



Notice of Meeting and Agenda

**Bi-State Development
Operations Committee
Tuesday, January 16, 2018 8:00 a.m.**

**Headquarters - Board Room, 6th Floor
One Metropolitan Square, 211 N. Broadway, Suite 650
St. Louis, Missouri 63102**

This location is accessible to persons with disabilities. Individuals with disabilities needing information or communication accommodations should call Bi-State Development at (314) 982-1400, for TTY access, call Relay 711. Sign language interpreter services or other accommodations for persons with hearing or speech disabilities will be arranged if a request for such service is made at least two days in advance of the meeting. Large print material, Braille material or other formats will also be provided upon request.

Agenda	Disposition	Presentation
1. Call to Order	Approval	Chairman Buehlhorn
2. Roll Call	Quorum	S. Bryant
3. Public Comment*	Information	Chairman Buehlhorn
4. Minutes from October 17, 2017, Operations Committee	Approval	Chairman Buehlhorn
5. Adoption of a Board Policy and Leasing Standards for Airport Operations	Approval	E. Dahl
6. 1 st Quarter Operations Report and Capital Projects Update	Information	R. Friem
7. Unscheduled Business	Approval	Chairman Buehlhorn
8. Call of Dates for Future Committee Meetings	Information	S. Bryant
9. Adjournment to Executive Session:	Approval	Chairman Buehlhorn
<i>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).</i>		

***Note: Public comment may be made at the written request of a member of the public specifying the topic(s) to be addressed and provided to the Agency's information officer at least 48 hours prior to the meeting.**

Open Session Item

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**BI-STATE DEVELOPMENT
OPERATIONS COMMITTEE MEETING
OPEN SESSION MINUTES
OCTOBER 17, 2017**

Committee Members in Attendance

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

Other Commissioners in Attendance

Constance Gully (via phone)

Staff in Attendance

John Nations, President and Chief Executive Officer
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
Larry Jackson, Executive Vice President of Administration
Dianne Williams, Vice President of Communications & Marketing
Patti Beck, Director of Communications
Lisa Burke, Executive Assistant
John Langa, Vice President Economic Development
Scott Grott, General Manager MetroLink
Jonathan Frederick, Director Accounting & Budget
Charles Priscu, Director Labor Relations
Virginia Alt-Hildebrandt, Manager Administrative Services
Kathy Brittin, Director, Risk Management, Safety & Claims
Sheila Hockel, Manager Emergency Preparedness
Ted Zimmerman, Director Marketing
Jessica Mefford-Miller, Assistant Executive Director, Transit Planning & System Development
Matthew Hibbard, Social Media Communications Manager
Kerry Kinkade, Vice President, Chief Information Officer
Chris Poehler, Assistant Executive Director Engineering Systems
Elizabeth Farr, Associate Project Manager – Economic Development
Erick Dahl, Director St. Louis Downtown Airport
Jeff Braun, Director Real Estate

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 from August 15, 2017 Operations Committee

8:01 a.m. The August 15, 2017, Open Session Operations Committee Meeting minutes were provided in the Committee packet. A motion to approve the minutes was made by Commissioner Holman and seconded by Commissioner Gully. **Motion passed unanimously.**

5. Amended Agreement between St. Louis County and Bi-State Development Agency of the Missouri-Illinois Metropolitan District (METRO) d/b/a Transportation Management Association

8:01 a.m. The Amended Agreement between St. Louis County and Bi-State Development Agency of the Missouri-Illinois Metropolitan District (METRO) d/b/a Transportation Management Association was provided in the Committee packet. Ray Friem, Executive Director Metro Transit provided a brief overview. Bi-State Development Agency (BSD) successfully submitted a proposal in the fall of 1998 to the East West Gateway Coordinating Council (EWGCC) to establish a Transportation Management Association (TMA). BSD developed the TMA and necessary infrastructure to support a regional service coordination effort. The TMA began to provide accessible transportation for disabled veterans under an agreement with St. Louis County on behalf of its Department of Human Services Office of Family and Community Services Veterans Program in March 2004. This agreement has been extended each successive fiscal year through the current year with the necessary rate increases. The current agreement is for an amount not to exceed \$51,000 for the extension period from July 1, 2017 to June 30, 2018. A motion was made by Commissioner Gully and seconded by Commissioner Buehlhorn to approve this agenda item as presented in the briefing paper and forward to the Board for final approval. **Motion passed unanimously.**

