundle, which is a Design-Build Project that will rehabilitate or replace 31 bridges in nine counties. Fifteen of those bridges have been completed, 1 is under construction, and 16 will begin in 2025 or 2026. The district expects to complete all the bridges by December 2026. He also noted the intersection improvements to U.S. Route 59/Alabama Street that aims to improve turning movements onto/off of U.S. Route 59, reduce congestion at Route U railroad crossing, and add sidewalks. The project is under contract and plans to be completed in 2026 with the cost of \$9.2 million. The Clinton County I-35 project aims to rehabilitate Interstate

35 between south Cameron and Lathrop exits. The project is under construction and plans to be completed in 2026 with the cost of \$42.2 million.

None of this would be possible without the staff to get this work done safely. Mr. Liles reported the Northwest District has had the highest safety score for the last ten consecutive months and congratulated the maintenance crews on their success. He highlighted their work on winter response including 18 days of emergency operation center activation, twenty plus inches of snows with 181 trucks. Employee's plowed 659,516 miles and put in 62,915 labor hours during winter operations. Lastly, he congratulated the Northwest District on their continued success at the statewide Innovations Challenge. Nine teams were selected for the Innovations Challenge and two were winners: Empirical Slab Design (earned Second in Projects category) and Temporary Roundabout (earned Third in Projects category).

Mr. Liles concluded his presentation by sharing some community events including Touch-A-Truck events and the Northwest Coalition for Roadway Safety, who created a safety course on the Hosea Elementary playground and taught the second graders right there about bicycle safety.

Commissioner Boatwright thanked Mr. Liles for his presentation and for the work on rural roads and in the communities. He also congratulated Mr. Liles on the progress on the I-229 project.

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MEDICAL PLAN FUNDING RECOMMENDATION FOR CALENDAR YEAR 2026

On behalf of the Director, Brandon Denkler, Assistant to the Chief Administrative Officer, shared the contribution recommendations for the medical and life insurance plan. Contributions are based on projected funding necessary to provide medical and life insurance benefits to employees, retirees, vested annuitants, and the dependents of these groups of MoDOT, the Missouri State Highway Patrol (MSHP), and the MoDOT and Patrol Employees' Retirement System (MPERS). The Medical and Life Insurance Plan Board of Trustees (Board) provides recommendations based upon an actuarial review. AON Hewitt Consulting conducted an actuarial review and analysis of medical plan funding on a semi-annual basis.

Based upon the June 25, 2025, review, the Board made recommendations for plan funding for calendar year 2026. The recommendations are projected to maintain adequate funding for medical plan costs.

Mr. Denkler noted the plan has provided employer sponsored health benefits for over 47 years. The plan is governed by a Board of Trustees composed of four active MoDOT employees, two active Patrol employees, and one retiree from each agency. These Board members are recommended by either the MoDOT Director or the MSHP Superintendent, respectively, and require approval by the Commission. MoDOT's Assistant to the Chief Administrative Officer-Employee Health and Wellness serves as the Chairman of the Plan Board of Trustees. One task of the board is to recommend contracting with third-party administrators. Currently, that includes Anthem for medical claims, Carelon Rx for pharmacy administration, and United Healthcare for the Medicare advantage plan.

The plan offers three options. One option is the Preferred Provider Organization (PPO) with a \$600 annual deductible; as of July 1, 2025, there are 7,528 subscribers in the PPO option. There is also a High Deductible Health Plan (HDHP) offered in conjunction with a health savings account (HSA). As of July 1, 2025, there are 645 subscribers in the HDHP option. The Medicare Advantage Plan offers insurance for retirees that are eligible for Medicare. About sixty-four percent of the plan serves active employees and their dependents.

