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**BI-STATE DEVELOPMENT AGENCY / METRO
BOARD OF COMMISSIONERS MEETING
OPEN SESSION MINUTES
FEBRUARY 27, 2015**

Commissioners in Attendance

Missouri

Vernal Brown
Constance Gully, Vice Chair
Aliah Holman
Vincent C. Schoemehl

Illinois

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

Staff In Attendance

John Nations, President & CEO
Barbara Enneking, General Counsel and Deputy Secretary
Shirley Bryant, Certified Paralegal
Kathy Klevorn, Sr. Vice-President, Chief Financial Officer
Jim Cali, Director of Internal Audit
Ray Friem, Chief Operating Officer-Transit Services
Larry Jackson, Vice-President, Procurement, Inventory Management & Supplier Diversity
John Langa, Vice-President, Economic Development
Jenny Nixon, Senior Vice President Business Services
Debbie Erickson, Vice President Chief Information Officer
Melva Pete, Vice President Human Resources
Dianne Williams, Vice President Marketing and Communications
Patti Beck, Director of Communications
Barbara Georgeff, Executive Assistant to President
Kent Swagler, Director Corporate Compliance and Ethics
Charles Stewart, Vice-President, Pensions & Insurance
Tracy Beidleman, Director Program Development & Grants
Mark Vago, Controller
Tamara Fulbright, Director Treasury Services
Erick Dahl, Director Downtown St. Louis Airport
Jerry Vallely, External Communications Manager
Scott Grott, Chief MetroLink Operations
Reginald Cavitt, ATU 788
Kathy Brittin, Director Risk Management Safety & Claims
Millicent Johnson, Accounts Payable Clerk
Ted Zimmerman, Director Marketing
Fred Bakarich, Interim Director of Engineering & New Systems Development
Matthew Hibbard, Social Media Communication Manager
George Gress, Project Manager III Engineering
Kelli Fitzpatrick, Internal Auditor, Part-Time

Andrew Ghiassi, Manager Safety & Loss Control
William Waggoner, Senior Real Estate Specialist
Gerard Hutchinson, Supplier Diversity Specialist

Others In Attendance

John Fox Arnold, Lashly & Baer
Richard Shepard, Consultant, Real Estate Strategies
Jo Emerick, AECOM
Jean Lakemper, AECOM
J. C. Murray, AECOM
Greg Dodson
Emma Perry, CTI Advocacy Group for Disabled Persons
Monica Williams

1. **Call to Order**
8:04 a.m. Commissioner Gully called the Open Session Board Meeting to order at 8:04 a.m.
2. **Roll Call**
8:04 a.m. Roll call was taken.
3. **Recognition of Former Commissioners Kevin Cahill and Fonzy Coleman**
8:05 a.m. John Nations, President & CEO, presented Commissioners Cahill and Coleman with resolutions commemorating their dedicated service to the Agency and the region. On behalf of himself, Agency staff, the Board and the region, Mr. Nations thanked both Commissioners for their service. Commissioner Gully expressed the Board's sincere gratitude for their years of service that jointly between Commissioners Cahill, Coleman and Scott, who was not in attendance, spanned more than 30 years. Their commitment to economic development, education, job creation, and improvement of neighborhoods, have been on the forefront of the efforts made by both Commissioner Cahill and Commissioner Coleman. In addition to the resolutions, Commissioners Cahill and Coleman were presented with lifetime Metro passes.
4. **Minutes of Prior Open Session Board Meetings**
8:11 a.m. The November 21, 2014, Open Session Board Meeting Minutes was provided in the Board packet. A motion to approve the minutes was made by Commissioner Schoemehl and seconded by Commissioner Holman. **Motion passed unanimously.**
5. **Report of Treasurer**
8:11 a.m. No presentation was made. This agenda item was informational only. The Treasurer's Report was provided in the Board packet and will be kept at the office of the Deputy Secretary.
6. **Report of President**
8:11 a.m. John Nations, President & CEO, welcomed Commissioner Vernal Brown and Commissioner Irma Golliday as the two new members of the Board of Commissioners. Commissioner Brown became a Board member on January 6, 2015, as an appointee from St. Louis County, Missouri. Commissioner Golliday was just confirmed Monday, February 23, 2015 by St. Clair County, Illinois. There is one more Board position to fill in Missouri and that position appointment has not yet been finalized. When the final appointment for Missouri is made, the Board Chairman will address Committee assignments in accordance with Agency By-Laws.

