



**BI-STATE DEVELOPMENT AGENCY / METRO
BUSINESS SERVICES & ECONOMIC DEVELOPMENT COMMITTEE
OPEN SESSION MINUTES
MARCH 20, 2015**

Committee Members in Attendance

Missouri

Aliah Holman, Chair
Vincent Schoemehl

Illinois

Michael Buehlhorn (via phone)
Irma Golliday (present @ 8:10 a.m.)
Tadas Kicielinski (via phone)

Other Commissioners in Attendance

None

Staff in Attendance

John Nations, President & CEO
Barbara Enneking, General Counsel/Deputy Secretary
Shirley Bryant, Certified Paralegal/Assistant Secretary
Jenny Nixon, Senior Vice President, Business Enterprises
John Langa, Vice President, Economic Development
John Wagner, Project Manager, Economic Development
Jeff Braun, Director, Real Estate
Kyra Nichols, Administrative Assistant
Lindsey Erb, Marketing Specialist
Justin Struttman, Director of Operations, Gateway Arch
Larry Jackson, Vice President, Procurement, Inventory Management & Supplier Diversity
Patti Beck, Director, Communications
Mark Vago, Controller
Kathy Klevorn, Senior Vice President, Chief Financial Officer
Thomas Dunn, Director, Gateway Arch Riverboats
Chance Baragary, Project Manager II - Engineering
Michael Gibbs, Accountant, Business Enterprise

Others in Attendance

None

- 1. Call to Order**
8:00 a.m. Commissioner Holman called the Open Session Business Services & Economic Development 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 Prior Open Session Business Services and Economic Development Committee Meeting

8:01 a.m. The October 17, 2014, Open Session Business Services and Economic Development Committee Meeting minutes were provided in the Committee packet. A motion to approve the minutes was made by Commissioner Schoemehl and seconded by Commissioner Buehlhorn. **Motion passed unanimously.**

5. Jefferson National Expansion Memorial Presentation

8:01 a.m. The Jefferson National Expansion Memorial Presentation was provided in the Board packet. Jenny Nixon, Vice President Business Enterprises, provided a brief overview. The Jefferson National Expansion Memorial (**JNEM**) is an international iconic symbol in St. Louis with 2.4 million visitors annually. The mission of the National Park Service (**NPS**) is preservation and the JNEM purpose is to commemorate Thomas Jefferson's vision of building a unified continental nation and St. Louis' role as the gateway to the westward expansion during the 19th century. The Gateway Arch (the "**Arch**") is recognized globally as an exceptional mid-20th century modern design. The Old Courthouse was the site of the historic Dred Scott Case and a prime example of mid-19th century Greek revival design. JNEM generates over \$228 million in economic benefit and visitor spending annually and supports 3,883 area jobs. Approximately 80% of visitors are from outside the St. Louis metropolitan area. The park is on 91 acres that includes the Arch grounds, Old Courthouse, Luther Ely Smith Square and some of the surrounding streets; with a \$10 million annual federal operating budget and capital projects totaling approximately \$32 million since 2009. In 2014, over 3 million people participated in park sponsored programs. In addition to the partnership with the Bi-State Development Agency, the JNEM partners with the Jefferson National Parks Association, Great Rivers Greenway, and the City Arch River Foundation. The JNEM mission remains the same, but the partnerships continue to evolve. The CityArchRiver Initiative plans to celebrate the 50th anniversary of the completion of the Arch. The Arch grounds are currently undergoing a \$380 million revitalization with a scheduled completion date of 2017. The 2016 Centennial Commemoration will kick off a second century of stewardship of America's national parks. In preparation, the National Park Service rededicated itself to the stewardship of places that exemplify America's cultural heritage. 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.

****8:10 a.m. Commissioner Golliday joined the meeting.**

At the request of John Nations, President & CEO, Ms. Nixon provided an update regarding the capital projects and the bond issuance recently approved by the Board. The bond issuance was approved by the Board to replace the motor generator sets on the north and south tram and to replace the roof over the existing visitor center. The roof project is a joint project because the new museum visitor center roof is being paid for with CityArchRiver funds. Other capital projects that are ongoing are under the project management leadership of Chance Baragary, Project Manager II - Engineering. Mr. Baragary stated that design phase for the motor generator sets is nearing an end. Other capital projects such as the storm water drainage project, the exhibits project, the north and south tram load zones and changes to some of the MetroLink stations (8th and Pine and Laclede's Landing) are funded through the beneficial fund which is also known as the capital improvement fund.