Mr. Denkler stated the goal is to maintain a financially stable, and sustainable health care plan for the active employees and retiree groups. In calendar year 2024, the Commission through the employers contributed \$102 million in healthcare premiums. and the employees and retirees contributed \$28 million. For active employees, the Commission contributes 85 percent% of the total premium. The contribution varies for the retiree group depending on their year of retirement and their years of service to the employers. For calendar year 2025, the employers are being asked to absorb the entire premium increase for active employees and subscribers in the work-related disability categories.

The report explained the number of medical claims increased 0.4 percent and the cost of the medical claims increased 16.2 percent. The number of medical claims increased to 508,445 claims in 2024 compared to 506,453 claims in 2023. He noted in 2025 thus far, there has been a 1.4 percent increase in the amount paid for medical claims through the first five months as compared to the same time last year. Furthermore, the price for medical services is increasing 5 percent per year. There is also an increase in utilization across the country. This is a direct correlation to an increase in medical providers entering the market.

The report also noted the prescription drug plan costs continue to rise, largely due to the cost of specialty medications. Specialty drugs are prescriptions that generally have unique uses, may require special dosing or administration, and are used to treat diagnoses such as cancer, rheumatoid arthritis, multiple sclerosis, and hepatitis C. Specialty drugs are 1.74 percent of total claims, but account for over 54 percent of total drug plan spending. This trend is a serious issue for health insurance plans nationwide with no apparent strategy to combat the trend in the foreseeable future.

Mr. Denkler expressed concern that the plan funding has been decreasing and the costs have been increasing. Due to the Commission's continued support, a stable medical plan has been maintained over the years. However, that is slowly trending downward. As a result, the reserve funds are at a level that it is necessary to seek additional funding for premiums. Mr. Denkler reported the total net position as of May 31, 2025, was \$32.4 million and is down compared to \$36.2 million at the same time last year.

Mr. Denkler recommended the Commission continue offering two plan options, the Preferred Provider Option (PPO) and the High Deductible Health Plan (HDHP) with a Health Savings Account (HSA), with no changes in Plan design. He also recommended an increase of 9.5 percent in total medical plan premiums for all rate categories in calendar year 2026. He also recommended the employers absorb the entire premium increase for active employees and subscribers in the work-related disability categories.

After further discussion and consideration, and upon motion by Commissioner Smith, seconded by Commissioner Slay, the Commission unanimously approved the medical and life insurance plan recommendations to: (1) increase medical plan premiums by 9.5 percent for all rate categories in calendar year 2026; (2) continue offering two plan options PPO and HDHP with a HSA with no changes in Plan design; and (3) absorb the entire premium increase for active employees and subscribers in the work related disability categories.

Commissioner Erdman thanked Mr. Denkler for his presentation and the work it takes to manage this benefit. He noted this benefit is expensive and stated this is the third year in a row that the commission has absorbed the premium increase and is the eighth year in a row with no personal increase to active employees.

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**MISSOURI DEPARTMENT OF TRANSPORTATION PROPOSED FISCAL YEAR 2027
APPROPRIATIONS SUBMITTAL AND FISCAL YEAR 2026 SUPPLEMENTAL
APPROPRIATIONS SUBMITTAL**

On behalf of the Director, Brenda Morris, Chief Financial Officer, presented the fiscal year 2027 appropriations request for \$5.2 billion for House Bill 4, \$3.7 billion for House Bill 17, and \$88.5 million for House Bill 20, and the fiscal year 2026 supplemental appropriations request for \$642.7 million. Ms. Morris explained the department is required by law to submit both the appropriations request and supplemental appropriations requests to the Office of Administration (OA) by October 1 of each year. This appropriations request is the basis of the Governor's recommendation, which is submitted to the Missouri General Assembly within thirty days of when the legislature convenes the regular session.

Ms. Morris briefly explained the budget timeline beginning in March, when the districts and divisions submit their budget requests. Then, the Financial Services Division reviews and compiles the appropriations request. In August, the Commission potentially approves the appropriations and supplemental appropriations requests. From October to May, the budget is submitted to OA and the

department's Financial Services staff supports the request through the legislative process. In May, the Commission will review the budget request. In June, the budget request is submitted to the Commission for final approval. On July 1, the new fiscal year begins.

