



**BI-STATE DEVELOPMENT AGENCY / METRO
OPERATIONS COMMITTEE MEETING
OPEN SESSION MINUTES
JANUARY 27, 2015**

Committee Members in Attendance

Missouri

Hugh Scott, Chair (resigned, not in attendance)

Illinois

Michael Buehlhorn

Fonzy Coleman (resigned, not in attendance)

Jeffrey Watson (absent)

Other Commissioners in Attendance

Aliah Holman, (via phone)

Vernal Brown

Staff in Attendance

John Nations, President & CEO

Barbara Enneking, General Counsel and Deputy Secretary

Shirley Bryant, Certified Paralegal/Assistant Secretary

Ray Friem, Chief Operating Officer Transit Services

Rita Marion, Senior Administrative Assistant

Kathy Klevorn, Sr. Vice President Chief Financial Officer

John Langa, Vice President Economic Development

Dianne Williams, Vice President Marketing & Communications

Larry Jackson, Vice President Procurement, Inventory Management & Supplier Diversity

Barbara Georgeff, Executive Assistant to the President & CEO

Scott Grott, Chief MetroLink Operations

Jessica Mefford-Miller, Chief Transit Planning & System Development

Richard Zott, Chief of Public Safety

Tracy Beidleman, Director Program Development & Grants

Patti Beck, Director Communications

Ted Zimmerman, Director Marketing

Fred Bakrarich, Director Engineering System

Kathy Brittin, Director Risk Management, Safety & Claims

Jeff Braun, Director Real Estate

Jerry Valley, External Communications Manager

Erick Dahl, Director St. Louis Downtown Airport

Mark Vago, Controller

David Beal, Capital Budget & Program Development Administrator

Gerard Hutchinson, Supplier Diversity Specialist

Charles Clemins, Senior Director Maintenance Of Way

William Waggoner, Senior Real Estate Specialist

Jeremy Dotson, Project Manager III Engineering

Kerry Kinkade, Director IT Applications Development
George Basler, Public Safety Officer
Jason Davis, Manager Security Fare Enforcement

Others in Attendance

Ronald Humphrey, CodeRed
Richard Shepard, Real Estate Strategies
Melissa Vighi, Lashly & Baer

1. Call to Order

8:00 a.m. Commissioner Buehlhorn called the Open Session Operations Committee Meeting to order at 8:00 a.m.

8:01 a.m. John Nations, President & CEO, introduced Commissioner Vernal Brown, the newest Missouri member of the Agency's Board of Commissioners representing St. Louis County. Commissioner Brown was appointed by Governor Jay Nixon to replace Commissioner Kevin Cahill. She has a very distinguished and impressive background and is now in charge of benefits for the United Auto Workers (UAW), Region 5, an area that encompasses 17 states from Seattle to St. Louis. Mr. Nations welcomed Commissioner Brown to the Board.

2. Roll Call

8:01 a.m. Roll call was taken.

3. Public Comment

8:01 a.m. There was no public comment.

4. Minutes of Prior Open Session Operations Committee Meeting

8:02 a.m. The October 28, 2014, Open Session Operations Committee Meeting minutes were provided in the Committee packet. A motion to approve the minutes was made by Commissioner Brown and seconded by Commissioner Buehlhorn. **Motion passed unanimously.**

5. Contract Award: Transit Advertising Services

8:02 a.m. The briefing paper regarding the contract award for Transit Advertising Services was provided in the Committee packet. Dianne Williams, Vice President Marketing and Communications, and Larry Jackson, Vice President Procurement, Inventory Management & Supplier Diversity, provided a brief overview. The Agency generates revenue through advertising placement on MetroBus, Call-A-Ride, MetroLink and MetroLink Stations. The current Transit Advertising contract ended on December 13, 2014. A new Request for Proposal (RFP) was issued on November 6, 2014, and six (6) companies requested and received copies of the solicitation, but only one proposal was received from Direct Media USA.

Some discussion followed regarding the RFP objectives, which includes revenue in the form of a minimum guaranteed dollar amount that would increase annually by a set minimum amount or by 6% per year of gross advertising sales revenues or whichever is greater; and the percentage of additional funds over the minimum expectation the Agency would receive.

