

**BI-STATE DEVELOPMENT
COMBINED OPERATIONS / AUDIT, FINANCE & ADMINISTRATION
COMMITTEE MEETING
OPEN SESSION MINUTES
August 20, 2019 8:00 a.m.**

Operations Committee Members in Attendance

Michael S. Buehlhorn
Derrick Cox
Irma Golliday – via phone
Vernal Brown
Rose Windmiller

Audit, Finance & Administration Committee Members in Attendance

Aliah Holman, Chair
Constance Gully (entered the meeting at 8:06 a.m.)
Justin Zimmerman – via phone (left the meeting at approximately 9:00 a.m.)
Herbert Simmons
Fred Pestello

Staff in Attendance

Taulby Roach, President and Chief Executive Officer
Barbara Enneking, General Counsel and Deputy Secretary
Myra Bennett, Manager of Board Administration
Jim Cali, Chief Audit Executive
Ted Zimmerman, Vice President, Marketing and Communications
Patti Beck, Director of Communications
Jerry Vallely, External Communications Director
Charles Stewart, Executive Vice President Organizational Effectiveness
Tamara Fulbright, Sr. Director Financial Planning & Treasury
Mark Vago, Sr. Vice President, Chief Financial Officer
Matthew Hibbard, Social Media Communications Manager
Scott Grott, General Manager MetroLink
Michael Gibbs, Manager Financial Operations, Administration and Business Operations
Victoria Potter, Controller
Larry Rusbarsky, Director Financial Planning and Budget
Anita Dunn, Health and Welfare Plan Manager
Carmen Brothers, Retirement Plan Manager
John Langa, Vice President Economic Development
Lisa Burke, Executive Assistant
Kelli Fitzpatrick, Sr. Internal Auditor/PT
Angie Staicoff, Sr. Internal Auditor

Jackie Covington, Capital Budget Administrator and Analyst
Larry Jackson, Executive Vice President Administration
Karl Tyminski, Sr. Internal Auditor/PT
Virginia Alt-Hildebrandt, Manager Administrative Services
Kathy Brittin, Director Risk and Absence Management
Trenise Winters, General Manager MetroBus
Tim Nittler, Director Capital Projects
Kevin Kloeber, Risk Manager
Ray Macias, Manager Help Desk/Office Services
Virgie Chaffen, Director Labor Relations
Suzanne Whitehead, Assistant Superintendent Training Light Rail
Jessica Mefford-Miller, Executive Director Metro Transit
Mary Lamie, Executive Vice President of Multi Modal Enterprises
Brenda Krieger, Executive Assistant
Kent Swagler, Director of Corporate Compliance and Ethics
Kerry Kinkade, VP Chief Information Officer
Chris Poehler, Asst. Executive Director Engineering Systems

Others in Attendance

Jeff White, Columbia Capital Management, LLC
Jason Terry, Gilmore and Bell
Erica M. Brooks, Grassroots organizer, Bus #79

1. **Open Session Call to Order**
8:00 a.m. Chairman Holman called the Open Session of the Combined Operations / Audit, Finance & Administration Committee Meeting to order at 8:00 a.m.
2. **Roll Call**
8:00 a.m. Roll call was taken, as noted above.
3. **Public Comment**
8:01 a.m. Chair Holman noted that no speaker cards were submitted for today's meeting.
4. **Minutes of the May 14, 2019, Operations Committee Open Meeting**
8:01 a.m. The minutes of the Minutes of the May 14, 2019, Operations Committee Open Meeting were provided in the Committee packet. A motion to approve the minutes, as presented, was made by Commissioner Simmons and seconded by Commissioner Cox. **Motion passed unanimously.**
5. **Minutes of the May 31, 2019, Audit, Finance & Administration Committee Open Meeting**
8:01 a.m. The minutes of the Minutes of the May 31, 2019, Audit, Finance & Administration Committee Open Meeting were provided in the Committee packet. A motion to approve the minutes, as presented, was made by Commissioner Cox and seconded by Commissioner Brown. **Motion passed unanimously.**

6. Interagency Agreement between the Village of Sauget, Illinois and Bi-State Development, on behalf of the St. Louis Downtown Airport

8:01 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, an authorization to enter into an Intergovernmental Agreement between the Village of Sauget, Illinois and Bi-State Development (BSD), on behalf of the St. Louis Downtown Airport (Airport), for the purpose of improving the intersection at Curtis Steinburg Drive and Sauget Business Boulevard, with a not to exceed amount of \$125,000 from the Airport Enterprise Fund to be utilized as a 50/50 local match with the Village of Sauget.