She then reviewed the breakdown of the appropriation submittal by category. The majority of the department's budget is for program delivery and safety and operation, which is 78.5 percent. Refunds and transfers, which makes up 12.4 percent, are mainly needed for accounting purposes, to move monies between funds. The largest transfer moves motor fuel taxes and a portion of the motor vehicle and driver's license fees from the State Highways and Transportation Department fund to the State Road Fund. The smallest category is administration at 0.4 percent.

This appropriations submittal includes \$513.2 million for personal services and the related positions, expense and equipment, and program to restore funds in the State Road Fund for Administration, Safety and Operations, and Program Delivery. The legislature proposed the creation of a new federal road fund. In anticipation of that legislation passing, the legislature reduced the appropriations from the State Road Fund and added spending authority from the Federal Road Fund. The appropriation authority from the State Road Fund is only sufficient for seven to nine months of expenditures. The legislature did not pass the enabling legislation, creating the mechanism to fund the Federal Road Fund, and the Governor's Office later vetoed the related appropriations from the new fund. This item is needed so the department has sufficient spending authority to pay expenditures for a full year in fiscal year 2027. In addition, a supplemental budget is being submitted to restore the same appropriations and positions for fiscal year 2026. We are thankful for the support of the governor and the legislature that allowed us to implement.

Ms. Morris thanked the Governor and legislature for their support of the department's pay plan for fiscal year 2026 to continue to address employee pay. In July 2022, the department implemented a portion of a market plan within the appropriation authority approved by the legislature. The market adjustments for employee salaries included modifying the salary structure to optimize it and being more competitive

with market; establishing market competitive midpoints for all salary grades; and advancing employees toward that midpoint more quickly based on tenure and performance. This submittal includes a department requested pay plan that includes a market adjustment of 2 percent for all employees, as well as tenure-based pay increases. This pay plan will move more employees to market and will help reduce salary compression at the lower end of the ranges. In addition, the submittal includes the personal service dollars and related fringe benefits for 100 new positions in maintenance. These positions will help the department restore operations. Restoring operations will help meet customer expectations as it relates to windshield items like litter pickup, mowing, trimming, pavement repairs, striping, and signing. These additional positions, or full-time equivalent (FTEs), will be funded from the State Road Fund, not general revenue. The department is requesting additional people, not the funding of them, in order to address these issues.

This submittal also includes additional monies totaling \$6.9 million for Safety and Operations, which is responsible for striping, pavement repair, mowing right-of-way, and plowing snow and ice. The spending authority will be used for things like additional asphalt and concrete repairs on roadways, support for the World Cup, and allowing the department to spend additional federal funds for highway safety. Ensuring these items are adequately funded will help improve safety for the traveling public.

In addition, reappropriations of the \$20 million for low volume roads minor roads that was appropriated in fiscal year 2026 is included in the current appropriations request. Ms. Morris appreciated the additional general revenue funds dedicated by the Governor and General Assembly for transportation. This appropriation submittal includes those projects previously approved as reappropriations such as the Improve I-70 Program, Forward 44 Program, and a road replacement in Platte County.

Program Delivery is the largest appropriation category, and it is used to pay consultants to design projects, purchase right-of-way, pass federal monies through to local entities, and pay contractors who build the construction projects. MoDOT requested a decrease of \$283.0 million, compared to the fiscal year 2026 TAFP budget. The department requested a decrease of \$274.1 million for expenditures made

on projects such as Low Volume Routes, Improve I-70, and the Governor's Transportation Cost-Share Projects, and \$8.8 million for projects vetoed or restricted by the Governor.

