

**BI-STATE DEVELOPMENT
BOARD OF COMMISSIONERS MEETING
OPEN SESSION MINUTES
FRIDAY, APRIL 28, 2017**

Board Members in Attendance

Missouri

Vernal Brown
Constance Gully, Vice Chair (present at 7:06 a.m.)
Aliah Holman, Secretary
Vincent C. Schoemehl (by telephone)
Vacant

Illinois

Michael S. Buehlhorn, Treasurer
David Dietzel, Chairman
Irma Golliday
Jeffrey Watson
Justin Zimmerman

Staff in Attendance

John Nations, President & CEO
Barbara Georgeff, Director of Executive Services
Barbara Enneking, General Counsel & Deputy Secretary
Ray Friem, Executive Director, Metro Transit
Richard Zott, Chief of Public Safety

Others in Attendance

Sheriff Rick Watson, St. Clair County, Illinois
Major Rick Wagner, St. Clair County Sheriff's Department

1. Call to Order

7:00 a.m. Chairman Dietzel called the Open Session Board Meeting to order at 7:00 a.m.

2. Roll Call

7:00 a.m. Roll call was taken.

3. Adjournment to 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 pursuant to Bi-State Development Board Policy Chapter 10, §10.080(D) Closed Records; Legal under §10.080(D)(1); Real Estate under §10.080(D)(2); Personnel 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)(6); Purchasing and Contracts 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).

7:01 a.m. Pursuant to the requirements of Section 10.080 (D) (11); of the Bi-State Development Agency's Board Policy, Chapter 10, Chairman Dietzel requested a motion to allow the Board to go into closed session. A motion to go into Executive Session was made by Commissioner Buehlhorn and seconded by Commissioner Brown. A roll call vote was taken and the Commissioners present, Brown, Holman, Schoemehl, Buehlhorn, Dietzel, Golliday, Zimmerman and Watson voted to approve this agenda

item. **Motion passed unanimously, and the Board of Commissioners adjourned to a closed meeting at 7:01 a.m.**

RECONVENED OPEN SESSION

Board Members in Attendance

Missouri

Vernal Brown
Constance Gully, Vice Chair
Aliah Holman, Secretary
Vincent C. Schoemehl (absent)**
Vacant

Illinois

Michael S. Buehlhorn, Treasurer
David Dietzel, Chairman
Irma Golliday
Jeffrey Watson
Justin Zimmerman

****Commissioner Schoemehl disconnected from the Executive Session meeting at 8:14 a.m., and did not participate in the Reconvened Open Session Meeting.****

Staff in Attendance

John Nations, President & CEO
Barbara Enneking, General Counsel and Deputy Secretary
Shirley Bryant, Certified Paralegal
Barbara Georgeff, Director of Executive Services
Ray Friem, Executive Director Metro Transit
Patti Beck, Director of Communications
Dianne Williams, Vice President, Communications & Marketing
Richard Zott, Chief of Public Safety
Charles Stewart, Vice President, Pension & Insurance
Mark Vago, Controller
Erick Dahl, Director, St. Louis Downtown Airport
Tracy Beidleman, Director, Program Development & Grants
Monica Smith, Administrative Assistant
Kathy Klevorn, Sr. Vice President & Chief Financial Officer
Jackie Covington, Capital Budget & Program Development Administrator
Jonathan Fredrick, Director, Accounting & Budget
Michael Gibbs, Accountant – Business Enterprises
Matthew Hibbard, Social Media Communications Manager
Kent Swagler, Director, Corporate Compliance & Ethics
Scott Grott, General Manager MetroLink
Tom Dunn, Director, Gateway Arch Riverboats
Tamara Fulbright, Director, Treasury Services
Jerry Vallely, External Communications Manager
Adam Schisler, Budget System Administrator
Charles Pogorelac, Manager, Financial Planning & Budget
Gary Smith, Intern – Internal Audit
Sarah Clarke, Director, Gateway Arch Operations
Elizabeth Farr, Associate Project Manager, Economic Development
John Langa, Vice President Economic Development
Jessica Mefford-Miller, Assistant Executive Director, Transit Planning & System Development
John Wagner, Director, Research Institute

Kathy Brittin, Director, Risk, Management Safety & Claims
Kerry Kinkade, Vice President, Chief Information Officer
Maryanne Coley, Manager of Benefits
Larry Jackson, Executive Vice President for Administration
Amy Krekeler-Weber, EEO Specialist
Ted Zimmerman, Director of Marketing
Ken Franklin, Vice President, Governmental Relations & Policy Initiatives
Dan Hinrichs, Business Analyst