Mary Lamie, Executive Vice President of Multi Modal Enterprises, provided an overview of this issue. It was noted that improvements to the intersection at Curtis Steinburg Drive and Sauget Business Boulevard have long been sought by the Airport for the benefit of Airport users and others in the local area. Although originally expected to cost no more than \$565,000, the current estimate of the Project is \$650,000. As the Federal/State share of the project is capped at \$452,020, the increase in the Project cost must come from the local 50/50 match funded by the Village of Sauget and the St. Louis Downtown Airport. Discussion was held.

A motion to approve this agenda item, as presented, was made by Commissioner Windmiller and seconded by Commissioner Buehlhorn. **Motion passed unanimously.**

7. Memorandum of Agreement with East-West Gateway Council of Governments for Operational Funding for the St. Louis Regional Freightway for a Three-Year Term Beginning in FY 2020

8:03 a.m. Chair Holman noted that there has been a request to defer this item. Mary Lamie, Executive Vice President of Multi Modal Enterprises, stated that revised information will be submitted at the next Committee Meeting in October.

8. St. Louis Regional Freightway 2020 Multimodal Transportation Project List

8:04 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, the St. Louis Regional Freightway 2020 Multimodal Transportation Project List. Mary Lamie, Executive Vice President of Multi Modal Enterprises, gave a brief overview of this issue. She noted that a copy of the Freightway 2020 Multimodal Transportation Project List is included in the Committee information as Exhibit A, which summarizes the status and funding for each project. Commissioner Buehlhorn posed questions regarding a recent project approved by the Governor of Illinois, which is not noted on the list. Ms. Lamie explained that this project will be added to the proposed 2020 project list.

Commissioner Constance Gully entered the meeting at approximately 8:06 a.m. A motion to approve this agenda item, as presented, was made by Commissioner Buehlhorn and seconded by Commissioner Simmons. **Motion passed unanimously.**

9. Memorandum of Understanding between the Missouri Department of Social Services MO HealthNet Division and the Bi-State Development Agency of the Missouri-Illinois Metropolitan District

8:08 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, renewal of the Intergovernmental Agreement with the

State of Missouri on behalf of the Missouri Department of Social Services MO HealthNet Division and the Bi-State Development Agency of the Missouri-Illinois Metropolitan District (BSD). Jessica Mefford-Miller, Executive Director of Metro Transit, provided a brief overview of this issue. She noted that, in March, 1996, the Bi-State Development Agency of the Missouri-Illinois Metropolitan District entered into an Agreement with the Department of Social Services (DSS/DMS) for the administration of scheduled transportation services for Missouri Medicaid eligible individuals served by the Government Entity, to obtain non-emergency but medically necessary, Missouri Medicaid covered services. In turn, DSS/DMS agreed to reimburse the Government Entity the Title XIX federal share of actual and reasonable costs established for the provision of medically necessary transportation provided by the Government Entity. The rate of reimbursement for the eligible administration of medically necessary transportation costs is the Title XIX federal share (50%). In addition, the Government Entity's costs of services are reviewed, and the estimated cost per unit is adjusted each year as necessary. This agreement has been in place since 1996 and was recently updated and approved by BSD's General Counsel.

Commissioner Windmiller posed questions regarding the cost to BSD. Ms. Mefford-Miller noted that payments to BSDBSD for Fiscal Year July 1, 2019 – June 30, 2020, are reimbursed at the rate of (50%) the adjusted Cost per Trip of \$56.36, which is funded by the operating budget.