Fleet, Facilities, and Information Systems (FFIS) increased \$3.0 million compared to the fiscal year 2026 TAFP budget. The department's annual allocation for fleet is just over \$42.4 million to maintain a fleet valued at \$595 million. The increase is requested to cover a portion of the inflationary costs associated with fleet. The last fleet acquisition budget increase was in fiscal year 2022. This request represents a seven percent increase and allows the department to continue to make progress decreasing the average age of MoDOT fleet, consistent with the fleet asset management plan.

MoDOT requested a multimodal appropriation decrease of \$20.9 million, compared to the fiscal year 2026 TAFP. This request includes the following: \$1.7 million of general revenue to add a third-round trip on the Amtrak River Runner for the World Cup in Kansas City, Missouri in July 2026; \$750,000 of general revenue to fund the cost of providing twice daily passenger rail service through Amtrak because of inflation; \$8.7 million decrease for expenditures made on projects such as the Mobility Management Pilot Program, the Jefferson County Port, and capital improvements at the Rosecrans Airport; and \$14.7 million decrease for projects vetoed or restricted by the Governor.

Ms. Morris recommended approval of the proposed fiscal year 2027 appropriations submittal totaling \$5.2 billion. She also recommended approval of the proposed fiscal year 2027 appropriations submittal totaling \$3.7 billion, for all MoDOT appropriations associated with House Bill 17. She also recommended approval of the proposed fiscal year 2027 appropriations submittal totaling \$88.5 million, for all MoDOT appropriations associated with House Bill 20. Lastly, she also recommended approval of the proposed fiscal year 2026 supplemental appropriations submittal totaling \$642.7 million.

Following discussion, and upon motion by Commissioner Hegeman, seconded by Commissioner Slay, the Commission unanimously approved the Missouri Department of Transportation Fiscal Year 2027 Appropriations Submittal, as noted in the tables below, and authorized staff to release the request to OA

– Division of Budget and Planning; and approved the proposed Fiscal Year 2026 Supplemental Appropriations Submittal totaling \$642.7 million. The Commission also approved the Fiscal Year 2027 appropriations submittal totaling \$3.7 billion, for all MoDOT appropriations associated with House Bill 17. The Commission also approved the Fiscal Year 2027 appropriations request totaling \$88.5 million, for all MoDOT appropriations associated with House Bill 20.



**Fiscal Year 2027 Appropriations Submittal
House Bill 4 By Appropriation Category**
(Dollars in Thousands)

<u>Appropriations</u>	Fiscal Year 2025 Actual Expenditures	Fiscal Year 2026 TAFP¹ Budget	Fiscal Year 2027 Appropriations Request
Administration	\$ 25,890	\$ 24,439	\$ 31,896
Safety and Operations ²	\$ 484,768	\$ 456,818	\$ 595,161
Program Delivery ^{2,3}	\$ 2,288,815	\$ 2,400,776	\$ 2,770,515
Fleet, Facilities, and Information Systems (FFIS)	\$ 116,538	\$ 132,813	\$ 136,414
Multimodal ^{2, 5}	\$ 145,350	\$ 295,352	\$ 281,992
Fringe Benefits	\$ 233,126	\$ 284,787	\$ 287,790
Refunds and Transfers ⁴	\$ 881,072	\$ 1,095,366	\$ 1,095,366
Total MoDOT Appropriations Request	\$ 4,175,559	\$ 4,690,351	\$ 5,198,884

¹ Fiscal year 2026 Truly Agreed to and Finally Passed (TAFP) budget is prior to any vetoes or restrictions occurring and does not include any Federal Road SRF Transfer Fund appropriations, which were later vetoed by the Governor.

² Includes federal funds MoDOT pays to contractors and providers for goods and services.

³ Includes appropriations for Contractor Payments, Design and Bridge Consultant Payments, Accelerated Program, Right of Way and Federal Pass-Through.

⁴ Appropriation request amount is \$1 in the event the appropriation is needed.

⁵ These items were vetoed or restricted by the Governor.



