

**BI-STATE DEVELOPMENT
OPERATIONS COMMITTEE MEETING
OPEN SESSION MINUTES
OCTOBER 18, 2016**

Committee Members in Attendance

Missouri

Vernal Brown
Vacant

Illinois

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

Other Commissioners in Attendance

Tadas Kicieliniski (via phone)
Aliah Holman (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
Larry Jackson, Executive Vice President for Administration
Barbara Georgeff, Director of Executive Services
Kent Swagler, Director, Corporate Compliance & Ethics
Jim Cali, Director, Internal Audit
Matthew Hibbard, Social Media Communications Manager
Richard Zott, Chief of Public Safety
Dianne Williams, Vice President, Communications & Marketing
Patti Beck, Director, Communications
Les Nations, Chief, MetroBus Operations
Sarah Clarke, Acting Director, Gateway Arch Operations
John Wagner, Director, Research Institute
Charles Priscu, Director, Labor Relations
Karen Handley, Bus Operator
Lawrence Brew, Director, Brentwood Bus Operations
Scott Grott, Chief, MetroLink Operations
Mark Vago, Controller
Kathy Brittin, Director, Risk Management, Safety & Claims
Jonathan Frederick, Director, Accounting & Budget
Caleb Friz, Manager, Customer Service
Fred Bakarich, Director, Engineering Systems
Jenny Nixon, Executive Director, Tourism Innovation
Jeff Braun, Director, Real Estate
Jessica Mefford-Miller, Chief, Transit Planning & System Development
Chance Baragary, Manager, Gateway Arch Construction

Ken Franklin, Vice President, Governmental Relations & Policy Initiatives
John Langa, Vice President, Economic Development
Jessica Gershman, Manager, Long Range Planning
Mandi Myers, Compliance & Ethics Analyst & Training Specialist, Part Time
Virginia Alt-Hildebrandt, Executive Assistant
Lisa Burke, Executive Assistant
Jonathan Campbell, Transit Service Manager – Light Rail

Others in Attendance

Chris Gary, Missouri Council of the Blind
Doug Kriete
Gerald Gardner

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

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

4. Employee Recognition, Outstanding Employees Doing Outstanding Things

8:01 a.m. Ray Friem, Executive Director Metro Transit, recognized outstanding employees who did outstanding things. Karen Handley, MetroBus Operator, was recognized for keeping two young children safe on her bus until the Public Safety Department could assist them. It was later learned that the children were runaways and four hours away from their home. Jonathan Campbell, Transit Service Manager – Light Rail, saved a fellow employee from choking. Charles Priscu, Director of Labor Relations, was recognized for putting out a tire fire on a Call-A-Ride van that was in distress. Mr. Friem thanked each of these employees and presented them with awards of appreciation recognizing the outstanding actions each of them demonstrated.

Mr. Friem informed the Committee that Metro Call-A-Ride was recently presented with the Community Service Award at the annual Missouri Council of the Blind dinner. Chris Gray, with the Missouri Council of the Blind was in attendance at the Operations Committee meeting and personally presented the award recognizing the excellent work of the Call-A-Ride team. Mr. Friem thanked Mr. Gray and congratulated Jeff Butler, Chief, Paratransit Operations & Service Development.

John Nations, President & CEO, introduced Ken Franklin, the new Vice President of Governmental Relations and Policy Initiatives.

5. Minutes of August 16, 2016, Operations Committee

8:09 a.m. The August 16, 2016, 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 Holman. **Motion passed unanimously.**

6. Sole-Source Contract for Remix Software

8:10 a.m. The briefing paper regarding the sole-source contract for Remix Software was provided in the Committee packet. Ray Friem, Executive Director Metro Transit, provided a brief overview and introduced Jessica Mefford-Miller, Chief Transit Planning & System Development, to provide a more detailed overview. Remix is a tool for streamlining the Agency's service planning process for both short-term and long range. Currently, Metro staff use various tools, including Trapeze FX, Goggle Maps, ArcGIS, and Microsoft Excel to complete a range of functions. With Remix, transit planners can quickly map out bus routes and simultaneously understand the estimated cost and demographic impact of a proposed change. Designs can be shared and modified easily through hyperlinks. Remix is the only software that offers this functionality in one tool. This product will be offered as a software as a service (SaaS) package, fully hosted, cloud-based web platform. The acquisition of Remix will support the comprehensive operational assessment (COA) Metro plans for FY 2017-2018. A motion was made by Commissioner Holman and seconded by Commissioner Brown for the Committee to approve and forward to the Board for approval a three year contract with Remix for an amount not to exceed \$280,000 to be paid in three annual installments; and in the event the service does not meet expectations, staff will retain the flexibility to terminate the arrangement in the future. **Motion passed unanimously.**