A motion to approve this agenda item, as presented, was made by Commissioner Gully and seconded by Commissioner Cox. **Motion passed unanimously.**

10. Contract Award: Central States – Purchase of Paratransit Vans

8:10 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, a request to award a five-year, Indefinite Delivery/Indefinite Quantity Contract to Central States for the purchase of paratransit vans. Jessica Mefford-Miller, Executive Director of Metro Transit, provided a brief overview of this issue. She noted that the Board approved a five-year contract for the purchase of paratransit vans at the November 16, 2018, meeting, Board Resolution #929. The purchase order was created, and on January 15, 2019, Metro was informed the 2019 Chevrolet chassis no longer met domestic standards, and the contract could not be exercised using FTA funding. On January 30, 2019, Bi-State Development requested a waiver of the Buy America requirement, as described in the statutory waivers based on non-availability, therefore allowing the purchase of 35 paratransit vans from Midwest Transit. Bi-State did not receive an official response from the FTA on this request; therefore, it was decided that a new solicitation should be drafted. A summary of the proposals was provided. Commissioner Buehlhorn noted that this issue has been ongoing since 2011. Commissioner Cox posed questions regarding budgeting for this item. It was noted that funding will be established for each purchase against this contract, prior to issuance of firm commitment for production, based on funds available, and as established in the annual capital budgets. Funding for purchase of paratransit vans is typically 80% federal funds, including Section 5307 formula funds and Surface Transportation Program (STP), funds and 20% local match, typically Prop M (Missouri sales tax). Individual task orders will be issued against this contract as requirements materialize and funding becomes available.

A motion to approve this agenda item, as presented, was made by Commissioner Simmons and seconded by Commissioner Brown. **Motion passed unanimously.**

11. Bus Stop Signage Replacement Project

8:13 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval a request to enter into a contract with The Harlan Company to replace the current Bus Stop Signage in the City of St. Louis and in St. Louis County, in conjunction with Metro Reimagined. Jessica Mefford-Miller, Executive Director of Metro Transit, provided a brief overview of this issue, noting that Metro's current bus stop signage was originally designed and installed in 2002. Much of the original signage requires replacement due to age and wear. Over decades of growing our transit service in the St. Louis region, signage has been added and updated throughout the system, creating inconsistencies in sign placement and bus stop zone configurations. The proposed project is seeking a contractor to replace bus stop signs, which includes fabrication and installation at approximately 3,800 MetroBus stop locations in the City of St. Louis and in St. Louis County. She noted that this project is part of a larger overhaul of Metro's wayfinding and communication tools, and it is a critical component of other current Metro initiatives, such as: the redesign of the region's bus service and network under Metro Reimagined; the implementation of security improvements; and the overall rebranding of the Agency. It was noted that all of these corresponding efforts will enhance Metro customer's experience by making the region's transit system more welcoming, straightforward, and user-friendly.

Discussion was held regarding funding sources, and why a "not to exceed" amount is not included in the information. Ms. Mefford-Miller noted that the contract is still in negotiations at this point; however, the "not to exceed" amount for this project will be included in the information for the September Board of Commissioners meeting. Commissioner Windmiller posed questions regarding how this item will be presented at the Board meeting. It was noted that this item will not be placed as a "consent agenda" item, but rather, as a separate item, where additional discussion can be held regarding the proposed cost of the project. It was noted that this project will be funded by grant funds, 80% Federal, with a 20% match.

A motion to approve this agenda item, as presented, was made by Commissioner Brown and seconded by Commissioner Buehlhorn. **Motion passed unanimously.**

12. Union Station Tunnel, Design Services Contract Modification, Modjeski and Masters

8:19 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, approval to authorize the President and CEO to execute a contract modification with Modjeski and Masters, Inc. for the continuation of design services of the MetroLink tunnel at Union Station, based on the negotiated cost proposal submitted on July 23, 2019, in the amount of \$664,089.27. (The Contract Modification also extends the period of performance from November 3, 2020, to June 30, 2022,) Chris Poehler, Assistant Executive Director – Engineering, provided an overview of this issue, noting that on June 24th, 2016, BSD issued a Request for Proposals (17-RFP-103314-DGR) for design services for the reconstruction of the Union Station Tunnel. The consulting firm, Modjeski and Masters, was awarded the design contract and issued Notice to Proceed on November 3, 2016. The original contract award was \$4,432,067.20. Modjeski and Masters commenced with design, and prepared bid packages for the Overhead Conductor Rail and the relocation of the Communication Room, which are currently under construction.