6. Contract Award: Bridgestone/Firestone Fleet Tire Leasing and Wheel Refinishing

8:02 a.m. The briefing paper regarding the contract award for Bridgestone/Firestone Fleet Tire Leasing and Wheel Refinishing was provided in the Committee packet. Larry Jackson, Executive Vice President of Administration, provided a brief overview. A solicitation was released July 19, 2017, amended August 29, 2017 with responses to questions from potential bidders, and closed September 18, 2017. This agenda item is a single bid because there were three possible suppliers, Michelin, Goodyear, and Bridgestone/Firestone, but only one bid was received from Bridgestone/Firestone (**Bridgestone**). A comparison with the previous competitive bid for leasing was done and it was determined that the bid from Bridgestone was fair and reasonable. This single bid contract is for a term of five (5) years for a not to exceed amount of \$8,000,000 for Fleet Tire Leasing, Wheel Refinishing, and In House Service, to include the current fleet and allow for potential adjustments in fleet number or service. A motion was made by Commissioner

Gully and seconded by Commissioner Holman to approve this agenda item as presented in the briefing paper and forward to the Board for final approval. **Motion passed unanimously.**

7. Wayfinding and Customer Communication Design Procurement of Services

8:04 a.m. The briefing paper regarding Wayfinding and Customer Communication Design Procurement of Services was provided in the Committee packet. Ray Friem, Executive Director Metro Transit, provided a brief overview. Metro's customer facilities, bus stops, transit centers and MetroLink stations have been constructed or updated over the past twenty-five (25) years. Several new initiatives will launch soon, including implementation of the Gateway Card fare collection project; the Metro Reimagined MetroBus system redesign; and the opening of the new Boyle Street MetroLink Station. These changes and updates will require Metro to provide clear, consistent, accessible and attractive wayfinding and signage to its customers. Funding has been secured through a series of competitive grant programs totaling more than \$2.5 million for updating, wayfinding, and signage across the transit system. The design work along with the recommendations from the Wayfinding audit will result in a plan and design for updating Metro's wayfinding and customer communication that can be implemented over time within existing and potential resources. The first major effort will be to update the MetroBus system signage in Missouri and signage at select MetroLink stations. To accomplish this task, Metro intends to engage a consulting firm to assist in the performance of this assessment and contribute to the overall success of the project. Because of the time sensitive nature of this project and the desire to start the process before the February Board meeting, management is requesting Committee approval to forward this agenda item to the Board for final approval at the November 17, 2017 Board meeting. A motion was made by Commissioner Holman and seconded by Commissioner Gully to approve this agenda item as presented in the briefing paper and forward to the Board for final approval. **Motion passed unanimously.**

8. Northside-Southside Pilot Program for Transit-Oriented Development Planning Procurement of Services

8:05 a.m. The briefing paper regarding the Northside-Southside Pilot Program for Transit-Oriented Development Planning Procurement of Services was provided in the Committee packet. Ray Friem, Executive Director Metro Transit, provided a brief overview. This study will provide the region's policy makers with information necessary to evaluate the proposed Northside-Southside MetroLink Corridor as a feasible transit product with a sustainable financial model. Management is seeking Committee approval for Bi-State Development (BSD) to seek a contract with a firm to provide transit-oriented development (TOD) planning and policy recommendations to BSD and its partners, including the City of St. Louis, St. Louis Development Corporation, East-West Gateway Council of Governments, et al., for economic development and value capture strategies along and around the proposed Northside-Southside MetroLink Corridor. In order to accomplish this task, Metro intends to engage a consulting firm through a competitive procurement in an amount not to exceed \$400,000, to assist in the performance of this assessment and contribute to the overall success of the project. Because of the time sensitive nature of this project and the desire to start the process before the February Board meeting, management is requesting Committee approval to forward to the Board for final approval at the November 17, 2017 Board meeting. A motion was made by Commissioner Gully and seconded by Commissioner Holman to approve this agenda item as presented in the briefing paper and forward to the Board for final approval. **Motion passed unanimously.**

9. Metro Transit Security System Update

8:07 a.m. The Metro Transit Security System Update was an informational item only and a brief update was provided by John Nations, President and Chief Executive Officer. Mr. Nations stated

that the main security concern on everybody's mind was the unfortunate shooting of one of Metro's operators. The news media reported that there were 12 shootings in the City of St. Louis over the past weekend, and one of the victims of those shootings was a MetroBus operator. He was not in a Metro vehicle or on Metro property at the time of this shooting. He was standing on a city street next to his vehicle when he was shot. Mr. Nations added that he was pleased to report that the operator is home and recovering from his injuries. It was a very dangerous weekend in the City of St. Louis but the Agency continues to work with the jurisdictions regarding security issues. Ray Friem, Executive Director Metro Transit, stated that because of some of the efforts of the Agency's Public Safety Department that the perpetrator has been taken into custody by the St. Louis City Police. The operator is recovering, and the Agency is doing everything it can to make sure he is comfortable and well taken care of going forward to get him back to work and part of the team. Commissioner Holman expressed her concerns for the operator and her gratitude to the Agency in the assistance being provided to the operator to help in his recovery. This agenda item was informational and no further action was required.

