

**BI-STATE DEVELOPMENT
OPERATIONS COMMITTEE MEETING
OPEN SESSION MINUTES
MAY 16, 2017**

Committee Members in Attendance

Michael Buehlhorn, Chairman
David Dietzel
Irma Golliday (via phone)
Aliah Holman (via phone)
Justin Zimmerman

Other Commissioners in Attendance

Vernal Brown (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
Barbara Georgeff, Director of Executive Services
Kathy Klevorn, Sr. Vice President, Chief Financial Officer
Jim Cali, Director Internal Audit
Lisa Burke, Executive Assistant
Mark Vago, Controller
Patti Beck, Director, Communications
Scott Grott, General Manager MetroLink
John Wagner, Director Research Institute
Kathy Brittin, Director, Risk Management, Safety & Claims
Richard Zott, Chief of Public Safety
Jerry Vallely, External Communications Manager
Charles Stewart, Vice President Pension & Insurance
Jessica Mefford-Miller, Assistant Executive Director, Transit Planning & System Development
Virginia Alt-Hildebrandt, Manager Administrative Services
John Langa, Vice President Economic Development
Kerry Kinkade, Vice President, Chief Information Officer
Julianne Stone, Vice President Strategic Initiatives
Matthew Hibbard, Social Media Communications Manager
Les Nations, General Manager MetroBus
Kent Swagler, Director Corporate Compliance & Ethics
Michael Gibbs, Accountant Business Enterprise
Charles Priscu, Director Labor Relations

Others in Attendance

Taulby Roach, St. Clair County Transit District
Tom Curran, St. Louis County

- 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 from March 21, 2017 Operations Committee**
8:01 a.m. The March 21, 2017, Open Session Operations Committee Meeting minutes were provided in the Committee packet. A motion to approve the minutes was made by Commissioner Dietzel and seconded by Commissioner Holman. **Motion passed unanimously.**
- 5. Sole Source Contract Award: Diverging Approach, Inc., Signal Crossing Gate Arms and Flashers, Central Corridor Transits Enhancement and Job Access (CCTEJA) Project**
8:01 a.m. The briefing paper regarding the sole source contract award for Diverging Approach, Inc., Signal Crossing Gate Arms and Flashers, Central Corridor Transit Enhancement and Job Access Project was provided in the Committee packet. Ray Friem, Executive Director of Metro Transit, provided a brief overview stating that this award is a single bid procurement rather than a sole source. Construction of the new MetroLink Station at Boyle Avenue requires realignment of the existing MetroLink tracks. The realignment will impact the existing grade crossings at Boyle Avenue and Sarah Street. Metro wanted to procure the signal gate crossing arms and flashers in advance of the Signal Package contract. A solicitation for the signal equipment was advertised on March 1, 2017. The Procurement Department confirmed that eighteen (18) vendors viewed the solicitation electronically, but only one proposal was received from Diverging Approach, Inc. The independent cost estimate for this equipment was just under \$234,000. The bid itself came in at \$242,400, which is within 5% of the cost estimate, and management recommends that the single bid procurement be awarded to Diverging Approach, Inc. in an amount not to exceed \$242,400. Commissioner Buehlhorn questioned why only one bid was received. In response, Mr. Nations informed the Committee that Larry Jackson, Executive Vice President for Administration would provide a written explanation before the Board reaches its final vote at the June 23, 2017 meeting. Management recommended that the Committee approve and forward to the Board for final approval the contract for the purchase of crossing gate arms and flashers to Diverging Approach, Inc. A motion was made by Commissioner Holman and seconded by Commissioner Dietzel to approve this agenda item as presented in the briefing paper and forward to the Board for final approval. **Motion passed unanimously.**
- 6. Memorandum of Agreement with the Loop Trolley Company to Provide Trolley and Infrastructure Maintenance Support on the Loop Trolley System**
8:03 a.m. The briefing paper and draft Memorandum of Agreement (MOA) with the Loop Trolley Company to provide Trolley and Infrastructure Maintenance Support on the Loop Trolley System was provided in the Committee packet. Ray Friem, Executive Director Metro Transit, provided a brief overview. The Loop Trolley Transportation Development District (LTTDD) constructed and owns a trolley system within the cities of St. Louis and University City, Missouri. Revenue service is expected to begin in the summer of 2017. The Loop Trolley Company (LTC) will operate and maintain the Loop Trolley System (LTS) with a small staff to maintain trolleys and infrastructure. Certain maintenance and repair activities may require