A motion for the Operations Committee to approve and forward to the Board for final approval the request to award Contract 14-RFP-100941-SG - Transit Advertising Services pending final negotiations with Direct Media USA was made by Commissioner Brown and seconded by Commissioner Holman. **Motion passed unanimously.**

6. Sole Source Contract Award: Trapeze U.S.A., LLC AVL Message Boards - North County Transit Center

8:10 a.m. The briefing paper regarding the sole source contract award to Trapeze U.S.A., LLC (**Trapeze**) for the AVL Message Boards at the North County Transit Center was provided in the Committee package. Ray Friem, Chief Operating Officer Transit Services, provided a brief overview. Trapeze previously supplied all Computer Aided Dispatch Automated Vehicle Location (**CAD/AVL**) equipment utilized with the Agency's transit management technology currently deployed on MetroBus and at existing transfer stations. This technology has been installed on a majority of the MetroBus fleet and the remainder of the fleet will have AVL technology by the end of 2015. The Agency's existing CAD/AVL infrastructure is a transit specific propriety system and only Trapeze equipment and software can be used with the existing communications and data processing structures, and Trapeze U.S.A., LLC is the only source for this equipment.

A motion for the Operations Committee to approve and forward to the Board for final approval the request to purchase real time passenger information displays with Trapeze U.S.A., LLC in an amount not to exceed \$151,830, contingent upon successful completion of negotiations with Trapeze, was made by Commissioner Brown and seconded by Commissioner Holman. **Motion passed unanimously.**

7. Contract Modification: Downtown Transfer Center Design Consultant Services Time Extension with Arcturis

8:14 a.m. The briefing paper regarding the contract modification for the Downtown Transfer Center Design Consultant Services Time Extension with Arcturis was provided in the Committee packet. Ray Friem, Chief Operating Officer Transit Services, provided a brief overview. Arcturis is under contract to provide design services for the Downtown Transit Center project, and the contract will expire on February 15, 2015. After the design was vetted and approved, the City of St. Louis raised issues regarding potential ADA discrepancies. Although there were no ADA discrepancies found, the City felt that there may be a better design, and pursuant to the City's request, the Agency provided various other options and pricings. To date the City has not chosen a final option, and discussions are ongoing to resolve this issue. Arcturis's performance has met the Agency's expectations. The design consultant must be under contract for the duration of the construction period, which is anticipated to be one (1) year and through the project close out which is estimated to be an additional three (3) months. To achieve this, a contract extension of 686 days is required, which will move the new contract completion date to December 31, 2016. The extension of the contract will not add any additional costs to the project.

A motion for the Operations Committee to approve and forward to the Board to approve the request for an extension of the contract with Arcturis through December 31, 2016 was made by Commissioner Brown and seconded by Commissioner Buehlhorn. **Motion passed unanimously.**

8. Contract Award: Natural Wood Solutions, LLC - Wood Cross Tie Replacement Project Year Three (3)

8:15 a.m. The briefing paper regarding the contract award to Natural Wood Solutions, LLC - Wood Cross Tie Replacement Project Year Three (3) was provided in the Committee packet. Larry Jackson, Vice President Procurement, Inventory Management & Supplier Diversity, provided a brief overview. The Agency is entering the third year of a three (3) year tie replacement program on Phase I of the MetroLink alignment. Due to last year's winter weather there was a shortage of hard wood available nationally that affected rail tie production and deliveries. The shortage situation has not improved since the Agency's previous procurement in

April 2014. Koppers supplied wood cross ties in recent years for Agency projects, but due to their inability to secure definite pricing and delivery from their plant locations they declined to bid until 2016. The Agency was left with the option to either cancel the solicitation, delay the wood cross tie replacement project by one (1) year, or award to the sole bidder, Natural Wood Solutions, LLC, whose bid was deemed fair and reasonable. This project is important to assuring the ride quality and safety of the MetroLink alignment. This project coexists with other maintenance projects and is expected to be completed in late summer or early fall of 2015. It would be difficult to reprogram the existing labor resources to ensure system maintenance needs are completed in a timely manner.

Some discussion followed regarding the reason to use wood ties instead of concrete and the difference in costs for each. Replacing the wood ties with concrete would be more expensive and combining concrete with the wood ties would create maintenance issues. There are approximately 90,000 ties that have to be replaced, and only 26,000 have been completed to date.