Modjeski and Masters was instructed to develop the design of the main tunnel package in a manner which accelerated the construction as much as possible. This would have allowed for construction to take place during the summer and fall of 2019, thereby minimizing potential impacts to the new Aquarium at Union Station, which is anticipated to open in late 2019. The design and construction schedules necessitated that a construction easement be obtained from the property owner of the Union Station parking lot, beginning in April 2019. Bi-State Development (BSD) staff were unable to negotiate and acquire said easement.

Mr. Poehler stated that in order to continue the project, BSD staff instructed Modjeski and Masters to change the design and construction methodology of the tunnel so that construction could take place within the tunnel with minimal or no impact to Union Station during the initial construction phase. The second construction phase is scheduled to take place after an easement has been obtained from the property owner. Due to the changes, Modjeski and Masters is requesting a contract modification that will provide them with additional hours to develop the new design and bid packages, with additional compensation of \$664,089.27 to complete the re-design.

President and Chief Executive Officer, Taulby Roach, noted that BSD continues negotiations; however, the negotiations have been tense and difficult, and we are experiencing delays with the project due to LHM. Commissioner Cox asked if the tunnel is currently safe. Mr. Poehler stated that the tunnel undergoes routine inspections, and is currently safe. Mr. Roach noted that approximately \$1 million annually is spent on maintenance of the tunnel; however, the current project is necessary, so that the tunnel can be reconstructed to ensure the viability and safety of the tunnel for the next seventy years.

A motion to approve this agenda item, as presented, was made by Commissioner Simmons and seconded by Commissioner Brown. **Motion passed unanimously.**

13. Contract Modification: Contract Extension with Blue Sky Apparel for Supply of Metro Transit Management Uniforms and Accessories

8:26 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, a request for the President and CEO to issue a modification to extend the current contract with Blue Sky Apparel & Promotions, LLC through April 30, 2020, for the supply of uniforms and accessories to Metro Transit management. Jessica Mefford-Miller, Executive Director of Metro Transit, provided a brief overview of this issue, noting that Metro Transit currently maintains a second contract with Leon Uniform Company to supply uniforms and accessories for its operators and security personnel. She stated that procurement is currently gathering the necessary information regarding uniform changes to be included in a new solicitation, with the intent to award an all-inclusive contract to one firm to provide uniform garments/accessories for all the groups (Metro Transit Staff, Operators and Public Safety). The contract extension provides a necessary bridge for the continued supply of uniforms and accessories, until a new contract is finalized.

A motion to approve this agenda item, as presented, was made by Commissioner Cox and seconded by Commissioner Gully. **Motion passed unanimously.**

14. Potential Refunding of Series 2009 and Series 2013 Bonds

8:27 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, a recommendation for approval of a refunding of all of Bi State Development's (BSD) outstanding Series 2009 Bonds, BSD's Series 2013A Bonds maturing in 2019, 2028, 2046 and 2048 and interest due on the Series 2013A Bonds on October 1, 2019 (collectively, the "Refunding Targets") in order to lower BSD's borrowing costs and to fund a capital projects account to be used for security improvements. Taulby Roach, President and Chief Executive Officer, noted that he will be in attendance at tonight's County Council meeting, and he anticipates that this issue will pass.