specialized skills and facilities beyond the capacity of LTC; and therefore, they will outsource these specialized maintenance and repair activities. Because Metro has local experience maintaining and repairing a fleet of rail vehicles and related rail infrastructure, LTC has requested that Metro provide certain specialized maintenance and repair services. Metro and LTC are entering into a Memorandum of Agreement to use Metro's transit resources for maintenance and repair of LTC vehicles and infrastructure. Maintenance plans and schedules based on original equipment manufacturer recommendations, industry standards, and experience are being developed. When the plans are completed Metro and LTC will finalize a scope of maintenance services, based on available resources and budget. As part of the MOA, Metro is proposing a rate schedule to fully reimburse Metro for the cost of labor, equipment, material, and general and administrative costs that are used in the support of the LTS maintenance. Commissioner Zimmerman asked if Metro was using its existing employees or would new employees be hired to perform this work. In response, Mr. Friem stated that LTC is not hiring a full time employee but that is an option; and if they needed a full time track person, Metro would hire them and charge the cost to LTC. Currently, the amount of work on a 2.3 mile track can be absorbed into Metro's existing workforce. Metro does not intend to incur any additional costs in order to support this, but if that becomes an issue, the full time rate for one employee can be negotiated. This report was informational only and no Committee action was required, however, the Committee approved Metro supporting the LTS with this MOA. A copy of this report will be kept at the office of the Deputy Secretary.

7. 3rd Quarter Operations Report and Capital Projects Update

8:07 a.m. The 3rd Quarter Operations Report and Capital Projects Update was provided in the Committee packet. Ray Friem, Executive Director Metro Transit, provided a brief update. Cost profiles are under budget by 9.2%, wages and benefits are below budget by \$3.5 million, services are running \$5.7 million under budget; and approximately \$3 million of that is due to St. Louis County funding the County Police Department directly. Fuel expenses are \$2.5 million under budget, materials are \$2.4 million below budget, and utilities are \$1.2 million below budget. Revenues are lagging budget goals by \$5.8 million due largely to lower than expected ridership on fixed route service. Revenues are below FY2016 receipts by \$3.2 million for the same reason. Revenues are also impacted by a reduction in Medicaid contract service that is below service expectation by \$760,000 or 23% from expectations. MetroLink and Call-A-Ride were lower by over 2%, while MetroBus had a ridership loss of 5.7% for the quarter, and 7.1% year-to-date. The system had a total ridership loss of 4.4% for the quarter and 6.1% for the year, which are below budget estimates. MetroLink service profile levels remain unchanged, while Call-A-Ride has adjusted service levels according to current ridership trends. The service plan continues according to budget. The service miles and hours for fixed route service were impacted by scheduled increases in MetroBus service due to the implementation of the new North County Service package in March of 2016. Security activity shows that custodial arrests were up, summons activity was down, dispatch calls were fairly flat for the year, and valid security complaints increased by 68% for the 3rd quarter. Most of the complaints were in the month of March after the two incidents that occurred on MetroLink. On-time performance is stable or improving for all modes. Total accidents are down and maintenance data show lower mean distance between failures, but each mode is still above industry averages. Lower ridership and alternative ways to access system information continue to contribute to lower overall call volumes in Customer Service. Some discussion followed regarding ridership loss, security on the system, public safety and plans to increase ridership. 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.

8. Metro Transit/Bi-Development 2018 Projects, Initiatives, Visions

8:27 a.m. The Metro Transit/Bi-State Development 2018 Projects, Initiatives, Visions report was provided in the Committee packet. Ray Friem, Executive Director Metro Transit, provided a brief overview outlining the status of projects previously approved by the Board. Included in the presentation was Attachment A, an outline of the team members and their responsibilities; and Attachment B, that provided a unit by unit review of projects and initiatives that are scheduled for 2018 and beyond. 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.

9. Unscheduled Business

8:47 a.m. There was no unscheduled business.

10. Call of Dates for Future Committee Meetings

8:47 a.m. The Committee was advised of upcoming meetings as follows:

Audit, Finance & Administration Committee:	Thursday, May 18, 2017, 8:00 a.m.
Board Meeting:	Friday, June 23, 2017, 8:00 a.m.
Operations Committee:	Tuesday, August 25, 2017, 8:00 a.m.

11. 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, Section 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).

8:48 a.m. Pursuant to the requirements of Bi-State Development Board Policy, Chapter 10, Section 10.080(D); (1); (5); (11); and (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 Golliday. A roll call vote was taken, and the Commissioners present, Holman, Buehlhorn, Dietzel, Golliday, Zimmerman and Brown voted to approve this agenda item. **Motion passed unanimously, and the Open Session meeting was adjourned at 8:48 a.m.**