

**Missouri Department of Transportation (HQ) / ACEC Missouri
Liaison Committee Zoom Meeting**



**Wednesday, May 18, 2022
9:00–11:00 AM**

**ACEC
Missouri**

- MEETING MINUTES -

ATTENDING:

MoDOT Attendees:

Jeff Cremer, Consultant Services Program
Bryan Hartnagel, State Bridge Engineer
Ed Hassinger, Deputy Director/Chief Engineer
Travis Koestner, State Design Engineer
Patrick McKenna, Director
Eric Schroeter, Assistant Chief Engineer
Kenny Voss, Asst. State Design Engineer
Jay Wunderlich, Governmental Relations Director

ACEC-Missouri Attendees:

Ed Alizadeh, Geotechnology, Inc.
Heidi Eilers, HNTB Corporation (*for Kevin Wallace*)
Bob Gilbert, Bartlett & West, Inc. (*Cmte. Chair*)
Howard Gotschall, Hanson Professional
Vicki LaRose, Civil Design, Inc.
David Maxwell, HR Green, Inc.
Srinu Yanamanamanda, CBB
Morgan Mundell, ACEC-MO President

DISCUSSION ITEMS:

1) MoDOT Staff Changes:

At the senior management level, Michelle Kratzer (Multimodal) recently left, and Rudy Nickens (EEO) retired. The Department continues to experience high turnover rates in both Operations and in Program Delivery. Although these challenges are statewide, MoDOT is seeing more turnover recently in the KC and SW Districts. KC District still has an opening for District Design Engineer and a Project Manager (PM). Districts have been increasing the number of PMs in the Districts as much as possible to help with the rising backlog of project delivery and to coordination with consultants. Some former Area Engineers (AE) have assumed PM roles in the districts. MoDOT's turnover is not improving – they have had 100 more turnovers in the first 4 months of 2022 than the same four months of 2021. On pace for 1,000 departures for 2022 (about 25% turnover).

The recently passed state budget from the legislature did include 5.5% salary increases for MoDOT staff, and also about 107 program delivery positions as well. This is believed to be a very conservative number of positions given the amount of workload coming. A statistic on that being the consultant budget is increasing about twofold, but only increasing the program delivery by 107 positions. These positions and state budget are still yet to be approved by the Governor's Office. He has until mid-July to approve, veto or allow legislation to be approved without his signature.

Also joining us this month was Jeff Cremer who has a new role at MoDOT as the Consultant Services Program Coordinator. He is looking forward to focusing completely on MoDOT consultant solicitations, contracting and support of the program. He is working on the 6-month look ahead and making that as good as it can be given the unknowns and changes to schedules and funding. Jeff is planning to form a Consultant Advisory Group, much like the LPA Advisory Group. Jeff will work with Morgan and our Transportation Committee Chairs on setting up this advisory group. Laura Ellen will be focusing on the LPA program as it is increasing as well.

2) MO Legislature 2022 Session Overview:

Overview was that in a way, not a lot happened, which is really a good thing. Attempts to repeal SB262 funding and/or other reductions in transportation investment were not successful and the core operating budget of MoDOT stood.

Also \$100M was dedicated to low volume rural routes and was funded from general revenue. This provides a benefit that is really more than the dollar amount because those routes would have not likely been prioritized and would not have attracted the federal dollars, so this new source of funding helps MoDOT focus more state fuel tax dollars on projects that can be matched with federal dollars.

\$75M was also approved for the Cost Share Program

ARPA funds were not steered towards transportation in the legislature, despite attempts to prioritize this kind of investment. Some ARPA funds are going to some aviation and port projects, but the lion's share of this spending went to other priorities such as the state office buildings, universities and water/wastewater infrastructure. MoDOT may still have opportunity to fund transportation with ARPA funds if some of the funds go unused and deadlines become clearer.

3) Increasing Program (Largest STIP):

The DRAFT STIP is out for review and is approx. \$1.5B each year for 5 years. MoDOT is continuously assessing estimates on projects and seeing that some of the spending power is lost to inflation (likely in the 10-15% range). MoDOT saw most inflation occur between August and November 2021, but some inflation still increasing. Materials/unit prices affected by fuel and steel prices are seeing the most increase (in the neighborhood of 60-65% on those items), with an overall contract price of projects going up around 10-30% depending on the type of job. Since January, MoDOT is seeing about an 8-10% inflation on costs.