Jeff White, Columbia Capital, provided a brief overview of this issue, noting that there has been discussion of this issue since 2014, and that interest rates are currently sitting close to an historic low. It was noted that current markets present BSD with the ability to replace \$196.8 million of bonds, carrying interest rates of 4.5% to 5.0%, with bonds having an effective cost of funds of approximately 3.0%. When discounted to 2019 dollars, this produces a net present value benefit of approximately \$45 million. The term of the existing bonds will not be extended by the refinancing. Commissioner Buehlhorn posed questions regarding the timeframe to lock in the rates. Mr. White noted that it is anticipated that this process will be finalized by September 12, 2019.

A motion to approve this agenda item, as presented, was made by Commissioner Gully and seconded by Commissioner Pestello. **Motion passed unanimously.**

15. Revisions to Board Policy, Chapter 100 - Compliance Program

8:31 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, an amendment to revise Board Policy, Chapter 100 - Compliance Program. Barbara Enneking, General Counsel, provided a brief overview of this issue, noting that this chapter of the Board Policies has not been updated since 2006. The proposed amendment would include the following revisions:

- Modify: Change name of *Chapter 100* from "Compliance Program" to "Compliance and Reporting Policy Program"
- Modify: Incorporate Director of Corporate Compliance and Ethics position and its overall Helpline responsibilities throughout the Chapter
- Modify: Section 100.010 Compliance and Reporting Policy Overview
 - Incorporate terms "illegal misconduct", "unethical conduct", and "waste" to list of possible types of illegal or unethical allegations
 - Identify the Helpline as a primary method for reporting improper actions
- Modify: Section 100.020 Reporting
 - Change the process for employees to report improper actions by expanding it to allow Agency contactor reporting of said actions
 - Incorporate reporting improper actions by employees and contractors on the Helpline as well as in hardcopy form
 - Require employee and contractor reporting, protections and protected conduct, and periodic restatement to be in compliance with the BSD Employee Code of Conduct and Ethics

- Modify: Section 100.030 Investigations
 - Incorporate information to file reports on the Helpline through its toll-free number or website
- Modify: Section 100.040 Reporting Helpline
 - Incorporate information on how to file reports on the Helpline through its toll-free number or website
- Modify: Section 100.050 Definitions
 - Add definition for “Contractor”
- Modify: Section 100.060 Reporting and Adjudicating Retaliation
 - Incorporate information on how to file and process retaliation reports on the Helpline

A motion to approve this agenda item, as presented, was made by Commissioner Simmons and seconded by Commissioner Gully. **Motion passed unanimously.**

16. Sole Source Contract Award – Indra Sistemas S.A. (Indra USA) for PCI Compliant Software/Hardware Upgrade to Ticket Vending Machines

8:32 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, with a recommendation for approval, the execution of a sole source contract with Indra USA, to provide an upgrade of the electronic payment application on the MetroLink Ticket Vending Machines (TVM) to comply with the Payment Card Industry Payment Application Data Security standard (PCI PA-DSS) Version 3.2. It was noted that this process will involve the upgrade of the Operating System, modification of the TVM Payment application, and replacement of numerous hardware components within each machine including: new compliant pin-pads, bankcard readers and new industrial computers. The computer hardware will be competitively procured separately by BSD, but configured and installed by Indra USA. Kerry Kinkade, Vice President and Chief Information Officer, provided a brief overview of this issue.

Commissioner Holman noted that it is her understanding that this improvement will bring the system up to date for today; however, she asked how BSD plans to address upgrades to the system, to take BSD into the future. Mr. Kinkade noted that staff is currently looking at this issue to determine what the next generation of this type of system will look like; however, the proposed upgrades will give BSD the time needed to focus on this issue. Jessica Mefford-Miller, Executive Director Metro Transit, noted upgrades that have already been implemented, and noted that staff is in active discussion with vendors regarding this issue.

A motion to approve this agenda item, as presented, was made by Commissioner Gully and seconded by Commissioner Windmiller. **Motion passed unanimously.**

17. Contract Award: Cellular Phone Services

8:39 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, authorization for the President and CEO to enter into a five-year contract with T-Mobile, in an amount not to exceed \$1,572,651.00, which will include devices and WiFi services. Kerry Kinkade, Vice President and Chief Information Officer, provided a brief overview of this issue, noting that the proposed contract will save Bi-State Development (BSD) approximately \$65,000 per year, and lays the groundwork for WiFi and

vehicle connectivity. Discussion was held regarding the number of devices currently on the contract, merger of T-Mobile with Sprint, and integration within the security system.

