

**BI-STATE DEVELOPMENT
BOARD OF COMMISSIONERS MEETING
OPEN SESSION MINUTES
FRIDAY, FEBRUARY 24, 2017**

Board Members in Attendance

Missouri

Vernal Brown
Constance Gully, Vice Chair (absent)
Aliah Holman, Secretary
Vincent C. Schoemehl
Vacant

Illinois

Michael S. Buehlhorn, Treasurer
David Dietzel, Chairman, (via phone)
Irma Golliday, (via phone)
Jeffrey Watson, (via phone)
Justin Zimmerman, (absent)

Staff in Attendance

John Nations, President & CEO
Barbara Enneking, General Counsel and Deputy Secretary
Shirley Bryant, Certified Paralegal
Barbara Georgeff, Director of Executive Services
Ray Friem, Executive Director Metro Transit
Jim Cali, Director of Internal Audit
Mark Vago, Controller
Charles Stewart, Vice President, Pension & Insurance
Tamara Fulbright, Director, Treasury Services
Kathy Klevorn, Sr. Vice President & Chief Financial Officer
Matthew Hibbard, Social Media Communications Manager
Kent Swagler, Director Corporate Compliance & Ethics
Scott Grott, General Manager MetroLink
John Wagner, Director, Research Institute
Gary Smith, Intern – Internal Audit
Kathy Brittin, Director, Risk Management Safety & Claims
Andrew Ghiassi, Manager Safety & Loss Control
Jonathan Frederick, Director, Accounting & Budget
Michael Gibbs, Accountant – Business Enterprises
Shane Jennings, Manager IT ERP Systems
Larry Jackson, Executive Vice President for Administration
Julianne Stone, Vice President Strategic Initiatives
Elizabeth Farr, Associate Project Manager – Economic Development
John Langa, Vice President Economic Development
Yodit Teklu, Associate Project Manager – Freight Partnership
Kerry Kinkade, Vice President, Chief Information Officer
Maryanne Coley, Manager Benefits
Mandi Myers, Compliance & Ethics Analyst & Training Specialist, Part-Time
Jerry Vallely, External Communications Manager

Others in Attendance

Justin Sobeck, State Safety Oversight Manager, MoDOT
William Grogan, State Safety Oversight Manager, St. Clair County Transit District
James Hickey, Section Manager, Safety Oversight Program, IDOT

1. Call to Order

8:00 a.m. Acting Chair Holman called the Open Session Board Meeting to order at 8:00 a.m.

2. Roll Call

8:00 a.m. Roll call was taken.

3. Minutes of November 18, 2016, Open Session Board Meeting

8:01 a.m. The November 18, 2016, Open Session Board Meeting minutes were provided in the Board packet. A motion to approve the minutes was made by Commissioner Buehlhorn and seconded by Commissioner Schoemehl. **Motion passed unanimously.**

4. Report of Treasurer

8:01 a.m. The Treasurer's Report was provided in the Board packet, and will be kept at the office of the Deputy Secretary. No presentation was made. This agenda item was informational only.