7. Comprehensive Operational Analysis Procurement of Services

8:15 a.m. The briefing paper regarding the Comprehensive Operational Analysis Procurement of Services was provided in the Committee packet. Ray Friem, Executive Director, Metro Transit, introduced Jessica Mefford-Miller, Chief Planning and System Development, to provide a brief overview. The transit system has undergone several service transformations over the past decade. The region is reviewing several light rail options which are in various stages of planning. The corridor study for the Bus Rapid Transit Corridors have been completed. In addition to enhancing Metro's network of high-performance transit, Metro envisions a transit system that continues to be forward-looking and responsive to the evolving needs of the region. The Agency's plan is to explore the implementation or adjustment of service levels including route frequency and spacing; and service types which may include local service, limited service, express services, priority routes, demand responsive service, or hybrid transportation network provider fixed-route service. The selected firm will operate as an extension of Metro staff to evaluate the existing transit system and make recommendations for service adjustments that would result in service that is even more productive and attractive for our customers. This comprehensive operational assessment would result in a strategy of service adjustments that could be implemented over time, up to a five year period, without significant additional operating resources. To accomplish this task, Metro intends to engage a consulting firm to assist in the performance of this assessment. Mr. Nations told the Committee that technology is rapidly changing the public transportation landscape and that the Metro Transit Division needs to be able to respond to changes and explore opportunities in less time than current capabilities allow. Mr. Nations also stated that it is imperative for Metro to remain the regional transportation expert which has earned it the distinction of being a National Leader by the U.S. Department of Transportation. Mr. Nations said he views this proposal and the previous one on the Agenda as critical to transportation goals and overall BSD Corporate objectives. A motion for the Committee to approve and forward to the Board for approval the request to authorize the President & CEO to award a consulting services contract, achieved through competitive procurement, in an amount not to exceed \$350,000 in order to perform Comprehensive

Operational Analysis for the enhancement of the Metro Transit System was made by Commissioner Brown and seconded by Commissioner Holman. **Motion passed unanimously.**

8. Jefferson National Expansion Memorial Gateway Arch Exhibit Rehabilitation – Additional Project Scope

8:18 a.m. The briefing paper regarding the Jefferson National Expansion Memorial (JNEM) Gateway Arch Exhibit Rehabilitation, Additional Project Scope was provided in the Committee packet. Jenny Nixon, Executive Director, Tourism Innovation, introduced Chance Baragary, Manager, Gateway Arch Construction, to provide an overview. The JNEM Gateway Arch Exhibit Rehabilitation project is being pursued to further complement the new visitor experience that will be primarily provided by projects underway in the City-Arch-River (CAR) project. This project will extend the experience beyond the limits of the CAR effort, providing new exhibit items in the Tram Load Zones. The Board awarded a sole source contract to Conference Technologies, Inc. (CTI) on September 25, 2015, for the installation of these exhibits. The initial contract with CTI was in the amount of \$2,580,000. Negotiations with CTI led to an award amount of \$2,244,420 leaving \$335,580 of contingency available. A use was identified for a portion of that contingency leaving an approximate balance of \$275,000. As exhibit installation planning for the Tram Load Zones progressed, additional improvements to the space were identified. The expected cost for the additional scope items is \$984,000, including a 10% contingency, resulting in a need for additional funds not to exceed \$709,000. Funds are available in the JNEM Beneficial Fund to offset these additional costs. A motion for the Committee to approve and forward to the Board for approval the request for the use of additional funds and modification of the contract with CTI to pursue increased scope in the JNEM Gateway Arch Exhibit Rehabilitation project in an amount not to exceed \$709,000 was made by Commissioner Golliday and seconded by Commissioner Kicielinski. **Motion passed unanimously.**

9. Gateway Arch and Gateway Arch Riverboats Credit Card Processing Contract With Chase Paymentech

8:22 a.m. The briefing paper regarding the Gateway Arch and Gateway Arch Riverboats Credit Card Processing Contract with Chase Paymentech was provided in the Committee packet. Jenny Nixon, Executive Director Tourism Innovation, introduced Sarah Clarke, Acting Director, Gateway Arch to provide a brief overview. The Galaxy by Gateway Ticketing System was implemented in March 2016 for in-person, phone and online ticket sales as well as event reservations at the Gateway Arch and Gateway Arch Riverboats. At the time of the implementation, the current credit card processor, Bank of America Merchant Services (BAMS) was set up through a work around in order to meet the implementation deadline. BAMS is not able to be fully integrated with Galaxy, because the configuration requirements call for an additional on-site payment server and payment gateway (PayFlowPro). The configuration documentation from Gateway Ticketing Systems lists two processors that can fully integrate with Galaxy and they are Chase Paymentech (Chase) and First Data. Chase has been determined to be the provider that meets the configuration requirements and the proposed fees and charges for the variable costs are estimated to be lower than the other providers. The contract with Chase allows the credit card processing to be fully integrated with the Galaxy ticketing software, reduce the risk associated with processing credit card transactions, and reduce the costs associated with a third party online payment gateway. A motion for the Committee to approve and refer to the Board for approval the request for the President & CEO to enter into a Merchant Application and Agreement with Chase Paymentech for a three year period from February 1, 2017, to February 1,