A motion for the Operations Committee to approve and forward to the Board for approval the purchase of wood ties from Natural Wood Solutions, LLC in the amount of \$612,000 to support year three (3) of the Tie Replacement Project was made by Commissioner Brown and seconded by Commissioner Holman. **Motion passed unanimously.**

9. Contract Award: Cell Phones Services

8:20 a.m. The briefing paper regarding the contract award for Cell Phone Services was provided in the Committee package. Larry Jackson, Vice President Procurement, Inventory Management & Supplier Diversity, provided a brief overview. A Request for Proposal was issued on October 6, 2014, and three firms responded, Sprint, Verizon, and AT&T. Sprint was selected because they had the highest total score that offered the lowest cost. Management's recommendation is to award the contract to Sprint for two (2) years for cell phone and related services at the proposed fixed prices; and when approved, recommend that the President & CEO exercise the option years of service if: 1) funding is available; 2) the performance of the contract is satisfactory; 3) the exercise of any contractual option is in accordance with the terms and conditions of the option stated in the initial contract awarded; and 4) the option price is determined to be equal to or better than prices available in the market or that the option is the more advantageous offer at the time the option is exercised. The annual cost is \$216,000 with an estimated total cost for the two (2) year contract with two (2) option years is \$864,000.

A motion for the Operations Committee to approve and forward to the Board to approve the cell phone services contract with Sprint as presented was made by Commissioner Holman and seconded by Commissioner Buehlhorn. **Motion passed unanimously.**

10. Contract Award: Credit Card Services

8:22 a.m. The briefing paper regarding the contract award for Credit Card Services was provided in the Committee packet. Larry Jackson, Vice President Procurement, Inventory Management & Supplier Diversity, provided a brief overview. The Agency currently manages credit card programs for Travel/Executive Credit Cards and Procurement/Office Supply Card services. Because of the current market changes, the Agency's goal was to maximize potential rebate revenue by combining all programs under a single provider capable of managing multiple uses, including Procurement, Executive, Travel, and Accounts Payable Cards. An RFP was issued in September 2014 and six (6) banks responded, US Bank, Bank of America, UMB Bank, PNC Bank, JPMorgan Chase Bank, and Fifth Third Bank. Upon completion of the technical and pricing scores, US Bank was the highest ranked firm. The current annual rebates are expected to increase from last year's amount of \$10,000 to an estimated \$80,000 on Procurement Cards alone.

If the other credit card services such as Office Supplies, Executive/Travel and Accounts Payable Cards are included, the rebate could be as much as \$250,000 annually.

A motion for the Operations Committee to approve and refer to the Board the request to award a contract to US Bank to provide credit card services for a period of three (3) years with (2) one-year options to be exercised at the Agency's discretion was made by Commissioner Buehlhorn and seconded by Commissioner Brown. **Motion passed unanimously.**

11. Sole Source Contract Award: Ten (10) Rebuilt 40 Ft Low Floor Buses Funded 100% by St. Clair County Transit District

8:25 a.m. The briefing paper regarding the sole source contract award for ten (10) rebuilt 40 foot low floor buses funded 100% by St. Clair County Transit District (**SCCTD**) was provided in the Committee packet. Ray Friem, Chief Operating Officer Transit Services, and Larry Jackson, Vice President Procurement, Inventory Management & Supplier Diversity, provided a brief overview. More than half of the Illinois bus fleet has met and/or exceeded its design life as well as its design mileage. These buses are also experiencing structural failures at a high rate and there is the possibility of the hydraulic wheel chair lifts failing due to age and life cycle usage. Additionally, the SCCTD has indicated that the Redbird Express service has doubled and demand is expected to increase in the future. The high demand and utilization rate of Illinois buses has created an immediate need for additional replacement rolling stock ahead of the initial planned levels. The Federal Transit Administration (**FTA**) has granted SCCTD permission to increase their bus spare ratio from 20% to 40% (10 buses). These buses would have a design life of 8 years, at a cost of 68% of a new bus. The current bus replacement plan in Illinois is driven by mileage to a 12 year interval and the purchase of the additional capital assets would extend the replacement plan to a 14 year interval. Although Agency management had reservations about procuring rolling stock using a sole source methodology, the business reasons for executing an agreement with Complete Coach Works (**CCW**) is compelling. CCW has successfully partnered with the Agency on two prior projects. Management recommends approval of this contract with CCW.