Mr. Nations informed the Board that the Agency was featured on the cover of the *Mass Transit Magazine*. This is an extremely important recognition for Ray Friem, Chief Operating Officer Transit Services, and the transit team to be recognized for the work they have done over the years. At a recent meeting in Phoenix, Arizona with CEOs from around the country, Mr. Friem gave a presentation that was well received regarding the efforts being made in transit here in St. Louis. The transit team has done a tremendous job and this recognition is well deserved.

Mr. Nations distributed a letter dated January 30, 2015 from the Federal Transit Administration (**FTA**) stating that the Agency has been exceeding all its Disadvantaged Business Enterprise (**DBE**) goals. The letter also states that, while there is no blanket prohibition against using race-conscious measures, the Agency must reduce the use of contract goals "proportionately" when it exceeds the overall goal in two consecutive years.

An update on the Freight District (the "**District**") was provided. In September 2014, East West Gateway Council of Government (**EWGCG**) selected the Agency to implement and operate the new Freight District for St. Louis. The strategic and business plan the Agency committed to is on track. The District will be another operating division within the Agency. A working group has been formed, with representatives throughout the region, to help support this effort, and those partners have included the Regional Chamber, EWGCG, and the Leadership Council of Southwest Illinois. A regional freight forum was held on February 5, 2015 in Collinsville, Illinois, and it was well attended. An Executive Director for the District is expected to be selected by the end of March 2015.

The Agency is currently meeting with the funding partners in St. Louis City and St. Louis County to finalize the Agency's budget proposals and the City and County's service packages and levels of service. The budget is expected to be presented to the Board for final approval at the April 24, 2015 Board meeting.

Mr. Nations also discussed the fees for citations issued on MetroLink. As reported to KTVI-2 News Reporter, Elliott Davis, the Agency receives no money from the fees collected by the municipalities for citations issued on MetroLink in Missouri. Although the Missouri Legislators authorized, a few years ago, that the Agency was to receive a portion of the fees collected, which would amount to approximately \$8 per ticket, to date the Agency has received no funds from that fee. The fees and court costs are assessed by the court system, over which the Agency has no control. The issues of municipal court fees have received greater attention lately, and there is uncertainty as to what to expect going forward, as the Agency has no control over this situation.

Agenda Item #11 regarding the Spruce Street Bridge did not go to a Committee prior to being presented to the Board today. This item was not available when the Committees met in January 2015; as a result it is not on the Consent Agenda and has been separated out for the Board's review and approval. This item is time sensitive and a priority for the City of St. Louis and the Agency.

The St. Louis County Executive and the Mayor of St. Louis City announced in January 2015 that St. Louis has been selected for the Global Cities Initiative by the Brookings Institution to develop an export plan for St. Louis. Mr. Nations accepted the invitation to serve on the Steering Committee for this initiative; as well as serve and assist the Eastside Alignment Council (**EAC**) in Illinois. EAC will focus on creating better opportunities for the youth in the State of Illinois.

7. Audit Committee Report

8:19 a.m. The January 23, 2015, Audit Committee Open Session Minutes were provided in the Board packet. Commissioner Gully stated that the Audit Committee met in Open Session on January 23, 2015, and the minutes of that meeting were included in the Board packet at tab #7. Kent Swagler, Director of Corporate Compliance & Ethics, provided an overview of the current state of the Agency regarding meeting its documented compliance requirements for FY15, and the current status of compliance, initiatives, ethics, and training programs. The Committee discussed the Financial Statements, FY15, 1st Quarter and the Performance Indicators, FY15, 1st Quarter, which will be presented today as informational only under agenda items 15 and 16, respectively. The Committee also reviewed the Internal Audit Status Report; the Internal Audit Follow-Up Report for the 2nd Quarter of FY15; and the Safekeeping Quarterly Accounts Audit for September 30, 2014.

