

**BI-STATE DEVELOPMENT
OPERATIONS COMMITTEE MEETING
OPEN SESSION MINUTES
JANUARY 19, 2016**

Committee Members in Attendance

Missouri

Vernal Brown
Kelley Farrell

Illinois

Michael Buehlhorn, Chairman
Irma Golliday (absent)
Jeffrey Watson (absent)

Other Commissioners in Attendance

Tadas Kicieliniski (via phone)

Staff in Attendance

John Nations, President & CEO
Barbara Enneking, General Counsel and Deputy Secretary
Shirley Bryant, Certified Paralegal
Ray Friem, Executive Director Metro Transit
Linda Espy, Senior Administrative Assistant
Larry Jackson, Executive Vice President for Administration
Jenny Nixon, Executive Director of Tourism Innovation
John Langa, Vice President Economic Development
John Wagner, Project Manager Economic Development
Kathy Klevorn, Sr. Vice President, Chief Financial Officer
Scott Grott, Chief MetroLink Operations
Jessica Mefford-Miller, Chief Transit Planning & System Development
Fred Bakarich, Director, Engineering Systems
Dianne Williams, Vice President, Communications and Marketing
Patti Beck, Director, Communications
Richard Zott, Chief of Public Safety
Kerry Kinkade, Acting Vice President, Chief Information Officer
Kathy Brittin, Director, Risk Management, Safety & Claims
Barbara Georgeff, Director of Executive Services
Chance Baragary, Manager, Gateway Arch Construction
Ted Zimmerman, Director of Marketing
Kent Swagler, Director of Corporate Compliance
Jeff Braun, Director, Real Estate
Bill Waggoner, Sr. Real Estate Specialist

Others in Attendance

James Nations, Chairman, Southwestern Illinois Development Authority
Richard Shepard, President, Real Estate Strategies

J. David Dodson, Principal, Bywater Development
Aaron Burnett, Principal, Bywater Development
Mike Lundy, Executive Director, Southwestern Illinois Development Authority

- 1. Call to Order**
8:00 a.m. Chairman Buehlhorn called the Open Session Operations Committee Meeting to order at 8:00 a.m.
- 2. Roll Call**
8:00 a.m. Roll call was taken.
- 3. Public Comment**
8:00 a.m. There was no public comment.
- 4. Minutes of from October 20, 2015 Operations Committee**
8:00 a.m. The October 20, 2015, Open Session Operations Committee Meeting minutes were provided in the Committee packet. A motion to approve the minutes was made by Commissioner Farrell and seconded by Commissioner Brown. **Motion passed unanimously.**
- 5. Contract Extensions Time of Performance: Three Contracts for the Jefferson National Expansion Memorial Gateway Arch Exhibits Rehabilitation Project**
8:01 a.m. The briefing paper regarding the Contract Extensions Time of Performance: Three Contracts for the Jefferson Expansion Memorial Gateway Arch Exhibits Rehabilitation Project was provided in the Committee packet. Jenny Nixon, Executive Director of Tourism Innovation, made brief comments regarding the contract extensions, and introduced Chance Baragary, Manager, Gateway Arch Construction, to provide more detailed information regarding this project. The completion of the Jefferson National Expansion Memorial (**JNEM**) Gateway Arch Exhibit Rehabilitation Project was planned to be completed during the scheduled shutdown of the Arch from January 4, 2016 to March 3, 2016. The construction schedule for the CityArchRiver (**CAR**) project revealed that major work was planned on the future exit ramps at the north and south legs of the Arch. This work included demolition of the existing ramps and trench drains, replacing them with new relocated trench drains, as well as making significant elevation adjustments on the ramps to enable ADA compliance. This work was not discussed in the project planning phases and was not included in the original design, however, it is now being pursued as a change order. Due to the extensive work required to complete this process, it was necessary to prohibit access to the public, employees, or any other contractors to the area below the ramps during this construction. As a result, the National Park Service (**NPS**) decided that the primary work of the JNEM Gateway Arch Exhibits Rehabilitation Project should be postponed until the tram outage scheduled for December 2016 to February 2017; in order to allow the new equipment to be installed after the major ramp work is completed. Because of the project schedule adjustment, Board approval is required to extend the JNEM Gateway Arch Exhibit Rehabilitation contract, awarded to Conference Technologies, Inc.; the JNEM Project for Gateway Arch Visitors Center Tram Load Zones and Gateway Arch MetroLink Station contract, awarded to Haley Sharpe Design; and the St. Louis Gateway Arch Audio Visual/Information Technology (**AV/IT**) Software Production contract, awarded to Aperture Films, LTD. There is no additional cost associated with these contract extensions. A motion for the Committee to approve and refer to the Board for approval the three contract extensions through March 31, 2017 for the JNEM

Gateway Arch Exhibit Rehabilitation Project was made by Commissioner Kicielinski and seconded by Commissioner Brown. **Motion passed unanimously.**