A motion for the Operations Committee to approve and forward to the Board for approval this request to enter into a contract with Complete Coach Works for the purchase of up to 10 rebuilt 40 Ft. Low Floor diesel powered buses, including all AVL equipment, in an amount not to exceed \$2,951,500 that will be 100% funded by SCCTD was made by Commissioner Buehlhorn and seconded by Commissioner Brown. **Motion passed unanimously.**

12. Transit Operations 2015 1st Quarter Performance Report

8:27 a.m. The Transit Operations FY15, 1st Quarter Performance Report was provided in the Committee packet. Ray Friem, Chief Operating Officer Transit Services, provided a brief overview. Operational revenue was slightly below expectation. The operational revenue from farebox and pass sales was down approximately \$155,000 for the quarter, primarily due to lower MetroLink ridership and fewer contracts for Medicaid and Medicare on Call-A-Ride. Expenses were slightly under budget for the first quarter. System ridership grew at 0.9% in the first quarter FY15, but this was below the expected 1.5%. Ridership for rail was down 0.6%, which could be contributed to lower fuel cost and the recent civil unrest in the area. MetroBus ridership met targeted goals. Call-A-Ride was down 1.7% primarily because of fewer contracts with Medicare and other governmental agencies. The contract trip reductions are a long-term trend and probably reflect permanent changes in Government Policy. Service Profiles show little change in year over year operating tempo for fixed route MetroLink and MetroBus service. The Public Safety Department has maintained and continues to create greater visibility on the alignment, thereby improving the perception of personal security on the entire transit system. Transit System's

Customer Service metrics continue to show satisfactory levels of accomplishment with on time performance above the 97% threshold for MetroLink, 90% for MetroBus and 95% for Call-A-Ride. Customer Service Call Center statistics are down approximately 7% for the first quarter.

Mr. Friem distributed a handout entitled "Automatic Fare Collection Vendor Integrations." This report was created in response to a request by Commissioner Cahill. The report illustrates the interfacing requirements for the automatic fare collection components and functions of Indra, Scheidt & Bachmann, and Trapeze. Indra supplies the core of the Smart Card system, Scheidt & Bachmann handles the bus farebox system, and Trapeze handles the AVL system. This integrated system will give the Agency the best possible information data stream on how customers are using the system and guide the Agency in optimizing the existing service hours and levels.

Commissioner Buehlhorn asked that a copy of the handout be provided to former Commissioners Kevin Cahill and Hugh Scott. This report was informational only, and no Committee action was required. A copy of the report will be kept at the office of the Deputy Secretary.

13. Maintenance of Way State of Good Repair Asset Inventory and Database Development - Project Completion Overview

8:30 a.m. The briefing paper regarding the Maintenance of Way State of Good Repair Asset Inventory and Database Development Project Completion Overview, together with the PowerPoint Presentation, and the Asset Management Plan, were provided in the Committee packet. Tracy Beidleman, Director of Program Development & Grants, and Ronald Humphrey, President of CodeRed Business Solutions (CRBS), a consultant on the Agency's Maintenance of Way State of Good Repair Asset Inventory and Database Development Project, provided a brief overview. MAP-21 and the State of Good Repair require that all transit agencies complete an Asset Management Program (AMP). The AMP is to include a list of the Agency's assets; the condition of the assets; and the replacement value of those assets for the purpose of providing a decision making tool for operating and capital investments going forward. The Agency partnered with CRBS to develop the initial elements of the Transit Asset Management (TAM) program for MetroLink Maintenance of Way (MOW). Asset Management is the strategic discipline that involves making the best decisions about the management of all rolling stock, systems, and physical assets throughout the Agency, as well as the asset's life cycle. The Agency is committed to the highest level of safety, security, and emergency preparedness for its customers, employees, and the general public. The TAM system has been developed, and it includes the utilization of a graphical software concept with asset information embedded in facility and system drawings. As a validation of the TAM system, asset inventories were completed and schematics developed for the MOW areas of Rail Facility Maintenance, Signals, and Traction Power Substations. This report was informational only and no Committee action was required. A copy of the report will be kept at the office of the Deputy Secretary.