**Fiscal Year 2027 Appropriations
Submittal
House Bill 17 Capital Improvements**

	Fiscal Year 2025 Actual Expenditures	Fiscal Year 2026 TAFP ³ Budget	Fiscal Year 2027 Appropriations Request
Appropriations			
Program Delivery			
Program			
Low-Volume Routes FY24 - Budget Stabilization Fund ^{1,4}	\$ 56,346	\$ 28,340	\$ 0
Improve I-70 Program from Bond Proceeds ²	151,635	1,400,000	1,248,365
Improve I-70 Program from General Revenue (GR) ²	25,968	1,400,000	1,374,032
Forward I-44 Program from Bond Proceeds ²	0	363,750	363,750
Forward I-44 Program from GR ²	49	213,750	213,701
Transportation Cost-Share Program - Budget Stabilization Fund ²	7,174	64,654	57,068
I-44 Environmental Study - GR ²	6,648	19,703	13,055
I-55 Outer Service Road - GR ²	2,537	11,717	9,180
Highway BB Engineering Study Cameron County - GR ²	63	1,000	937
Highway 67 Improvements Butler County - GR ²	1,472	60,000	58,528
US 67 Butler County - State Road Fund ²	0	90,000	90,000
LeCompte Road Industry Upgrade - Budget Stabilization Fund ²	0	3,400	3,400
I-70 Improvements Warren County - Budget Stabilization Fund ²	4,302	40,000	35,698
US 65 & Route B - GR ²	0	4,700	4,700
I-49 & US 58 Improvements Cass County - GR ²	55	20,000	19,945
Highway 63 Improvements Columbia - GR ²	83	4,200	4,117
Highway 65 Additional Lanes - Budget Stabilization Fund ²	109	38,000	37,891
Low Volume Routes FY25 - GR ²	33,633	100,000	66,367
Total Program Delivery	\$ 290,073	\$ 3,863,214	\$ 3,600,735
Multimodal			
Program			
Warrensburg Airport - Budget Stabilization Fund ¹	0	850	850
Mobility Management Pilot Program - Budget Stabilization Fund ^{2,4}	3,000	3,000	0
Railroad Grade Crossing Hazards - GR ²	0	25,000	25,000
DeSoto Train Stop - GR ²	0	1,000	1,000
Rosecrans Airport Capital Improvements - GR ²	1,724	10,200	8,476
Cape Girardeau Airport - GR ²	0	350	350
Airport Capital Improvements and Maintenance - GR ²	70	2,327	2,257
Rosecrans Airport 139th - Budget Stabilization Fund ²	0	7,500	7,500
Rosecrans Airport Farm Fuel - Budget Stabilization Fund ²	0	2,000	2,000
Kirksville Airport - GR ²	26	1,300	1,274
Federal Aviation Assistance JC Airport - Multimodal Operations Federal Fund ²	0	3,400	3,400
Federal Aviation Assistance St. Joe Airport - Multimodal Operations Federal Fund ²	0	8,800	8,800
Jefferson County Port Authority - Budget Stabilization Fund ²	19,753	6,700	4,877
SEMO Port - Budget Stabilization Fund ^{2,4}	500	500	0
Pemiscot County Port - GR ²	333	4,000	3,667
Total Multimodal	\$ 25,407	\$ 76,927	\$ 69,450
Total MoDOT Disbursements	\$ 315,480	\$ 3,940,141	\$ 3,670,185

¹ In previous years, these appropriations were in House Bill 19.

² In previous years, these appropriations were in House Bill 4.

³ Fiscal year 2026 Truly Agreed to and Finally Passed (TAFP) budget.

⁴ These projects will be fully expended by the end of fiscal year 2026.