8. Operations Committee Report

8:20 a.m. The January 27, 2015, Operations Committee Open Session Minutes were provided in the Board packet. Commissioner Buehlhorn stated that the Operations Committee met in Open Session on January 27, 2015, and that the minutes of that meeting were included in the Board packet at tab #8. The Committee discussed and recommended for approval the following Consent Agenda Items: Consent Agenda 10(a) Contract Award to Sprint for Cell Phone Services; 10(b) Contract Award to U.S. Bank for Credit Card Services; 10(c) Contract Award to Direct Media USA for Transit Advertising Services; 10(d) Sole Source Contract Award to Trapeze U.S.A., LLC for AVL Message Boards for North County Transit Center; 10(e) Sole Source Contract Award to Natural Wood Solutions, LLC for Wood Cross Ties for Year Three of the Tie Replacement Project; 10(f) Sole Source Contract Award to Complete Coach Works for Ten Rebuilt 40-Foot Low floor Buses; 10(g) Contract Modification (Time Extension) With Arcturis - Design Consultant for Downtown Transit Center; 10(h) Contract Extension of Time of Performance and Increase in Contract Sum With Modjeski & Masters, Inc. for Eads Bridge Rehabilitation and UMSL Interlocking Construction Management Oversight Services. Ray Friem, Chief Operating Officer Transit Services, presented to the Committee a report on the Transit Operations 2015, 1st Quarter Performance. Tracy Beidleman, Director of Program Development & Grants, along with Ronald Humphrey, President of CodeRed Business Solutions provided a brief overview regarding the Maintenance of Way State of Good Repair Asset Inventory and Database Development. Larry Jackson, Vice President Procurement, Inventory Management & Supplier Diversity and Gerard Hutchinson, Supplier Diversity Specialist, presented a report on Disadvantaged Business Enterprise (DBE) Contract Specific Goal Setting.

9. Adjustment of Consent Agenda

8:23 a.m. There were no adjustments to the consent agenda.

10. Consent Agenda Item(s): (a) Contract Award to Sprint for Cell Phone Services (Operations Committee Recommends Approval (Resolution #662); (b) Contract Award to U.S. Bank for Credit Card Services(Operations Committee Recommends Approval (Resolution #661); (c) Contract Award to Direct Media USA for Transit Advertising Services (Operations Committee Recommends Approval (Resolution #664); (d) Sole Source Contract Award to Trapeze U.S.A., LLC for AVL Message Boards for North County Transit Center (Operations Committee Recommends Approval (Resolution #665); (e) Sole Source Contract Award to Natural Wood Solutions, LLC for Wood Cross Ties for Year Three of the Tie Replacement Project (Operations Committee Recommends Approval (Resolution #663); (f) Sole Source Contract Award to Complete Coach Works for Ten Rebuilt 40-Foot Low floor Buses (Operations Committee Recommends Approval (Resolution #667); (g) Contract Modification (Time Extension) With Arcturis - Design Consultant for Downtown Transit

Center (Operations Committee Recommends Approval (Resolution #666); (h) Contract Extension of Time of Performance and Increase in Contract Sum With Modjeski & Masters, Inc. for Eads Bridge Rehabilitation and UMSL Interlocking Construction Management Oversight Services (Operations Committee Recommends Approval (Resolution #676).