10. Unscheduled Business

8:10 a.m. There was no unscheduled business.

11. Call of Dates for Future Committee Meetings

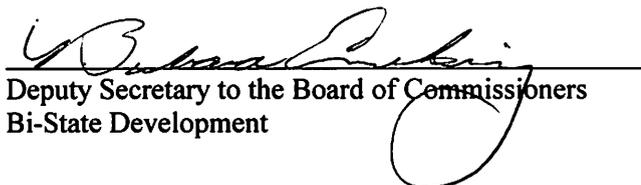
8:10 a.m. The Committee was advised of upcoming meetings as follows:

Audit, Finance & Administration Committee: Friday, October 20, 2017, 8:00 a.m.

Board Meeting: Friday, November 17, 2017, 8:00 a.m.

12. 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).

8:10 a.m. Pursuant to the requirements of Bi-State Development Board Policy, Chapter 10, Section 10.080(D); (1); (2); (5); (8); (11); and (16), 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 Gully. A roll call vote was taken, and the Commissioners present, Holman, Buehlhorn, and Gully voted to approve this agenda item. **Motion passed unanimously, and the Open Session meeting was adjourned at 8:10 a.m.**


Deputy Secretary to the Board of Commissioners
Bi-State Development

Open Session Item

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**Bi-State Development
Operations Committee
Open Session Agenda Item
January 16, 2018**

From: Erick Dahl, St. Louis Downtown Airport Director
Subject: Adoption of a Board Policy and Leasing Standards for Airport Operations
Disposition: Approval
Presentation: Erick Dahl, St. Louis Downtown Airport Director

Objective:

To recommend for Board approval a Board Policy and Leasing Standards to provide for the operations of St. Louis Downtown Airport (**Airport**).

Previous Board Actions:

None

Board Policy:

Section 40.040 of the current Collected Board Policies, Real Property Leasing, addresses leasing and disposition of Agency real property.

Funding Source:

No Agency funds are required.

Background:

No Agency policy exists for the operation of the Airport. Policies do exist for the approval of leases, licenses and disposition of Agency real property located at the Airport. The proposed new policy will provide guidance for Airport Operations, Airport Leasing Standards, and Regulation of Conduct at the Airport.

Unique policy considerations involved in the leasing of real property at the Airport are not reflected in the current Board Policy Section 40.040 – Real Property Leasing. Further, the current policy does not address that the Agency has taken advantage of a unique infrastructure program sanctioned by the Federal Aviation Administration (**FAA**) of the U.S. Department of Transportation for the development of aeronautical activities at the Airport.

Analysis:

Airport Rates, Fees and Charges

The proposed new policy provides, in accordance with Federal Aviation Administration policies, that the operations of the Airport be as self-sufficient as possible and that the rates, fees and charges be set to accomplish this goal to the extent feasible.

The proposed new policy is generally modelled upon Chapter 90 Transit Operations and provides that the Board of Commissioners shall consider rates, fees, and charges, the attraction of new activities, the retention of existing activities, the Airport's financial goals, the regional environmental, economic, development, energy, conservation, and planning goals, and not have a disparate impact on racial and ethnic minorities, and shall not in any manner intentionally discriminate against any particular group of persons.

The proposed new policy provides that the Board of Commissioners shall annually establish and revise the rates, fees and charges for activities at the Airport.

Airport Leasing Standards

In addition to compliance with federal, state, and local law, the lease of Airport real property must satisfy the requirements of Airport Compliance Manual, Order 5190.6B (effective date September 30, 2009) (**Manual**), and Chapter 12, Review of Aeronautical Lease Agreements (**Guidance**), issued by the FAA.

The proposed new policy provides that the Board of Commissioners shall establish and revise Leasing Standards for the Airport. The proposed Leasing Standards for consideration by the Board of Commissioners has been prepared by the Airport Director and reflects long-standing Agency practices and requirements.

Airport Infrastructure Lease

For property located at the Airport, the Agency may engage in a unique lease arrangement where it provides unimproved or improved property for development and requires lessees to invest in construction of the necessary improvements, including hangars, business facilities, pavements, utilities and other infrastructure (**Infrastructure Lease**). Agency staff believes it prudent to establish a policy governing the conditions for entering into an Infrastructure Lease and therefore has provided minimum requirements in the proposed Leasing Standards.