Fiscal Year 2027 Appropriations Submittal
House Bill 20 American Rescue Plan Act (ARPA) of 2021
(Dollars in Thousands)

	Fiscal Year 2025 Actual Expenditures	Fiscal Year 2026 TAFP ² Budget	Fiscal Year 2027 Appropriations Request ³
Administered by MoDOT			
KC Streetcar - Budget Stabilization Fund	\$ 467	\$ 1,000	\$ 533
KC Port - Budget Stabilization Fund	2,728	28,442	25,714
KC Port Improvements - Budget Stabilization Fund	4,248	6,824	2,576
Total Administered by MoDOT	\$ 7,443	\$ 36,266	\$ 28,823
Administered by OA¹			
Waste Water Improvements	2,667	6,689	4,822
Kirkwood Historic Train Station	2,349	2,291	0
Carrollton Amtrak Station	38	965	961
Washington County Airport	102	1,000	898
Buffalo Municipal Airport Improvement	205	687	482
Port Capital Improvement Projects	4,732	10,990	8,446
New Madrid County Port Authority	1,247	2,899	2,323
Elderly and Disabled Transit Assistance	442	6,000	5,558
Highway 76 Road Improvements in Branson	0	6,200	6,200
I-35, I-29, and US 169 Road Improvements	0	30,000	30,000
Total Administered by OA	\$ 11,782	\$ 67,722	\$ 59,690
Total Disbursements	\$ 19,225	\$ 103,988	\$ 88,513

¹ ARPA funding for these items are being administered by Office of Administration (OA); however, MoDOT is overseeing the projects.

² Fiscal year 2026 Truly Agreed to and Finally Passed (TAFP) budget.

³ ARPA funding will expire 12/31/2026.



Fiscal Year 2026
Supplemental Appropriations Submittal
House Bill 14
(Dollars in Thousands)

	Fiscal Year 2025 Actual Expenditures	Fiscal Year 2026 TAFP ¹ Budget	Fiscal Year 2026 Supplemental Appropriations Request
Appropriations			
Administration			
Administration Personal Services (PS)	\$ 22,548	\$ 19,277	\$ 5,588
Administration E&E	3,265	5,082	1,485
Total Administration	\$ 25,813	\$ 24,359	\$ 7,073
Safety and Operations			
Operations PS	174,461	150,364	43,489
Operations E&E	281,921	254,408	74,050
Total Safety and Operations	\$ 456,382	\$ 404,772	\$ 117,539
Program Delivery			
Program Delivery PS	86,226	78,965	20,723
Program Delivery E&E	25,430	30,755	10,362
Program Delivery Program ^{2,3}	1,710,619	1,674,435	487,002
Total Program Delivery	\$ 1,822,275	\$ 1,784,155	\$ 518,087
Total MoDOT Supplemental Appropriations Request	\$ 2,304,470	\$ 2,213,286	\$ 642,699

This schedule lists each individual appropriation as prescribed by the Office of Administration - Division of Budget and Planning's (OA) budget instructions. The appropriations have been organized into the categories used in MoDOT's budget.

¹ Fiscal year 2026 Truly Agreed to and Finally Passed (TAFP) budget is prior to any vetoes or restrictions occurring and does not include any Federal Road Fund appropriations, which were later vetoed by the Governor.

² Includes federal funds MoDOT pays to contractors and providers for goods and services.

³ Includes appropriations for Contractor Payments, Design and Bridge Consultant Payments, Accelerated Program, Right of Way, and Federal Pass-Through.

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RESOLUTION

RESOLUTION EXPRESSING APPRECIATION TO THE HONORABLE MIKE PARSON FOR OUTSTANDING SERVICE TO THE STATE OF MISSOURI

The Commission recognized former Governor Parson for his contributions to transportation and the state of Missouri. Following discussion and comments, the Commission unanimously approved the following resolution:

WHEREAS, the Honorable Mike Parson was elected to the Missouri House of Representatives in 2004, serving the citizens of Missouri's 133rd District for six years; elected to the Missouri Senate in 2010, serving the citizens of Missouri's 28th Senatorial District for six years; elected Lieutenant Governor of Missouri in 2016; and served as the 57th Governor of Missouri from 2018 to 2025; and