8:23 a.m. A motion to approve these Consent Agenda items was made by Commissioner Holman and seconded by Commissioner Schoemehl. **Motion passed unanimously.**

11. Contract Award to URS, Inc. for Spruce Street Bridge Replacement Design and Construction Services

8:24 a.m. The briefing paper regarding the contract award to URS, Inc. for Spruce Street Bridge Replacement Design and Construction Services was provided in the Board packet. Ray Friem, Chief Operating Officer Transit Services, and Fred Bakarich, Interim Director of Engineering & New Systems Development, provided a brief overview. This Agenda Item was not presented to a Committee because it was reasonably believed that the cost estimate would fall within the Board Policy for negotiated procurements not to exceed \$500,000. The cost proposal was not received until after the January 27, 2015 Operations Committee meeting. The initial cost proposal exceeded the Agency's Independent Cost Estimate (**ICE**) and fee negotiations were conducted on February 12, 2015. The Agency's ICE was \$440,131 and URS, Inc. (**URS**) proposed a total project fee of \$642,010.15. URS identified several items as scope or direct costs not captured in the Agency's ICE, that Agency staff deem fair and appropriate. Agency staff identified some scope areas where efficiencies existed and URS was directed to re-cost the work based on the Agency's clarifications. Even with the scope reductions and clarifications, the revised costs exceeded \$500,000. Because of the Agency's need to meet a critical timeline and the expansion of the project scope to include the utility trestle, this matter is being presented for Board consideration and approval in an amount not to exceed \$642,010.15.

A motion to approve and award the Spruce Street Bridge Replacement Design and Construction Services contract to URS, Inc. in an amount not to exceed \$642,010.15 was made by Commissioner Schoemehl and seconded by Commissioner Buehlhorn. **Motion passed unanimously (Resolution #677).**

12. Report of Nominating Committee

8:27 a.m. Commissioner Dietzel, as Chairman of the Board, extended best wishes to Commissioners Cahill and Coleman thanking them for their years of service and welcomed Commissioners Brown and Golliday as new members to the Board of Commissioners. A copy of the Nominating Committee meeting report dated February 19, 2015, was provided as an additional handout to be kept at the office of the Deputy Secretary. Commissioner Dietzel stated that the Nominating Committee met via teleconference on February 19, 2015, to discuss and consider nominations for the Office of Secretary, which was vacated by Commissioner Kevin Cahill due to his replacement by Commissioner Vernal Brown on January 6, 2015. The members of the Nominating Committee, Commissioners Dietzel, Kicielinski, Schoemehl and Gully, unanimously recommended that Commissioner Aliah Holman be nominated for the Office of Secretary and that this recommendation be forwarded to the Board for approval.

A motion to approve the appointment of Commissioner Aliah Holman for the Office of Secretary was made by Commissioner Dietzel and seconded by Commissioner Schoemehl. **Motion passed unanimously.**

13. Election of Board Officers

8:30 a.m. Commissioner Dietzel informed the Board that with the nomination and approval of Commissioner Holman as the Secretary, the Board Officers are as follows: Commissioner David Dietzel, Chair; Commissioner Constance Gully, Vice Chair; Commissioner Michael Buehlhorn, Treasurer; and Commissioner Aliah Holman, Secretary.

14. Compliance and Ethics "State of the Agency (Presented to Audit Committee)

8:30 a.m. The Compliance and Ethics "State of the Agency" briefing paper and PowerPoint presentation were provided in the Board packet. John Nations, President & CEO, stated that one of the most important responsibilities of the Board is its oversight function; and introduced Kent Swagler, Director Corporate Compliance and Ethics, to provide a presentation on the State of the Agency. Mr. Swagler discussed the Missouri and Illinois Bus Facility Underground Storage Tanks (**UST**); consolidated compliance requirements reviews; three-year organizational development/training plan implementation; and Payment Card Industry (**PCI**) Compliance Update. This presentation provided the current State of the Agency with respect to meeting its documented compliance requirements for FY15, which includes compliance requirements status and results of division reviews across the entire Agency. This presentation was given at the Audit Committee meeting on January 23, 2015, and was presented today to the Board as informational only. A copy will be kept at the office of the Deputy Secretary.