6. St. Louis Regional Freightway: Approval of Letter of Agreement for Consulting Services between Bi-State Development and the Jerry Costello Group, LLC

8:06 a.m. The briefing paper regarding the St. Louis Regional Freightway: Approval of Letter of Agreement (“**Agreement**”) for Consulting Services between Bi-State Development and the Jerry Costello Group, LLC was provided in the Committee packet. John Nations, President & CEO, provided a brief overview regarding the Agreement between Bi-State Development (**BSD**) and the Jerry Costello Group, LLC (**Consultant**). BSD entered into an agreement with the Jerry Costello Group, LLC on August 1, 2015 for consulting services to promote the St. Louis Regional Freightway’s goals, interests and objectives. The current agreement is due to expire March 31, 2016. Mr. Nations recommended that this agreement be extended for one (1) year under the same terms and conditions as the current agreement. The new proposed agreement would provide the same services at the same rate, effective for twelve months beginning April 1, 2016. A motion for the Committee to approve and refer to the Board to approve the Letter of Agreement between Bi-State Development and the Jerry Costello Group, LLC for consulting services for the St. Louis Regional Freightway, and to authorize BSD’s President & CEO to negotiate and sign the final version of the Agreement was made by Commissioner Brown and seconded by Commissioner Kicielinski. **Motion passed unanimously.**

7. Contract Award: Bus Shelter Advertising Sales and Services

8:07 a.m. The briefing paper regarding the Bus Shelter Advertising Sales and Services was provided in the Committee packet. Dianne Williams, Vice President, Communications and Marketing, provided a brief overview. The contract for Bus Shelter Advertising Sales and Services with Lamar Transit, LLC ends on February 29, 2016; and a decision was made to not exercise the Option Year. A Request for Proposal (**RFP**) was issued on October 27, 2015 and two (2) proposals were received, one from Lamar Transit, LLC and the other from Direct Media USA. After cost and technical evaluation of the proposals, Direct Media USA was selected. The contract with Direct Media USA offered a more favorable revenue share than the previous contractor; and offers greater revenue potential overall for the period of the contract. A motion for the Committee to approve and refer to the Board for approval the request to award Contract 16-RFP-102263-SG – Bus Shelter Advertising Sales and Services, pending final negotiations, to Direct Media USA was made by Commissioner Farrell and seconded by Commissioner Brown. **Motion passed unanimously.**

8. First Quarter Operations Report and Capital Projects Update

8:09 a.m. The Metro Transit Operations Division FY2016 First Quarter Summary Report was provided in the Committee packet. Ray Friem, Executive Director Metro Transit, provided a brief overview, highlighting the Financials, Ridership, YTD Service Profiles, Security Activity, and Service Indicators. System revenues were under budget by more than 11%, reflecting significant ridership loss that began in the second quarter of 2015. The projected revenue loss in FY2016 is projected to approach \$3.5 million if ridership trends continue. The revenue loss is offset by lower than budgeted costs, particularly in diesel fuel and personnel costs. System ridership fell 7% from the first quarter of FY2015, down -7.7% for MetroLink, -6.6% for MetroBus and Call-A-Ride was stable. The Service Profiles show little change for fixed route MetroLink and MetroBus service. Dispatched calls for Security Assistance and system security

complaints rose in the first quarter of the fiscal year. Service quality indicators show that bus and van were fairly standard. MetroLink experienced a bad first quarter as a result of vehicle equipment delays and two rush-hour service outages.

Mr. Friem introduce Fred Bakarich, Director of Engineering Systems, to provide an update regarding the Eads Bridge Project. Mr. Bakarich discussed the impact of high water, cold days, and the damage caused by a tug boat hitting the bridge scaffolding in July 2015. The tug boat incident caused a delay of 65 days resulting in the project being 114 days behind its contract milestone. Great efforts were made to mitigate the impact to the schedule and to bring this project back on line with the system running at full capacity; in so doing 71 days were recovered. The production painting was completed on December 18, 2015. The work on the floor system and steel erection is expected to be completed within the next few weeks. The overall project cost is within budget.

Mr. Bakarich also discussed the CORTEX - Boyle Avenue Station Project. A grant from the FTA was executed in mid-September, a Request for Proposal (**RFP**) was issued in mid-October, and design proposal submissions were received in late November. All the proposals have been scored, and a consensus meeting is scheduled for Thursday to further discuss the scoring and potential need for interviews. It is expected that the final design completion date will be December 2016, which coincides with the track abandonment completion date. The Boyle Avenue Station construction completion date is expected to be May of 2018. The current budget allows for \$2 million in design, \$10 million for construction, and \$3 million for miscellaneous administration and inspections for a total budget of \$15 million. Some discussion followed regarding the timing plan submitted to the FTA for this project.