As far as consultant support concerns on the increasing program, MoDOT is seeing some drop in responses to solicitations and is having to readvertise some solicitations to get at least 2 submissions. The area of most concern about consultant interest is in the construction inspection support RFQs. The group discussed the elements of this (inability to forecast how much of this work will come, onboarding/staffing for this and training/certifications and geographic proximity that are necessary. A more robust program and information on volume of this work would help consultants with staffing up to provide this service more.

Other emerging service needs mentioned are ROW, Utility Coordination/Relocations, and LPA projects (that volume is going up too).

4) Federal Funding Grant Opportunities:

Some questions surfaced about how LPAs should consider their prior applications and estimates in light of more funding and inflation. MoDOT said that LPAs should update their estimates and then approach MoDOT with requests for adjustments to their grant awards or applications. MoDOT would review on a case-by-case basis and the justification needs to be there.

As far as MoDOT making application for federal dollars on competitive grants, they are not currently pursuing any applications as those processes take a large amount of time and focus of staff and those projects still require a large match from state funds.

5) Anticipated Date for Next Consultant 6-Month Look Ahead & Updates on How APD/Design Build Projects will be Procured:

The 6-month look ahead was to be published the same day as the HQ liaison committee meeting, and Design Build procurement would be updated on the MoDOT website. Since the HQ liaison committee meeting, the NW District Bridge Bundle DB project has been announced and an approximate timeline has been published.

There was also a request of consultants to not flood MoDOT PMs with calls about upcoming work. They need to focus on their jobs and hopefully this 6-month look ahead will help to answer consultant questions.

Also, MoDOT wanted to remind consultants to look out for addendums on RFQ solicitations. Recently, a project with an addendum was submitted on by 4 firms, but only 1 firm acknowledged the addendum.

6) Update on How the Consultant Community Can Assist MoDOT in a Program Manager or PMC Roles:

MoDOT is working with FHWA about this as there is some concern about oversight that is necessary for federal funds. Right now, MoDOT is not seeing this being a frequent need, but might be needed more for LPA jobs.

7) Cost Share Program Updates:

There is \$75M in new cost share monies in the state budget, still subject to approval from the Governor. This is in addition to the \$23M that is still to be spent from the previous year budget. Again, with inflation, if a cost share project was previously awarded and inflation is being experienced, the LPA should adjust the estimates and work with MoDOT on a case-by-case basis to adjust the funding for the project. The project cannot be increasing scope, but if the estimate is increasing due to inflation, then there may be the ability to adjust the funding.

Also, the TAP grant funding opportunities were just announced, and applications are due July 15. Max grant amount of \$500k and 20% match from LPA.

8) FHWA New Bridge Inspection Standards:

The NBI specs for bridge inspection go into effect in June 2022. There are 113 codes to inspect and enter in the inventory. 54 are new and 20 from previous specs have been discontinued. This will take some time to adjust for and get used to the new system. Have to be using the new system on all bridges by March 2028. The frequency of some bridge types is also changing and MoDOT is still digesting how that impacts their operations. Some bridges they may still inspect more frequently than required because inspectors are driving on that route to another bridge anyway, etc.

Bridge Division is considering help from consultants on load ratings for some bridges. The solicitation might be more of an on-call selection for this type of service. More to come in the future.

9) Update on the On-Call RFQ Timetable:

The on-call selection timeline is still set for September 30 (advertise) to November 15 (due date). The MoDOT and LPA on-call solicitations will be separate but concurrent during this general timeframe.

10) Open Roads Design/EPG Updates:

Open Roads is now being used in the districts and they are finding that it requires training to be proficient (not just intuitive use). Therefore, consultants should consider this also and use the online tutorials MoDOT has made available. Comments were made about the requirement of deliverables to MoDOT being in Open Roads by January of 2023, and why that requirement wasn't more about new contracts signed after a certain date requiring Open Roads (consider a project that started long ago but still not delivered and the conversion time to change it near the end of the project design). MoDOT said that point will be taken into consideration.

11) Next Meeting Date:

Then next meeting is scheduled for August 17, 2022 and will be held virtually.



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