WHEREAS, Governor Parson has performed his duties with vision, dedication, and genuine compassion for the best interests of the citizens of Missouri and a lifelong commitment to serving others with more than 30 years of experience in public service; and

WHEREAS, Governor Parson firmly believes a sound transportation network is essential to safe travel, economic development and a good quality of life in Missouri; and

WHEREAS, Governor Parson and the General Assembly supported the improvement of Interstate 70 and provided \$2.8 billion in General Revenue in the Fiscal Year 2024 budget. This once in a lifetime investment made it a priority to plan, design, construct, reconstruct, rehabilitate, and repair three lanes of Interstate 70 in each direction from Blue Springs to Wentzville; and

WHEREAS, Governor Parson created the Governor's Rural Routes Program, which focused on improving the condition of low-volume rural roads in poor condition in Missouri. The program allocated more than \$300 million of General Revenue, improved conditions of more than 5,400 lane miles of low-volume rural roads, and is scheduled for completion by November 2025; and

WHEREAS, in 2019, Governor Parson announced the Governor's Transportation Cost-Share Program, funded with General Revenue to build partnerships with local communities and private entities to deliver road and bridge projects and address transportation needs. The program matched investments from project sponsors and included improvements to interchanges, roadways, and bridge projects across the state, supporting economic development and workforce development; and

WHEREAS, in 2019, Governor Parson initiated the Focus on Bridges Program, which addressed the need to repair or replace hundreds of bridges in poor condition across the state. Initial funding included \$50 million in General Revenue to replace or repair 45 bridges but later received an \$81.2 million federal grant to facilitate the construction of a new I-70 Missouri River Bridge at Rocheport and I-70 climbing lanes at Mineola Hill in Montgomery County, two significant improvements to the I-70 freight corridor. The grant also triggered a \$301 million bonding program, authorized by the legislature in the 2019 session and to be

repaid over seven years from State General Revenue, that repaired or replaced an additional 215 bridges across the state; and

WHEREAS, Governor Parson also supported transit operations like the Missouri Elderly and Handicapped Transportation Assistance Program, along with non-profit organizations providing integrated transit planning and services for seniors, veterans, and the disabled, and for the First and Last Mile Connectivity for Missourians study, which may lead to dedicated microtransit programs; and

WHEREAS, Governor Parson included further investments in transportation and infrastructure, such as broadband investments, I-44 expansion planning, road and bridge projects within the Statewide Transportation Improvement Program, and airport upgrades, along with improvements at Missouri's river ports; and

WHEREAS, Governor Parson performed his duties with extraordinary professionalism, integrity, dignity, and the desire for his actions to reflect the best interest of all Missourians; and

WHEREAS, Governor Parson's expertise in the development of sound public policy, coupled with his humility in resolving complex civic challenges, gained his well-known and well-deserved recognition as a great public servant and esteemed statesman; and

NOW, THEREFORE, BE IT RESOLVED that the Missouri Highways and Transportation Commission does hereby publicly express its appreciation and gratitude to Governor Parson, for the work he has performed for the citizens of Missouri.

BE IT FURTHER RESOLVED that a copy of this Resolution be forwarded to Governor Parson so he will have a permanent record of the high esteem in which he is held by the members of the Missouri Highways and Transportation Commission.

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BUSINESS ISSUES

CITY OF REPUBLIC, COST SHARE ECONOMIC DEVELOPMENT

The department works in cooperation with the Department of Economic Development and project sponsors to determine when targeted investments can be made to create jobs and may provide up to one hundred percent of participation costs. Twenty percent of the cost share program funds are set-aside for projects that demonstrate economic development through job creation. The Cost Share Committee consists of the Deputy Director/Chief Engineer, Chief Financial Officer, Assistant Chief Engineer, and two members selected by the Director which are currently the Chief Administrative Officer and Governmental Relations Director. Guidelines require Commission approval for projects that use the cost share economic

development funds. This action is required to occur prior to the project being included in the Statewide Transportation Improvement Program (STIP).