5. Report of President

8:02 a.m. Acting Chair Holman asked Mr. Nations for his report. Mr. Nations informed the Board that Justin Zimmerman, an Illinois attorney, was recently appointed by Madison County as the newest member of the Bi-State Development (**BSD**) Board of Commissioners. Due to previous commitments and today's schedule, Commissioner Zimmerman was unable to attend this initial meeting, and extends his apologies. He looks forward to working with the Board and Agency staff to continue to advance BSD and the region. Mr. Nations also reported that he was in Washington, DC meeting with the Illinois and Missouri Congressional Delegation which included four United States Senators and three Congressmen. This meeting resulted in bi-partisan support for BSD's Fast Lane application that is a federal program with the Department of Transportation, to obtain \$75 million as part of the cost to replace the Merchant's Bridge (**the "Bridge"**) in St. Louis. The Bridge has been identified by the region as the number one infrastructure priority and is crucial to the movement of freight in this region. A delegation of a dozen individuals, including Mary Lamie, Executive Director of the St. Louis Regional Freightway, traveled to New Orleans and Baton Rouge within this past week to meet with the Port of New Orleans shippers, the Port of Baton Rouge, the Coast Guard, and private and public entities to discuss the Freightway. The combination of the Port of New Orleans and the Port of Baton Rouge, both located in southern Louisiana, make up the busiest port in the United States. These ports have always been critical to the economic success of the St. Louis Region and, as such, a Memorandum of Understanding (**MOU**) with the Port of New Orleans was executed. As the new Panama Canal gets underway, bigger ships will travel through with more cargo being delivered more timely, which will result in the southern Louisiana ports expanding their capacity. They will be looking for additional outlets for the goods and merchandise to move through, and St. Louis would be a prime target port. Also, exporting through St. Louis south on the river to the Port of New Orleans would be beneficial up and down the river. Mr. Nations said that concluded his report as President.

6. Operations Committee Report

8:06 a.m. Committee Chairman Buehlhorn reported that the Operations Committee met in Open Session on January 20, 2017 at 8:00 a.m., and that the draft minutes of that meeting were contained in the Board packet under Tab #6. Commissioner Buehlhorn advised the Board that two items were being introduced on the Consent Agenda for Board consideration, with the Committee's recommendation of approval, as follows: (1) Consent Agenda Item #9(a) – Contract Award to The Harlan Company for the Rehabilitation of Elevators at Four MetroLink Stations; (2) Consent Agenda Item #9(b) – Contract Award to Trapeze Software Group, Inc. for Enterprise Asset Management System Software and Implementation. During the Committee meeting, several employees were recognized and presented with certificates of appreciation by Ray Friem, Executive Director Metro Transit. Mr. Friem also provided an informational update of the

Transit Operations FY17 1st Quarter Operations Report and Capital Project Update. That concluded the report of the Operations Committee.

7. **Audit, Finance & Administration Committee Report**

8:08 a.m. Mr. Nations provided the Audit, Finance & Administration Committee report in the absence of Committee Chair Gully and reported that the Committee met in Open Session on January 27, 2017, at 8:00 a.m.; and the draft minutes of that meeting were included in the Board packet at Tab #7. The Committee had no items for approval on the Open Session Agenda. The Committee reviewed the 2nd Quarter FY17 Internal Audit Status Report; the 1st Quarter FY17 Internal Audit Follow-Up Summary, and the Safekeeping Quarterly Accounts Audit ending September 30, 2016. Charles Stewart, Vice President of Pensions & Insurance, provided updates regarding the 401(k) Plan Audit and the 2016 Pension Valuations. Mr. Nations advised that the Compliance and Ethics “State of the Agency” report was presented to the Committee by Kent Swagler, Director of Corporate Compliance & Ethics, and that it would be presented to the Board under Agenda Item #10. The following three items were also presented to the Committee: the Financial Statements, Performance Indicators, and Procurement Report for the 1st Quarter, FY17. These three items were to be presented to the Board under Agenda Items #11, #12, and #13. The November 2016 Treasury Report was also presented at the Committee meeting. That concluded the report of the Audit, Finance & Administration Committee.

8. **Adjustment of Consent Agenda**

8:09 a.m. There was no adjustment to the Consent Agenda.

9. **Consent Agenda Item(s): 9(a) Contract Award to The Harlan Company for the Rehabilitation of Elevators at Four MetroLink Stations (Operations Committee Recommends Approval) (Resolution #813); 9(b) Contract Award to Trapeze Software Group, Inc. for Enterprise Asset Management System Software and Implementation (Operations Committee Recommends Approval) (Resolution #814)**

8:10 a.m. A motion to approve the Consent Agenda items was made by Commissioner Schoemehl and seconded by Commissioner Buehlhorn. **Motion passed unanimously.**

10. **Compliance and Ethics “State of the Agency” (Presented to Audit, Finance & Administration Committee)**