A motion to approve this agenda item, as presented, was made by Commissioner Simmons and seconded by Commissioner Gully. **Motion passed unanimously.**

18. Contract Award – Life & Disability Insurance

8:46 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval and authorization for the President and CEO to enter into a contract with the highest ranking firm, The Standard Company, whose price is most advantageous to BSD, with price and other factors considered, in a not to exceed amount of \$4,009,778, for life and disability insurance.

Charles Stewart, Executive Vice President Organizational Effectiveness, and Anita Dunn, Health and Welfare Plan Manager, provided a brief overview of this issue. It was noted that The Standard already provides the Life coverages, and was able to competitively price the Life as well as the Disability coverages. After reviewing the information for all proposals received, the BSD team agreed with Gallagher's recommendation to renew active employee life, AD&D, and voluntary supplemental life with The Standard and to also move the retiree life, salaried employee STD and LTD coverages to The Standard. This will allow for both ease of administration, cost efficiency and an enhanced experience for BSD employees, retirees and their beneficiaries. Commissioner Cox asked if the new proposal will cause any changes for employees. Ms. Dunn noted that new proposal matches or improves the current offerings to employees, with no increase in cost to employees.

A motion to approve this agenda item, as presented, was made by Commissioner Gully and seconded by Commissioner Brown. **Motion passed.**

19. Revised - Internal Audit Charter

8:51 a.m. A briefing paper was provided in the Committee packet, regarding a request to refer to the Board of Commissioners, for approval, the Internal Audit Department's (IAD's) Revised Internal Audit Charter in the Bi-State Development (BSD) Board Policies and Procedures. Jim Cali, Chief Audit Executive, provided a brief overview of this issue, noting that the Internal Audit Charter is a formal document that defines Internal Audit's purpose, authority, and responsibility. It establishes Internal Audit's position within the organization, including the nature of the chief audit executive's functional reporting relationship with the Board; authorizes access to records, personnel, and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities.

A motion to approve this agenda item, as presented, was made by Commissioner Gully and seconded by Commissioner Brown. **Motion passed unanimously.**

20. Metro Transit Operations Report

8:53 a.m. An operations report for Metro Transit was included in the Committee packet. Jessica Mefford-Miller, Executive Director of Metro Transit provided a summary of the report for the Committee. She noted that the newly created safety positions have been filled. Ms. Mefford-

Miller commended Scott Grott for a tremendous job in leading the safety team during this process, and she stated that the new members of the safety team would begin on September 9, 2019. President and Chief Executive Officer, Taulby Roach, noted that a formal announcement will be forthcoming. This item was submitted as information only, and no action is needed by the committee.

Commissioner Zimmerman left the meeting (via phone) at approximately 9:00 a.m.

21. Metro Brand Refresh Overview

9:06 a.m. Information was distributed to the Committee regarding concepts for the new Metro Brand project. Ted Zimmerman, Vice President, Marketing and Communications, gave a PowerPoint presentation regarding this issue. Mr. Zimmerman noted that the new brand is centered on our customers and on creating a “rider centric revolution”. He noted that, with regard to implementation of the new brand, there will be a “soft roll-out”, starting with the Metro Reimagined project. He stated that he and staff welcome feedback from the Board of Commissioners regarding the brand. Discussion was held regarding implementation, where the new brand will begin being placed, continued safety concerns from the public, and possible critics.