Pursuant to an Infrastructure Lease, the Agency leases property upon which the lessee constructs at its expense the needed infrastructure for a term which permits amortization of the expense of the infrastructure and a fair and reasonable rate of return. The Agency vests ownership of the improvements under the lease over the lease term and the Agency becomes the owner of any improvements at the end of the lease term. Near the end of the lease term, the lessee constructed facilities and improvements are appraised (land value is not included in the appraisal as the land value is determined by the Agency's established Airport land rental rate). The Agency pays for the cost of two appraisals, one appraiser selected by the Agency and one chosen by the lessee. If the appraised values are similar, the new annual fair market value facility/improvement rent is determined as a percentage of the average appraised value. In the event the two appraised values vary significantly, the fair market value may be determined by an additional review appraiser or through an amount negotiated with the lessee. At the conclusion of the lease term, once the fair market value is established, the lessee has the option of continuing to occupy the facilities at the new fair market value rental rate plus the established land rental rate.

Operations Committee
Open Session
Adoption of a Board Policy and
Leasing Standards for Airport Operations
January 16, 2018
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If the lessee provides additional infrastructure (above the original investment in improvements) the Agency vests ownership of the improvements in the lessee and extends the date on which title to the improvements reverts to the Agency. In the past the Agency has also granted vesting period extensions to lessees for investments that add to the value of the respective leasehold improvements or in return for other capital improvements for the Airport (e.g., an expansion or renovation of a lessee facility or construction of infrastructure on Airport property such as additional roadways, parking lots or taxi lanes).

Policy considerations arising from FAA requirements and state law with respect to public funds applicable to an Infrastructure Lease are not present in other Agency real property leases.

FAA Policy. The FAA has issued the Manual and the Guidance to provide instructions for developing and leasing airport property.

FAA policies provide that the lease must be long enough for the lessee to be able to amortize the investment the lessee makes in improvements and secure a fair and reasonable rate of return, but not so long as to unnecessarily restrict the options available to the Agency to develop and improve the airport in the future.

State Law. In addition to FAA guidance, attention must be paid to state law requirements regarding the use of public funds. Specifically, the Illinois Constitution requires that public funds be used for a public purpose and any private benefit be only incidental. The funds used for the infrastructure development come originally from the lessees. At the end of the respective lease term and amortization of the respective development costs by the lessee, title reverts to the Agency under the terms of the lease. At that point, the infrastructure becomes public property and any extension of the lease or the vesting term must satisfy state law requirements.

The improvements have been constructed for a public purpose. The Airport Rules and Regulations and the Leasing Standards for the Airport require that the lessee operate the premises for the use and benefit of the public, furnish services on a fair, equal, and non-discriminatory basis to all users, and charge fair, reasonable, and non-discriminatory prices for each sale or service. While a lessee may benefit incidentally from the improvements that it constructs on Agency property in that it is not required to pay to occupy the improvements until it has recovered the value of the improvements, the construction of the improvements serves the public interest in providing improvements on Agency property that would not otherwise be constructed. The Agency is indirectly paying a lessee to construct the improvements in that it is not charging the lessee any rent for the improvements until the lessee has amortized its cost and secured a fair and reasonable rate of return. The Infrastructure Lease, as an incentive to the construction of such improvements, complies with the Illinois Constitution because it serves the public interest by improving the Agency's property and attracts aviation commerce to the region. Moreover, to the extent that private funds are used to construct the infrastructure on land leased from the Agency, during the cost amortization period the Agency is not granting public funds for a private use.

Regulation of Conduct at the Airport

The proposed new policy is generally modelled upon Chapter 90 Transit Operations, and provides that the conduct of persons at the Airport shall be regulated to ensure the safety of persons and the protection of Agency property.

The proposed policy also provides that in accordance with long-standing Agency practice, the Airport Director is authorized to establish, revise and enforce rules and regulations for the use and operation of the Airport and perform an annual inspection of buildings and structures located at the Airport.

Action Requested:

It is recommended that the Operations Committee approve and refer to the Board of Commissioners for approval 1) the Proposed Chapter 130 Airport Operations of the Collected Policies of the Agency and 2) the Proposed Leasing Standards for Operation of the St. Louis Downtown Airport.

In addition it is recommended that the Chairman of the Board of Commissioners designate that the proposed revision to Board Policies- Chapter 130 Airport Operations, **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 February 23, 2018.