2020, for an estimated amount of \$664,260 or annual average of \$221,420 was made by Commissioner Brown and seconded by Commissioner Golliday. **Motion passed unanimously.**

10. Revision to Board Policies Chapter 10, Section 10.020, Article IV – Committees of the Board; Section 10.040 – Standing Committees; and Section 10.050 – Ad Hoc Committee

8:26 a.m. The briefing paper regarding the revision to Board Policies Chapter 10, Section 10.020, Article IV – Committees of the Board; Section 10.040 – Standing Committees; and Section 10.050 – Ad Hoc Committee was provided in the Committee packet. Barbara Enneking, General Counsel, provided a brief overview. The Board discussed at the September 23, 2016, meeting the current Committee structure and the Committee meeting schedule for 2017. There was discussion of utilizing the Board’s time more efficiently, and that a structure consisting of two working Committees would better serve the Board’s interests. The Board directed Mr. Nations to prepare a formal proposed policy amendment for this change and have it placed on a Committee Agenda to be reported back to the Board of Commissioners in November. Under the proposed policy revision, the current Finance & Administration Committee would be combined with the current Audit Committee to form the new Audit, Finance & Administration Committee. The Business Services & Economic Development Committee would be eliminated, and all items pertaining to the Agency’s operating enterprises would be presented to the Operations Committee. A motion was made by Commissioner Holman and seconded by Commissioner Brown for the Committee to approve and refer to the Board for approval the revisions to the Board Policies, Section 10.020, Article IV – *Committees of the Board*; Section 10.040 – *Standing Committees*; and Section 10.070 – *Ad Hoc Committees*; and in addition, that the Board Chair designate that the proposed revisions to Board Bylaws and Policies not be tabled pursuant to *Article VI(D)* of the Board Policies, as it is in the best interest of the Agency that these revised Board Policies be approved at the Board meeting on November 18, 2016. **Motion passed unanimously.**

11. Compliance and Ethics “Five-Year Return on Investment Report”

8:28 a.m. The briefing paper regarding the Compliance and Ethics “Five-Year Return on Investment Report” and a PowerPoint Presentation were provided in the Committee packet. John Nations, President & CEO, stated that at the suggestion of the then General Counsel, Dee Joyce-Hayes, the position of Director of Compliance was established. The Compliance Department has been in existence now for five years under the direction of Kent Swagler. Mr. Nations reported that when he approved the establishment of the Compliance Department, it was with the direction that performance measures and “Return on Investment” could be established to track improvements and cost savings, and that Mr. Swagler was present to report on the first five years of the Department.

Kent Swagler, Director Corporate Compliance & Ethics, introduced Mandi Myers, the new Compliance Analyst and Training Specialist, to the Committee. Mr. Swagler gave a presentation highlighting the current status of compliance and ethics programs, initiatives, and training as well as the compliance requirements, status and results of division reviews for the entire Agency. Mr. Swagler also reviewed cost savings resulting from the work in his department. Mr. Nations noted the cost savings exceeded the total budgets of the department. This report was informational only and no Committee action was required. A copy of this report will be kept at the office of the Deputy Secretary.

12. **Unscheduled Business**

8:43 a.m. There was no unscheduled business

13. **Call of Dates for Future Committee Meetings**

8:44 a.m. The Committee was advised of upcoming meeting dates, as follows:

Audit Committee:	Friday, October 21, 2016	8:00 a.m.
Board Meeting:	Friday, November 18, 2016	8:00 a.m.

14. **Adjournment to 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 pursuant to Bi-State Development Board Policy Chapter 10, Section 10.080 (D) Closed Records: Legal 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)(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).**

8:44 a.m. Pursuant to the requirements of the Bi-State Development Board Policy, Chapter 10, Section 10.080(D) Closed Records; Legal under Section 10.080(D)(1); Real estate under Section 10.080(D)(2); Purchasing and Contracts under Section 10.080(D)(7); Security under Section 10.080(D)(11); Rail, Bus, or Facilities Safety and Accidents under Section 10.080(d)(16) or Protected by Law under Section 10.080(D)(17) 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 Holman and seconded by Commissioner Brown. A roll call vote was taken and the Commissioners present, Brown, Buehlhorn, Golliday, Holman and Kicielinski voted to approve this agenda item. **Motion passed unanimously, and the Open Session meeting was adjourned.**