



**MISSOURI HIGHWAYS AND TRANSPORTATION
COMMISSION**

Official Minutes

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MINUTES OF THE HIGHWAYS AND TRANSPORTATION COMMISSION MEETING HELD VIA VIDEO CONFERENCE AND IN SPRINGFIELD, MISSOURI, WEDNESDAY, SEPTEMBER 8, 2021

A meeting of the Missouri Highways and Transportation Commission was held on Wednesday, September 8, 2021, via video conference in the Rathdangan Ballroom at DoubleTree by Hilton, 2431 N Glenstone, Springfield, Missouri. John W. Briscoe, Vice-Chair, called the meeting to order at 12:00 p.m. The following Commissioners were present: John W. Briscoe, Gregg C. Smith, Terry L. Ecker, Robert G. Brinkmann, P.E., and W. Dustin Boatwright, P.E. Michael T. Waters, Jr. was absent.

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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Patrick McKenna, Director of the Missouri Department of Transportation; Rich Tiemeyer, Chief Counsel for the Commission; and Pamela J. Harlan, Secretary to the Commission, were present on Wednesday, September 8, 2021.

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*“Department” or “MoDOT” herein refers to Missouri Department of Transportation.
“Commission” or “MHTC” herein refers to Missouri Highways and Transportation Commission.*

-- CLOSED MEETING --

VOTE TO CLOSE MEETING

The agenda of the closed meeting was posted in keeping with Sections 610.020 and 610.022, RSMo, including the following statutory citations allowing the meeting to be closed:

1. Section 610.021(1) – Legal actions and attorney-client privileged communications.
2. Section 610.021(3), (13) – Personnel administration regarding particular employees.
3. Section 610.021(11), (12) – Competitive bidding specs, sealed bids, or negotiated contracts.

Upon motion duly made and seconded to convene in closed session, the Chairman called for a voice vote of the members. The vote was as follows:

Commissioner Waters, Absent
Commissioner Briscoe, Aye
Commissioner Smith, Aye
Commissioner Ecker, Aye
Commissioner Brinkmann, Aye
Commissioner Boatwright, Aye

The Commission met in closed session on Wednesday, September 8, 2021 at 2:30 p.m. and adjourned at 5:00 p.m.

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-- OPEN MEETING --

COMMISSION/DIRECTOR ITEMS

COMMISSION WORKSHOP: WORKFORCE CHALLENGES

On behalf of the Director, Ed Hassinger, Deputy Director/Chief Engineer, reported the department continues the trend of high turnover of employees. Over the past five years, MoDOT has averaged annually more than 600 employees leaving for other employment opportunities. MoDOT is on pace in 2021 to see that number be greater than 800 by the end of the year. He noted the most recent months and how high the turnover has been: April – 75, May – 74, June – 73, July – 93, and August – 82. The top reason noted in exit interviews is the pay amount at MoDOT being so far behind what is available on the market. The Fiscal Year (FY) 2021 employee turnover rate was 13.16 percent, a .59 percent increase from the FY 2020 turnover rate of 12.57 percent.

In Fiscal Year 2021, it is estimated the hard and soft costs of turnover were more than \$37 million. Lester Woods, Chief Administrative Officer, reviewed turnover by job category for July 2020 through July 2021: Maintenance 450, Operations 49, Program Delivery 114, and Administration 46.

The ability to hire for these vacancies also continues to be more difficult. Inability to compete with other employers when hiring is a significant issue for the department. Private companies as well as cities and counties across Missouri are paying anywhere from \$2 to \$7 more per hour than an entry level maintenance worker at \$14.75 per hour. Examples that were shared included: Triumph Foods - \$17.25 per hour, Kawasaki - \$17.37 per hour plus sign on bonus, Wal-Mart - \$15.50 per hour, M&J Transportation - \$21.50 per hour plus sign on bonus, and Illinois DOT maintenance workers - \$20 - \$21 per hour.

When employees leave employment with MoDOT, they are asked to complete an exit interview. The overwhelming top two reasons cited by employees are more pay and better opportunities. The Missouri Department of Economic Development data shows 571 MoDOT employees (just under 12 percent) receive a paycheck from a second job. This does not include employees who farm or who are

paid cash for side work. According to the Missouri Department of Social Services, a four-member household with a gross income of \$33,480 qualifies for Supplemental Nutrition Assistance Program (SNAP) benefits. MoDOT's entry level maintenance worker is paid \$30,684. There are currently 645 MoDOT employees (just over 13 percent) eligible for SNAP benefits.

MoDOT's current salary grid was implemented in July 1989. This grid includes 21 salary grades. In 2018, an external assessment of MoDOT was completed validating the depth of concern and cost of turnover. Based on recommendations from that organizational assessment and the 2019 AASHTO salary survey, MoDOT developed a plan to implement market adjustments to the overall pay scale for the department. The department proposed to implement a salary structure that is optimized and more competitive with market. The new grid is smaller, simpler with fewer salary grades, and would include stepless salary ranges versus steps. It establishes market competitive midpoints for all salary ranges. Based on tenure, employees will advance toward that midpoint more quickly which will help alleviate salary compression.

To implement market adjustments, the department will need to spend \$45 million. Implementation of this proposal impacts approximately 90 percent of salaried employees. The department also needs to hire additional project development staff to be able to deliver the bigger program coming from the increase in state funds and anticipated increase in federal funds. Estimates are this will cost \$13.3 million.

Throughout the workshop individual employees were called upon to share their story regarding either turnover, salary, or hiring. The Commission thanked the employees for sharing what they have experienced. The Commission accepted all the information from the workshop for further consideration.

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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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