8:11 a.m. A briefing paper and attachment were contained in the Board packet. John Nations stated that the oversight of Compliance and Ethics has always been a top priority of this Board. This presentation was made to the Committee and at the Committee’s request was on the Board agenda. Kent Swagler, Director of Corporate Compliance and Ethics, provided a brief overview. The presentation included a report on the current state of the Agency with respect to meeting its documented compliance requirements for calendar year 2016. Mr. Swagler also discussed the current status of compliance and ethics programs, initiatives, and training programs. A copy of the *Violence in the Transit Workplace: Prevention, Response, and Recovery, Student Workbook* was distributed to the Board for information only.

11. **Financial Statements – First Quarter, Fiscal Year 2017 (Presented to Audit, Finance & Administration Committee)**

8:20 a.m. The Financial Statements – 1st Quarter, FY17 report was contained in the Board packet. Mr. Nations stated that the Financial Statements, the Performance Indicators, and the Procurement Activity Report under Agenda Items #11, #12, and #13 were informational only and were previously presented to the Audit, Finance & Administration Committee. Copies of these reports will be kept at the office of the Deputy Secretary.

- 12. Performance Indicators – First Quarter, Fiscal Year 2017 (Presented to Audit, Finance & Administration Committee)**
8:20 a.m. The Performance Indicators – 1st Quarter, FY17 report was contained in the Board packet. (See Agenda Item #11.)
- 13. Procurement Activity Report – First Quarter, Fiscal Year 2017 (Presented to Audit, Finance & Administration Committee)**
8:21 a.m. The Procurement Activity Report – 1st Quarter, Fiscal Year 2017 report was contained in the Board packet. (See Agenda Item #11.)
- 14. Unscheduled Business**
8:21 a.m. There was no unscheduled business.
- 15. Public Comment**
8:22 a.m. There was no public comment.
- 16. Call of Dates for Future Board Meetings**
8:22 a.m. The Board was advised of the upcoming meetings, as follows:

Operations Committee:	Tuesday, March 21, 2017, 8:00 a.m.
Audit, Finance & Administration Committee:	Friday, March 24, 2017, 8:00 a.m.
Board Meeting:	Friday, April 28, 2017, 8:00 a.m.
- 17. Adjournment to Executive Session – If such action is approved by a majority vote of the Bi-State Development Agency’s Board of Commissioners who constitute a quorum, the Board may go into closed session to discuss legal, confidential, or privileged matters pursuant to Bi-State Development Board Policy Chapter 10, §10.080(D) Closed Records; Legal under §10.080(D)(1); Real Estate under §10.080(D)(2); Personnel under §10.080(D)(3); Health Proceedings under §10.080(D)(4); Employee Negotiations under §10.080(D)(5); Data Processing under §10.080(D)(6); Purchasing and Contracts under §10.080(D)(7); Proprietary Interest under §10.080(D)(8); Hotlines under §10.080(D)(9); Auditors under §10.080(D)(10); Security under §10.080(D)(11); Computers under §10.080(D)(12); Personal Access Codes under §10.080(D)(13); Personal Information under §10.080(D)(14); Insurance Information under §10.080(D)(15); Rail, Bus, or Facilities Safety and Accidents under §10.080(D)(16) or Protected By Law under §10.080(D)(17).**
8:23 a.m. Pursuant to the requirements of Section 10.080 (D) (1); (2); (7); (9); (10); (11); (16); and (17); of the Bi-State Development Agency’s Board Policy, Chapter 10, Acting Chair Holman requested a motion to allow the Board to go into closed session. A motion to go into Executive Session was made by Commissioner Brown and seconded by Commissioner Schoemehl. A roll call vote was taken and the Commissioners present, Brown, Holman, Schoemehl, Buehlhorn, Dietzel, Golliday, and Watson voted to approve this agenda item. **Motion passed unanimously, and the Open Session meeting was adjourned at 8:23 a.m.**