22. Internal Audit Department Support for St Louis County Council

9:35 a.m. A briefing paper was included in the Committee packet regarding this issue, and Jim Cali, Chief Audit Executive, gave an overview of this issue, expressing concerns that the information being requested in the letter from St. Louis County Councilmember Trakas, would require extensive staff time to produce, when a substantial number of reports are already maintained by the Internal Audit Department that should address his concerns. President and Chief Executive Officer, Taulby Roach, noted that Bi-State Development is in ongoing negotiations with St. Louis County, and he noted that BSD does not want to get into an unfunded, mandate situation. Commissioner Gully stated that she believes that there could be a misunderstanding with St. Louis County, regarding BSD’s internal controls. She noted that there is information readily available, and does not feel that there is a need for the creation of new reports. Discussion held regarding the request, process for responding, and proprietary information. It was noted that Jim Cali should draft a response with regard to the requested information; however, the response should go forward to Mr. Trakas from President and CEO Roach.

23. Pension Plans, 401(k) Retirement Savings Program & OPEB Trust Investment Performance Update as of June 30, 2019

9:53 a.m. A briefing paper was included in the Committee packet, to provide the Committee the Pension Plans, 401(k) Retirement Savings Program and OPEB Trust Investment Performance Update as of June 30, 2019. Charles Stewart, Executive Vice-President, Organizational Effectiveness, gave a brief overview of this issue, noting that the packet contains the semi-annual report for all pension plans. He noted gains for all plans. This item was presented for information only, and no action by the Committee is required.

24. Update on Risk Management Insurance Program

9:56 a.m. A briefing paper was included in the Committee packet, to provide the Committee an update regarding the risk management insurance program. Kathy Brittin, Director Risk & Absence Management, gave a brief overview of this item, citing information from the PowerPoint presentation, which was included in the Committee packet, which provides an overview of the FY2020 Insurance Program. She noted that overall, the insurance program was renewed with comparable coverage terms and conditions. The overall premium increase of \$218,514 is primarily due to the increases in property rate and values and payroll exposure. This item was presented for information only, and no action by the Committee is required.

25. Financial Statements

10:00 a.m. Mark Vago, Senior Vice-President and Chief Financial Officer, provided an overview of the 2019 quarterly financial statements for the fourth quarter, period ending June 30, 2019, including performance indicators, for all Bi-State business divisions including: Executive Services, Gateway Arch Tram, Riverfront Attractions, St. Louis Downtown Airport, Metro Transit, St. Louis Regional Freightway, Bi-State Development Research Institute, and Arts in Transit. This item was presented for information only, and no action by the Committee is required.

26. Treasurer's Report

10:06 a.m. Tammy Fulbright, Senior Director of Financial Planning and Treasury, provided an overview of the Treasurer's Report for the Fourth Quarter, ended June 30, 2019, as provided in the Committee packet. Ms. Fulbright reviewed rates of return, Bi-State directed funds, and trustee directed funds, as contained in the Quarterly Summary, on page 3 of the report. This item was presented for information only, and no action by the Committee is required.

27. Quarterly Procurement Report

10:08 a.m. A memorandum was provided in the Committee packet, to provide a summary of the quarterly procurement activity for the fourth quarter of fiscal year 2019. Gregory Smith, Vice President – Purchasing, Materials Management, and Supplier Diversity, provided an overview of this report, highlighting the graphs contained in the Procurement Activity Report, and Non-Competitive Procurement Trend. It was noted that this information was presented for information only, and no action of the Committee is required.

10:09 a.m. Chair Holman noted that Agenda Items 28. through 31. contain status reports from the Internal Audit Department, submitted by Jim Cali, Chief Audit Executive, for information only. She asked if there were any questions for Mr. Cali regarding any of these reports. Being none, the Committee proceeded to Item 32.

32. President/CEO Report

10:10 a.m. Bi-State Development President/CEO Taulby Roach addressed the Committee, noting the following:

- He was very disappointed with the work slow-down that happened yesterday.

- He will be in attendance at the County Council meetings, every Tuesday night. He stated that security will continue to be a huge portion of the conversations; however, he indicated that we are continuing to move forward.

33. Unscheduled Business

10:11 a.m. There was no unscheduled business.

34. Call of Dates for Future Board and Committee Meetings

10:11 a.m. Myra Bennett, Manager of Board Administration, advised the Committee of the upcoming meetings, as follows:

- Board of Commissioners Meeting:	Friday	September 27, 2019	8:00 AM
- Operations Committee:	Tuesday	October 15, 2019	8:00 AM
- Audit, Finance & Administration:	Friday	October 18, 2019	8:00 AM

35. 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).