Others in Attendance

Taulby Roach, St. Clair County Transit District
Russ Chisholm, TMD

4. **Open Session Reconvened – Call to Order**
8:25 a.m. Chairman Dietzel called the Reconvened Open Session Board Meeting to order at 8:25 a.m.
5. **Roll Call**
8:25 a.m. Roll call was taken.
6. **Minutes of February 24, 2017, Open Session Board Meeting**
8:25 a.m. The February 24, 2017, Open Session Board Meeting minutes were provided in the Board packet. A motion to approve the minutes was made by Commissioner Gully and seconded by Commissioner Holman. **Motion passed unanimously.**
7. **Report of Treasurer**
8:26 a.m. The Treasurer's Report was provided in the Board packet, and will be kept at the office of the Deputy Secretary. No presentation was made. This agenda item was informational only.
8. **Report of President**
8:26 a.m. Chairman Dietzel asked Mr. Nations for his report. Mr. Nations informed the Board of the tragic events that happened recently on the MetroLink system. He went on to say that since the Agency took over transit more than fifty years ago, its number one goal has been to safely transport people. Our dedicated employees work hard every day to make sure everybody gets safely to their destinations. We are very proud of the fact that we lead the country in efficiency and reliability. We have a library of financial, safety, and management performance audits, but our commitment remains the same, and that is to make our system safe. There is a renewed attention in this region for public safety, not only on the transit system but in our communities as well. It is incumbent upon all of us to work together. We welcome the public attention to this crucial issue; and we look forward to working with the jurisdictions as we formulate a plan to not only make the system safe, but to reassure the public that it is safe. Later in this meeting, we will discuss the annual budget and the amendment made that added an additional \$20 million for security. We are not sure what combination of manpower, resources, changes to the system, or studies are going to be required, but it is certainly imperative that the Agency be in a position to be ready to cooperate with the jurisdictions to make the system safe. The Agency's goal is to not only lead the country in efficiency, reliability, and commendatory management performance audits, but to also lead the country in security. In closing, Mr. Nations stated that he welcomes the renewed dedication of our jurisdictions to produce the resources, manpower, and the willingness to cooperate to make this system safe and to reassure the public that the system is safe.

9. Operations Committee Report

8:30 a.m. Committee Chairman Buehlhorn reported that the Operations Committee met in Open Session on March 21, 2017, at 8:00 a.m., and that the draft minutes of that meeting were contained in the Board packet under Tab #9. Commissioner Buehlhorn advised the Board that six (6) items were being introduced on the Consent Agenda for Board consideration, with the Committee's recommendation of approval, as follows: (1) Consent Agenda Item #12(a) - Contract Award to ThyssenKrupp Elevator Corporation for Elevator/Escalator Full Maintenance and Repair; (2) Consent Agenda Item #12(b) – Contract Modification with Jacobs Engineering for General On-Call Design and Engineering Consultant Services; (3) Consent Agenda Item #12(c) – Sole Source Contract Award to Trapeze U.S.A., LLC for Automatic Vehicle Location Message Boards at the Civic Center Transit Center; (4) Consent Agenda Item #12(d) – Non-Competitive (Sole Source) Contract with MAC Products, Overhead Conductor Rail Supplier for Union Station Tunnel Rehabilitation; (5) Consent Agenda Item #12(f) – Articles of Incorporation, Bylaws, and Affiliation Agreement of the Bi-State Development Research Institute; and (6) Consent Agenda Item #12(g) Letter of Agreement Between BSD and The Jerry Costello Group, LLC for Consulting Services for the St. Louis Regional Freightway. During the Committee meeting, Public Safety Officer John Mitalovich was recognized and presented with a certificate of appreciation by Ray Friem, Executive Director Metro Transit. Mr. Friem also provided an informational update regarding the Transit Operations FY17, 2nd Quarter Operations Report and Capital Project Update. That concluded the report of the Operations Committee.

10. Audit, Finance & Administration Committee Report

8:32 a.m. Committee Chair Gully reported that the Audit, Finance & Administration Committee met in Open Session on March 24, at 8:00 a.m., and that the draft minutes of that meeting were contained in the Board packet under Tab #10. Commissioner Gully advised the Board that one (1) item was being introduced on the Consent Agenda for Board consideration, with the Committee's recommendation of approval, as follows: (1) Consent Agenda Item # 12(e) - Sole Source Contracts for Hardware and Software Maintenance. One other item for approval on the agenda today is Agenda Item #13 – Bi-State Development Operating and Capital Budget FY18 – FY20. A detailed presentation was made to the Committee at its March 24, 2017 meeting, at which time the Committee was advised that given the security concerns, an amended budget may be presented to the Board. Agency staff will provide information regarding the amendment made to the budget since the March 24, 2017 Committee meeting. Charles Stewart, Vice President Pension & Insurance, provided updates on the Pension, 401(k) Retirement Savings Program and OPEB Trust Investment Performance Update. Agenda Items #14, #15, and #16, consisting of the Financial Statements, Performance Indicators, and Procurement Report for the 2nd Quarter of FY17 were presented at the Committee meeting. The January 31, 2017 Treasury Report was also presented at the Committee meeting. That concluded the report of the Audit, Finance & Administration Committee.

11. Adjustment of Consent Agenda

8:33 a.m. There was no adjustment to the Consent Agenda.