Mr. Friem informed the Committee that on March 14, 2016, the North County Transit Center will open and the Downtown Transfer Center will close in preparation for construction at the Civic Center area. Mr. Friem introduced Jessica Mefford-Miller, Chief Transit Planning & System Development, to provide a more detailed update regarding the North County Transit Center (**NCTC**). The greater North County area has been BSD's fastest growing transit market and NCTC has been a core component of the operating plans since 2009. The new transit center is a smart and forward looking investment, poised to evolve over time as the needs of the markets BSD serves evolve. This center will represent BSD's premier level of customer amenities that will include a security sub-station, indoor waiting area, real time arrival signs, public safety on staff at all times, and a station manager who will interact with the customers six days a week. Other amenities will include a concession area, at some point, and public restrooms. The NCTC would be able to accommodate larger 60 foot vehicles, should BSD choose to operate them from that facility. There is space in the planning for a future phase that would be a maintenance and dispatch facility adjacent to the transit center. As a result of extensive planning and public feedback, the proposed service plan that will be implemented on March 14, 2016, includes routes that are shorter and more direct. The routes will deliberately serve local destinations and the same routes will also access the transit center to offer well timed transfer connections to other destinations within or outside the greater North County area. In addition to the shorter more direct route coverage, there will be more service on evenings and weekends, especially on Saturdays. This will provide a more consistent service package, because the needs of the regional economy and workforce have changed, by shifting to more service sector oriented employment.

This will increase ridership and allow BSD to retain more of its customer base over time, and the new facility will poise BSD for future innovation.

Mr. Friem also discussed the radio system that is anticipated to be deployed in the next quarter and the AVL System for MetroLink that is currently being designed. The AVL System will be the last item funded under this project and is expected to be installed on MetroLink over the next two years. Some discussion followed regarding vehicle acquisitions and the SmartCard live testing and roll out plan. Scott Grott, Chief MetroLink Operations, will present a more detailed report at the next meeting regarding the capital work activities being completed around the MetroLink system. This report was informational only and a copy of the report will be kept at the office of the Deputy Secretary.

9. Unscheduled Business

8:30 a.m. John Nations, President & CEO, introduced former Commissioner James Nations who served on the Bi-State Development Board in the 1970's and early 80's, and was very instrumental in the success of BSD. Also as an item of unscheduled business, Mr. Nations provided a brief overview regarding the St. Louis Regional Freightway Council Composition. In order to achieve its goals, the Freightway must initiate and support key public and private infrastructure projects, freight-related investments and land use requirements, as well as marketing and advocating for the region's freight opportunities. As part of that effort, a Freight Development and Marketing Plan must be developed with input from the St. Louis Regional Freightway Council. The Council will consist of twenty-three individuals representing area governments and industries. There will be one member from each of the following: the Leadership Council of Southwestern Illinois, Bi-State Development, the East West Gateway Council of Governments (**EWG**), and Civic Progress; as well as one member from each of the eight (8) counties that compose the EWG region (Monroe, St. Clair and Madison in Illinois, and Franklin,, St. Charles, Jefferson, St. Louis and St. Louis City in Missouri.) There will be two (2) public sector representatives, one each from the Missouri and Illinois Departments of Transportation. Eight (8) public sector representatives and a Workforce Development representative are also proposed to be on the Council. Conversations are ongoing to fill the remaining vacancies. A motion was made by Commissioner Kicielinski and seconded by Commissioner Farrell for the Committee to approve and refer to the Board for approval of the proposed composition of the St. Louis Regional Freightway Council. **Motion passed unanimously.**

10. Call of Dates for Future Committee Meetings

8:33 a.m. The next Audit Committee meeting is scheduled for Friday, January 22, 2016 at 8:00 a.m.; the next Board meeting is scheduled for Friday, February 26, 2016 at 8:00 a.m.; the next Business Services & Economic Development Committee meeting is scheduled for Friday, March 11, 2016, at 8:00 a.m.; the next Operations Committee meeting is scheduled for Tuesday, March 15, 2016, at 8:00 a.m.

11. Executive Session - If such action is approved by a majority vote of the Bi-State Development's Board of Commissioners who constitute a quorum, the Board may go into closed session to discuss legal, confidential, or privileged matters under §610.021(1); RSMo; leasing, purchase or sale of real estate under §610.021(2); personnel actions under §610.021(3); discussions regarding negotiations with employee groups under §610.021(9);

sealed bids, proposals and documents related to negotiated contracts under §610.021(12); personnel records or applications under §610.021(13); records which are otherwise protected from disclosure by law under §610.021(14); records relating to hotlines established for reporting abuse and wrongdoing under §610.021(16); or confidential or privileged communications with the District's auditor, including auditor work products under §610.021(17).

8:34 a.m. Pursuant to the requirements of Section 610.021(1) of the Revised Statutes of Missouri, Chairman Buehlhorn requested a motion to allow the Committee to go into closed session. A motion to go into Executive Session was made by Commissioner Farrell and seconded by Commissioner Brown. A roll call vote was taken and the Commissioners present, Brown, Farrell, Buehlhorn, and Kicielinski voted to approve this agenda item. **Motion passed unanimously, and the Open Session meeting was adjourned.**

Deputy Secretary to the Board of Commissioners
Bi-State Development