10:12 a.m. Committee Chair Holman requested a motion to allow the Committee to move into closed session as permitted under Bi-State Development Board Policy, Chapter 10, Section 10.080, (D) (1) - Legal and (D) (10) – Audit.

A motion to move into Executive Session was made by Commissioner Simmons and seconded by Commissioner Brown. A roll call vote was taken as follows:

Aliah Holman – Yea
Constance Gully – Yea
Vernal Brown – Yea
Rose Windmiller – Yea
Fred Pestello – Yea

Michael S. Buehlhorn – Yea
Derrick Cox – Yea
Irma Golliday – Yea
Herbert Simmons – Yea

Motion passed unanimously, and the Committee moved into executive session at 10:12 a.m.

The Committee reconvened to the Regular Meeting at approximately 11:36 a.m.

(Commissioner Holman left the meeting immediately following the adjournment of the Executive

Session, at approximately 11:35 a.m., and Commissioner Buehlhorn served as Chair for the remainder of the meeting. Commissioner Gully was delayed in returning to the meeting.)

Chair Buehlhorn noted that, per recent changes to Board Policy, no final action votes will be taken in a closed meeting or closed (executive) session. For items requiring final action, a roll call vote shall be taken in open session.

Commissioner Cox made a motion to approve the Minutes from the May 14, 2019 Executive Session of the Operations Committee meeting, as presented. The motion was seconded by Commissioner Windmiller.

Constance Gully – Absent
Vernal Brown – Yea
Rose Windmiller – Yea
Fred Pestello – Abstain

Michael S. Buehlhorn – Yea
Derrick Cox – Yea
Irma Golliday – Yea
Herbert Simmons – Yea

Motion passed.

Commissioner Cox made a motion to approve the Minutes from the May 31, 2019 Executive Session of the Audit, Finance, and Administration Committee meeting, as presented. The motion was seconded by Commissioner Brown.

Constance Gully – (temporarily not in attendance)
Vernal Brown – Yea
Rose Windmiller – Yea
Fred Pestello – Yea

Michael S. Buehlhorn – Yea
Derrick Cox – Yea
Irma Golliday – Yea
Herbert Simmons – Yea

Motion passed.

Commissioner Simmons made a motion to approve the Draft Inter-Company Account Balances Audit Report, as presented. The motion was seconded by Commissioner Cox. (Commissioner Gully entered the meeting at approximately 11:38 a.m.)

Constance Gully – Abstain
Vernal Brown – Yea
Rose Windmiller – Yea
Fred Pestello – Yea

Michael S. Buehlhorn – Yea
Derrick Cox – Yea
Irma Golliday – Yea
Herbert Simmons – Yea

Motion passed.

Commissioner Cox made a motion to approve the Draft Compliance & Fraud Helpline Audit Report, as presented. The motion was seconded by Commissioner Windmiller.

Constance Gully – Yea
Vernal Brown – Yea

Michael S. Buehlhorn – Yea
Derrick Cox – Yea

Rose Windmiller – Yea
Fred Pestello – Yea

Irma Golliday – Yea
Herbert Simmons – Yea

Motion passed.

Commissioner Simmons made a motion to approve the Draft Passenger Revenue Pass Unit Audit Report, as presented. The motion was seconded by Commissioner Windmiller.

Constance Gully – Yea
Vernal Brown – Yea
Rose Windmiller – Yea
Fred Pestello – Yea

Michael S. Buehlhorn – Yea
Derrick Cox – Yea
Irma Golliday – Yea
Herbert Simmons – Yea

Motion passed.

Chair Buehlhorn asked if there was any further business, being none, Commissioner Brown made a motion to adjourn the meeting. The motion was seconded by Commissioner Cox. Unanimous vote in favor taken. Motion passed, and the meeting was adjourned at approximately 11:40 a.m.


Deputy Secretary to the Board of Commissioners
Bi-State Development