

**BI-STATE DEVELOPMENT
OPERATIONS COMMITTEE MEETING
OPEN SESSION MINUTES
OCTOBER 20, 2015**

Committee Members in Attendance

Missouri

Vernal Brown
Kelley Farrell

Illinois

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

Other Commissioners in Attendance

None

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, Vice President, Procurement, Inventory Management & Supplier Diversity
Scott Grott, Chief MetroLink Operations
Jessica Mefford-Miller, Chief Transit Planning & System Development
Fred Bakarich, Director, Engineering Systems
Mark Vago, Controller
Patti Beck, Director, Communications
Kathy Klevorn, Senior Vice President & Chief Financial Officer
Richard Zott, Chief of Public Safety
Kerry Kinkade, Vice President Chief Information Officer
Kathy Brittin, Director Risk Management, Safety & Claims
Barbara Georgeff, Executive Assistant to the President & CEO

Others in Attendance

None

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 Prior Open Session Operations Committee Meeting

8:01 a.m. The May 19, 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. Sole Source Contract Award: GE Transportation Systems (GETS)

8:01 a.m. The briefing paper regarding the sole source contract award for GE Transportation Systems (GETS) was provided in the Committee packet. Larry Jackson, Vice President Procurement, Inventory Management & Supplier Diversity, provided a brief overview. The current audio frequency track circuit components for the MetroLink system are now obsolete and new circuit board components are required. The new generation components are incapable of operating within the existing equipment. Some audio frequency track circuits were replaced on a smaller scale during the construction of the new signal interlocking locations. To safety certify operations the circuits had to be isolated, utilizing insulated rail joints. GETS would not certify or warrant audio frequency track circuits that had old and new generation components. To safety certify the new interlocking locations, 100% of the components of the new generation circuitry within the construction limits and isolated rail joints were cut into the mainline tracks to ensure safe and proper operation. This sole source award to GETS covers the remaining bill of materials to complete replacement of the obsolete audio frequency track circuitry, and GETS was the only supply source. A motion to recommend the Committee approve and refer to the Board for approval to award a sole source contract to GE Transportation Systems – Global Signaling to manufacture audio frequency track circuit equipment for the duration of the MetroLink Audio Frequency Track Circuit Rehabilitation Project in an amount not to exceed \$1,203,160, including a 10% contingency, with a contract period not to exceed two (2) years from contract award was made by Commissioner Farrell and seconded by Commissioner Brown. **Motion passed unanimously.**

6. Transit Operations 2015, 4th Quarter Performance Report and Capital Projects Review

8:04 a.m. The Transit Operations 2015, 4th Quarter Performance Report and Capital Projects Review Report was provided in the Committee packet. In the absence of Ray Friem, Executive Director Metro Transit, Kathy Klevorn, Sr. Vice President & Chief Financial Officer, provided a brief overview. Ms. Klevorn discussed the year end financials and ridership comparisons. Expenses for Transit Operations were below budget in FY2015 primarily due to lower than anticipated costs for labor, healthcare costs, diesel fuel, and revenue equipment parts. Passenger revenue for FY2015 was \$60,474,546 compared to a budget of \$63,743,095. The 4th quarter ridership numbers were down for rail 5%, for bus 2.4%, and for van 0.6%. Some discussion followed regarding the decline in ridership and the contributing factors causing the decline, one of which was lower fuel prices; and whether the proposed hedging plan, presented at the October 16, 2015 Business Services & Economic Development Committee meeting, would help offset some of the loss.

****8:09 a.m. Ray Friem joined the meeting.**

Mr. Friem stated that significant ridership issues developed in the second half of the fiscal year resulting in the system ridership being down overall 3.3%. The service profiles were stable and system efficiency measures were negatively impacted by the ridership loss. Passengers per revenue mile were off in all three modes; and passengers per revenue hours were also down. Paratransit did experience an improvement in passengers per revenue hour. Custodial arrests were down for FY2015, and there were fewer summonses issued across the system. Efforts to improve the perception of security on the transit system were negatively impacted by the regional unrest and a series of on-board incidents that aired on broadcast news and social media. Customer complaints were up 106% for FY2015, primarily because customers were reporting multiple things in a single call and each complaint was being documented. When compared against industry standards, Metro Transit's service quality indicators are considered

outstanding with on-time performance for MetroLink at 97%, and 92% and 93% respectively for MetroBus and Call-A-Ride. Preventable accidents were up slightly with overall accidents fairly flat. Service calls were down 14%, primarily due to the real time app that was launched in the second quarter FY2015 to provide the customer with real time system information. Mr. Friem also discussed briefly the Key Capital Project Status as of October 13, 2015. 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. Unscheduled Business

8:20 a.m. There was no unscheduled business.

8. Call of Dates for Future Committee Meetings

8:20 a.m. The next Audit Committee meeting is scheduled for Friday, October 23, 2015 at 8:00 a.m.; and the next Board meeting is scheduled for Friday, November 20, 2015 at 8:00 a.m.

9. 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 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).

8:20 a.m. Pursuant to the requirements of Section 610.021(1), 610.021(2), 610.021(14), and 610.021(16) 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 Golliday and seconded by Commissioner Brown. A roll call vote was taken and the Commissioners present, Brown, Farrell, Buehlhorn and Golliday voted to approve this agenda item. **Motion passed unanimously, and the Open Session meeting was adjourned.**