15. Financial Statements, FY2015, First Quarter (Presented to Audit Committee)

8:36 a.m. The Financial Statements for the First Quarter of FY2015 were provided in the Board packet. Kathy Klevorn, Sr. Vice-President, Chief Financial Officer, informed the Board that the Financial Statements and the Performance Indicators were previously presented to the Audit Committee. Agenda Items #15 and #16 were provided to the Board for their review and no further presentation was made. These agenda items were presented as informational only, and a copy of these reports will be kept at the office of the Deputy Secretary.

16. Performance Indicators, FY2015, First Quarter (Presented to Audit Committee)

8:36 a.m. See Agenda Item #15.

17. Unscheduled Business

8:40 a.m. John Nations, President & CEO, and Ray Friem, Chief Operating Officer Transit Services, welcomed back Scott Grott, a former employee who has returned to the Agency as the Chief of MetroLink Operations.

18. Public Comment

8:40 a.m. Emma Perry, CTI Advocacy Group for Disabled Persons, addressed the Board stating that she has been a Call-A-Ride (**CAR**) customer for eleven (11) years. Ms. Perry was living in a nursing home, and her first independent experience was using CAR. Four years later she was able to get her own apartment, and CAR provided the independence she needed to be able to live on her own. In 2009, she wrote an article for the St. Louis Post-Dispatch entitled "I Just Want To Be My Own Boss". CAR can transport her in her wheelchair, allowing her the mobility and independence she desires. Ms. Perry expressed concerns regarding the CAR's current No-Show Policy in which a rider can receive 8 points for a "no-show" and 8 points for a "late cancellation". The points remain on a rider's record for sixty (60) days. This process creates a lot of stress for Ms. Perry because she is fearful of getting 24 points and receiving a suspension notice that lasts for fourteen (14) days. Some points can be assessed for circumstances that are beyond the rider's control. The three minutes allowed for riders to get out to the CAR van is stressful. Because of their physical limitations it takes them longer to secure their residences. In some cases the riders may be in a building where they are not close to the door and it takes a bit longer to get out of the

building to the CAR van. The possibility of being suspended from CAR is very stressful to her and others who use CAR. Ms. Perry distributed a handout entitled "Coalition for Truth in Independence, Stories and Suggested Policy Changes for Call-A-Ride". These suggested changes would make it much easier for the CAR customers to be able to use CAR with confidence.

Monica Williams addressed the Board regarding the point system on Call-A-Ride. Ms. Williams stated that she has been riding CAR for about ten (10) years and she now lives in Illinois. As an Illinois resident she uses Alternative Transportation System (ATS) and CAR. Recently there was some miscommunication between CAR and ATS and she was penalized for it and received points. Although this one issue was resolved, she still has other points from other instances that were beyond her control. The possibility of being suspended from using CAR is stressful and without CAR she wouldn't be able to get to work or be independent.

John Nations, President & CEO, thanked both public speakers and assured them that Mr. Friem would be available to speak with them after the meeting and that Mr. Friem would follow up to determine how best to resolve their concerns.

- 19. 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 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 report 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).**

8:52 a.m. Pursuant to the requirements of Section 610.021(1), 610.021(2), 610.021(14), 610.021(16), and 610.021(17) of the Revised Statutes of Missouri, Commissioner Gully requested a motion to allow the Board to go into closed session. A motion was made by Commissioner Kicielinski and seconded by Commissioner Schoemehl. A roll call vote was taken and the Commissioners present, Brown, Gully, Holman, Schoemehl, Buehlhorn, Dietzel, Golliday, and Kicielinski voted to approve this agenda item. **Motion passed unanimously.**

- 20. Call of Dates for Future Board Meetings**

10:12 a.m. The following meetings are scheduled: Operations Committee, March 17, at 8:00 a.m.; Business Services & Economic Development, March 20, at 8:00 a.m.; Finance & Administration Committee, March 27, at 8:00 a.m. and Board meeting, April 24, at 8:00 a.m.

- 21. Adjournment**

10:12 a.m. A motion to adjourn the Open Session Board meeting was made by Commissioner Schoemehl and seconded by Commissioner Brown. **Motion passed unanimously.**