The City of Republic submitted a \$1,712,886 request for cost share economic development funds to widen Route MM from Route 360 (James River Freeway) to Interstate 44. This request for additional Cost Share Economic Development set-aside funds for the project is a result of inflation. The project is located in the Southwest district.

The Cost Share Committee approved the City's additional request at their June 12, 2025, meeting. On behalf of the Director, Eric Schroeter, Deputy Director/Chief Engineer, recommended approval of the award of \$1,712,886 in additional Cost Share Economic Development set-aside funds to the City of Republic as a result of inflation to widen Route MM from Route 360 (James River Freeway) to Interstate 44. Via approval of the consent agenda, the Commission unanimously approved the recommendation described above.

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FISCAL YEAR 2026 BUDGET AMENDMENT

On behalf of the Director, Todd Grosvenor, Financial Services Director, recommended decreasing the budget for fiscal year 2026 by \$330.4 million. The budget decrease is \$49.8 million for items restricted by the Governor during his review of the state's fiscal year 2026 budget; decrease of \$23.6 million for items vetoed by the Governor during his review of the state's fiscal year 2026 budget; decrease of \$399,800 due to three percent of the General Revenue spending being restricted by the Governor during his review of the state's fiscal year 2026 budget; and decrease of \$256.6 million for expenditures incurred in fiscal year 2025. Via approval of the consent agenda, the Commission unanimously approved the fiscal year 2026 budget amendment described above.

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STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM (STIP)

APPROVAL OF PLANS FOR CONDEMNATION

On behalf of the Director, Danica Stovall-Taylor, Assistant State Design Engineer, recommended the Commission approve the following detailed project plans, approved by the Chief Engineer, for filing as necessary for the condemnation of right of way.

<u>County</u>	<u>Route</u>	<u>Job Number</u>
St. Louis	61/67	J6S3578
St. Louis	231	J6S3631
St. Louis	231	J6S3632

In accordance with Section 227.050 RSMo, the Commission, via approval of the consent agenda, approved the detailed project plans for the above noted projects and directed them to be filed as necessary for the condemnation of right of way.

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-- REPORTS --

REPORTS

The Commission received the following written reports.

MODOT BRIEFING REPORT

Ed Hassinger, Director, provided to the Commission the written monthly Issue Briefs that are sent from the department to the Governor since the previous MoDOT Briefing Report. There were no briefing reports to the Governor for the past month.

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MISSOURI DEPARTMENT OF TRANSPORTATION FINANCIAL REPORT – FISCAL YEAR 2025

Todd Grosvenor, Financial Services Director, submitted a written financial report for fiscal year to date June 30, 2025, with budget and prior year comparisons.

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CONSULTANT SERVICES CONTRACT REPORT

Danica Stovall-Taylor, Assistant State Design Engineer, submitted a written report of consultant contracts executed in the month of June 2025, for both engineering and non-engineering related projects. The department utilizes consultants to efficiently manage workload and provide specialized expertise to supplement and support department staff. Expenditures for consultant services are funded from the Commission approved Statewide Transportation Improvement Program and MoDOT Operating Budget. There were 631 active contracts held by individual engineering consultant firms prior to July 1, 2025. Thirteen engineering consultant services contracts were executed in June 2025, for a total of \$6,089,517. There were zero non-engineering consultant contracts executed in June 2025.

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

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The Mission of the Missouri Highways and Transportation Commission is to:

- Represent the citizens of Missouri pursuant to the Constitution by providing independent and nonpartisan governance of the Missouri Department of Transportation; and
- Establish policies, exercise oversight, and ensure accountability in developing and maintaining a world class transportation system in Missouri which fosters safety and economic development.

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