****9:00 a.m. Commissioner Holman disconnected.**

14. Disadvantaged Business Enterprise (DBE) Contract Specific Goal Setting

9:02 a.m. The briefing paper and attachments regarding the Disadvantaged Business Enterprise (DBE) contract specific goal setting were provided in the Committee packet. Larry Jackson, Vice President Procurement, Inventory Management & Supplier Diversity, provided a brief overview. At a previous Committee meeting, Commissioner Cahill asked for an update on the DBE compliance including the percentage participation on contracts. Those discussions led to questions regarding how the Agency sets goals on contracts. Mr. Jackson asked Gerard

Hutchinson, Supplier Diversity Specialist, to provide additional information regarding the DBE goals.

Mr. Hutchinson discussed in more detail the Disadvantaged Business Enterprise (DBE) project specific goal-setting process, highlighting: 1) why the Agency sets project specific goals; 2) information needed to set project specific goals; 3) what setting a project specific goal involves; 4) determining the weight of each category of work on the project; 5) determining the availability of DBE firms for each work category on the project; and 6) calculating category goals. This report was informational only and no Committee action was required. A copy of the report will be kept at the office of the Deputy Secretary.

15. Unscheduled Business

9:17 a.m. The briefing paper regarding the Contract Extension of Time and Performance and Increase in Contract Sum for Contract 11-RFP-5697-CB, Eads Bridge Rehabilitation and UMSL Interlocking Construction Management Oversight Services was provided as an additional handout at the Committee meeting. Ray Friem, Chief Operating Officer Transit Services, provided a brief overview. Since inception, the Eads Bridge Project has experienced some delays due to flooding on the Mississippi River, extreme cold weather, high winds, program delays, and additional design and repair work. Because of the unique design of the bridge and the magnitude of the remediation, the Agency hired additional expertise and oversight from outside engineering firms. Transystems was hired to do structural inspections, construction management functions and coating and general repair inspection activities. Gonzales subcontracted with Transystems to do the in depth inspection of cleaned surfaces and final coating of the bridge structures. Modjeski and Masters (M&M) was hired as the general oversight consultant to support Agency project team members in making decisions regarding the bridge structures and repair activities as the project progressed. The M&M contract also included project inspection services for the University of Missouri - St. Louis (UMSL) Interlocking project. The initial contract with M&M was awarded in 2012 and eventually both contracts for consulting and inspection services will have to be extended. An immediate extension is needed because of the earlier start date for UMSL Interlocking services. M&M's knowledge of the project and the bridge provides value to the construction management effort. M&M has staff competent in ultra-sonic testing of the bridge pins and they are skilled in the interpretation of test results. The increase in the contract amount is within the contingency budget for the project and the overall Eads Bridge Rehabilitation Project still projects to be below the authorized project budget. Management recommends retention of M&M in their current contractual capacity.

A motion for the Operations Committee to approve and refer to the Board the request to extend the contract time of performance through May 31, 2016, and to increase the contract amount by \$256,720.01, bringing the total contract value to \$537,434.01 was made by Commissioner Buehlhorn and seconded by Commissioner Brown. **Motion passed unanimously.**

16. 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 under §610.021(1), RSMo; leasing, purchase or sale of real estate under §610.021(2); personnel action 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).

9:21 a.m. Pursuant to the requirements of Section 610.021 (1) and 610.021(2) of the Revised Statutes of Missouri, Commissioner Buehlhorn requested a motion to allow the Committee to go into closed session. A motion was made by Commissioner Buehlhorn and seconded by Commissioner Brown. A roll call vote was taken and the Commissioners present, Buehlhorn and Brown voted to approve this agenda item. **Motion passed unanimously.**

17. Call of Dates for Future Committee Meetings

10:47 a.m. The next Board meeting is scheduled for Friday, February 27, 2015, at 8:00 a.m.; the next Operations Committee meeting is scheduled for Tuesday, March 17, 2015, at 8:00 a.m.; the next Business Services & Economic Development Committee meeting is scheduled for Friday, March 20, 2015, at 8:00 a.m. and the next Finance & Administration Committee/Budget Review is scheduled for Friday, March 27, 2015, at 8:00 a.m.

18. Adjournment

10:47 a.m. A motion to adjourn the Open Session Operations Committee meeting was made by Commissioner Buehlhorn and was seconded by Commissioner Brown. A roll call vote was taken and the Commissioners present Brown and Buehlhorn voted to approve this agenda item. **Motion passed unanimously.**