6. Gateway Arch Operations Update

8:15 a.m. A copy of the Gateway Arch Operations Update was provided in the Committee package. Justin Struttmann, Director of Operations, Gateway Arch, provided a brief overview. For calendar year 2014, the Tram sales were down 2.9%, primarily because this was the first year that there was major construction in and around the Arch grounds. The CityArchRiver Project has impacted the daily operations of the Gateway Arch, and a large portion of the park grounds are closed to the public. Soon a contract will be issued to renovate the Museum and Visitors Center, and that will require closing the remaining portion of the Arch grounds and multiple components inside the Arch itself. Mr. Struttmann's presentation also highlighted the various CityArchRiver 2015 Projects and the estimated duration for each of those projects. The storm drain project is substantially completed, and the south leg of the Arch will open today. The motor generator set project will result in the complete shutdown of the Arch facility for two months, from January to February 2016. That is the only complete shut down that will occur for the entire project, which will allow time to complete safety issues and the restrooms. Maintaining the schedule is vital to the success of this project. For the first time a ticket will be required to enter the Arch. Public space within the facility will be greatly reduced during construction. Due to the reduced space, new ticket centers will be required to sell tickets for admission into the Arch. The new primary location is in the Old Courthouse, and with the opening of the south leg of the Arch facility, three points of sale will be located right next to the south leg. One ticket booth inside the Arch will be maintained for returns or exchanges. There are two points of sale on the Riverboats for the Arch facility and all of the Arch locations can sell tickets for the riverboats.

Some discussion followed regarding the anticipated sales and visitor levels expected after completion of the Arch project. Mr. Struttmann stated that during the construction there is expected to be approximately a 10% drop in visitor levels. After completion of this project, a 5% visitor increase or better is expected for the first couple of years, after which it is expected to be 3% or higher. CityArchRiver anticipates a much larger increase, but it will not be a one to one increase because the Agency is only involved in the tram sales. The Arch sells out over 100 days per year on a normal year, so adding more people during those peak times doesn't translate into more revenue. The Arch would experience a substantial level of growth if visitors came during the off peak time. Although the CityArchRiver Project is primarily to better connect the Arch to Downtown St. Louis, the completion of the project will benefit the Arch by bringing more visitors to the Arch grounds. 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.

7. Sole Source Contract Modification: Maida Engineering for Engineering/Design Services During Construction for the Replacement of the Arch Transportation System Motor Generator Sets

8:25 a.m. The briefing paper regarding the sole source contract modification for Maida Engineering for Engineering/Design Services during construction for the Replacement of the Arch Transportation System Motor Generator Sets was provided in the Committee packet. No additional presentation was made. A motion to accept and refer to the Board for approval the modification of the current Maida Engineering, Inc. contract for engineering and design services during construction of the replacement of the Arch Transportation System's Motor Generator Sets with variable frequency drives in an amount not to exceed \$430,000, which includes \$25,000 for National Park Service requested Safety Engineering Services and a 12% contingency for potential changes in scope and unforeseen conditions, for a total contract amount of \$1,045,000 was made by Commissioner Schoemehl and seconded by Commissioner Golliday. **Motion passed unanimously.**

8. Unscheduled Business

8:25 a.m. No unscheduled business.

- 9. 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).**

8:25 a.m. Pursuant to the requirements of Section 610.021 (1) and 610.021(2) of the Revised Statutes of Missouri, Commissioner Holman requested a motion to allow the Committee to go into closed session. A motion was made by Commissioner Golliday and seconded by Commissioner Schoemehl. A roll call vote was taken and the Commissioners present, Holman, Schoemehl, Buehlhorn, Golliday and Kicielinski voted to approve this agenda item. **Motion passed unanimously.**

10. Call of Dates for Future Committee Meetings

9:00 a.m. The Finance & Administration Committee/Budget Review Meeting is scheduled for Friday, March 27, 2015, at 8:00 a.m.; the Board meeting is scheduled for Friday, April 24, 2015, at 8:00 a.m.; and the next Business Services & Economic Development Committee meeting is scheduled for Friday, October 16, 2015, at 8:00 a.m.

11. Adjournment

9:00 a.m. A motion to adjourn the Open Session Business Services & Economic Development Committee Meeting was made by Commissioner Schoemehl and seconded by Commissioner Golliday. **Motion passed unanimously.**