12. Consent Agenda Item(s): 12(a) Contract Award to ThyssenKrupp Elevator Corporation for Elevator/Escalator Full Maintenance and Repair (Operations Committee Recommends Approval) (Resolution #829); 12(b) Contract Modification with Jacobs Engineering for General On-Call Design and Engineering Consultant Services (Operations Committee Recommends Approval) (Resolution #826); 12(c) Sole Source Contract Award to Trapeze U.S.A., LLC for Automatic Vehicle Location Message Boards at the Civic Center Transit Center (Operations Committee Recommends Approval) (Resolution # 830); 12(d) Non-Competitive (Sole Source) Contract with MAC Products, Overhead Conductor Rail Supplier for Union Station Tunnel Rehabilitation (Operations Committee Recommends Approval) (Resolution # 831); 12(e) Sole Source Contracts

for Hardware and Software Maintenance (Audit, Finance & Administration Committee Recommends Approval) (Resolution #834); 12(f) Articles of Incorporation, Bylaws, and Affiliation Agreement of the Bi-State Development Research Institute (Operations Committee Recommends Approval) (Resolution #832); and 12(g) Letter of Agreement Between Bi-State Development and The Jerry Costello Group, LLC for Consulting Services for the St. Louis Regional Freightway (Operations Committee Recommends Approval) (Resolution #827).

8:33 a.m. A motion to approve the Consent Agenda items was made by Commissioner Buehlhorn and seconded by Commissioner Gully. **Motion passed unanimously.**

13. Revised Bi-State Development Operating and Capital Budget FY 2018 – 2020 (Presented to Audit, Finance & Administration Committee)

8:34 a.m. The Revised Bi-State Development Operating and Capital Budget FY 2018 – 2020 was provided in the Committee packet. Mr. Nations stated that an amendment was made to the budget since it was presented at the March 24, 2017 Audit, Finance and Administration Committee meeting. An additional \$20 million was added to the budget to increase security on the Metro Transit System. This additional funding is based on an estimated \$17.8 million to put law enforcement personnel on each train car and each train station, plus anticipated funding to study the physical characteristics and implement short-term solutions to improve safety on the system. Some discussion followed regarding the funding source for the additional \$20 million. Kathy Klevorn, Sr. Vice President & Chief Financial Officer, informed the Board that the additional funding for security is an appropriation request from the Agency's funding jurisdictions. A motion was made by Commissioner Gully and seconded by Commissioner Holman to approve this agenda item as presented. **Motion passed unanimously. (Resolutions #817, #818, #819, #820, #821, #822, #823, #824)**

14. Financial Statements – Second Quarter, Fiscal Year 2017 (Presented to Audit, Finance & Administration Committee)

8:37 a.m. The Financial Statements – 2nd Quarter, FY17 report was contained in the Board packet. Mr. Nations stated that the Financial Statements, the Performance Indicators, and the Procurement Activity Report under Agenda Items #14, #15, and #16 were informational only and were previously presented to the Audit, Finance & Administration Committee. Copies of these reports will be kept at the office of the Deputy Secretary.

15. Performance Indicators – Second Quarter, Fiscal Year 2017 (Presented to Audit, Finance & Administration Committee)

8:37 a.m. The Performance Indicators – 2nd Quarter, FY17 report was contained in the Board packet. (See Agenda Item #14.)

16. Procurement Activity Report – Second Quarter, Fiscal Year 2017 (Presented to Audit, Finance & Administration Committee)

8:37 a.m. The Procurement Activity Report – 2nd Quarter, Fiscal Year 2017 report was contained in the Board packet. (See Agenda Item #14.)

17. Unscheduled Business

8:38 a.m. There was no unscheduled business.

18. Public Comment

8:38 a.m. There was no public comment.

19. Call of Dates for Future Board Meetings

8:39 a.m. The Board was advised of the upcoming meetings, as follows:

Operations Committee:	Tuesday, May 16, 2017, 8:00 a.m.
Audit, Finance & Administration Committee:	Thursday, May 18, 2017, 8:00 a.m.
Board Meeting:	Friday, June 23, 2017, 8:00 a.m.

20. **Adjournment to 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 pursuant to Bi-State Development Board Policy Chapter 10, §10.080(D) Closed Records; Legal under §10.080(D)(1); Real Estate under §10.080(D)(2); Personnel 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)(6); Purchasing and Contracts 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).**
- 8:40 a.m.** Pursuant to the requirements of Section 10.080 (D) (1); (7); (11); (16); and (17); of the Bi-State Development Agency’s Board Policy, Chapter 10, Chairman Dietzel requested a motion to allow the Board 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, Gully, Holman, Buehlhorn, Dietzel, Golliday, Zimmerman, and Watson voted to approve this agenda item. **Motion passed unanimously, and the Open Session meeting was adjourned at 8:40 a.m.**

Deputy Secretary to the Board of Commissioners
Bi-State Development