Attachments:

1. Proposed Chapter 130 of the Collected Policies of the Agency regarding operations at the Airport.
2. Proposed Leasing Standards for Operation of the St. Louis Downtown Airport.

Open Session Item 5
Attachment 1

COLLECTED BOARD POLICIES
OF THE
BI-STATE DEVELOPMENT AGENCY
OF THE
MISSOURI-ILLINOIS METROPOLITAN DISTRICT

Chapter 130. Airport Operations

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Section 130.010 General

In 1965 the Agency purchased the Parks Metropolitan Airport creating the St. Louis Downtown Airport (the "Airport"). Since 1965 the Airport has expanded with new runways capable of landing larger aircraft, new hangars capable of storing some of the largest aircraft in operation, and become one of the busiest airports not just in the St. Louis Metropolitan Region but in the state of Illinois.

Today over 3,500 jobs are created by the Airport either directly at the Airport or indirectly in the region with a total impact of over \$5.5 million in the local economy without local taxpayer support. The Airport is one of the primary economic engines in Southwest Illinois and strives to continue to generate more business, more economic opportunities, and be the benchmark for successful airports in the nation.

Section 130.020 Definitions

1. "Agency" means the Bi-State Development Agency, an interstate compact agency created by the States of Missouri and Illinois and approved by the United States Congress.
2. "Airport" means the area described on Appendix A of the St. Louis Downtown Airport, Airport Layout Plan.

3. "Airport Director" means the employee of the Agency responsible for general supervision of the operation and development of the Airport.
4. "Airport Utility Easement" means a public utility easement for the provision of gas and electric service at the Airport.
5. "Consideration" means payment of money, or provision of goods or services of value.
6. "Consumer Price Index" means the Consumer Price Index of All Urban Consumers for all US cities on average for all items not seasonally adjusted with a base between 1982-1984 ("CPI"). May be recognized as series ID CUUR0000SA0.
7. "Easement" means a non-possessory interest right in real property.
8. "FAA" means Federal Aviation Administration.
9. "Hangar" means any structure built primarily to accommodate the in-door storage of aircraft.
10. "Infrastructure Lease" means a lease in which the Agency provides unimproved or improved Real Property for investment in the construction of hangars, business facilities, utilities, or other structures.
11. "Lease" means an agreement granting or receiving an exclusive right of possession of real or personal property for a certain limited period of time in exchange for consideration.
12. "Leasehold" means the holding of property under lease.
13. "Leasehold Improvements" means capital improvements to property under lease.
14. "License" means a privilege to use real or personal property by license or other similar agreement.
15. "Master Development Lease" means a controlling lease in which the Agency provides unimproved or improved real property under which the Lessee sub-leases the Leasehold, or a portion of the Leasehold, for a period not to exceed the existing term.
16. "Person" means an individual, a partnership, a corporation, an association, an unincorporated organization, or a government or political subdivision thereof.
17. "Personal Property" means property except land, buildings and structures.
18. "Real Property" means land, buildings and structures.

19. “Portable Hangar” means a Hangar for aircraft storage and maintenance that is not affixed to land and is personal property.
20. “Portable Hangar Agreement” means an agreement for rental of a Portable Hangar space at the Airport.
21. “Reversion” means the process by which title to private Leasehold Improvements are transferred from the private party to the Agency.
22. “Reversion Date” means the date when reversion takes place.
23. “Sponsor” means the person or entity recognized by the FAA that owns the airport. In the case of the Airport, the Agency is the Sponsor.
24. “T-Hangar” means a Hangar in a shape which resembles the letter "T".
25. “T-Hangar Agreement” means an agreement for rental of a T-Hangar space at the Airport.
26. “Tie-Down” means a dedicated space for an aircraft to park out-side on an apron/ramp.
27. “Tie-down Agreement” means an agreement for rental of an aircraft Tie-Down space at the Airport.
28. “Vesting” means the process by which title to private capital improvements is held by the private party which constructed or improved the capital improvements.

Section 130.030 Airport Rates, Fees and Charges

A. Policy. It is the policy of the Agency, as Sponsor of the Airport, that the operations of the Airport be as self-sufficient as possible and that the rates, fees and charges be set to accomplish this goal to the extent feasible. In evaluating the rates, fees and charges, the Board shall consider the impact upon the attraction of new activities, the retention of existing activities, and the Airport’s financial goals. The Board shall consider the impact of proposed changes on the regional environmental, economic, development, energy, conservation, and planning goals. The structure of the rates, fees and charges shall not have a disparate impact on racial and ethnic minorities, and shall not in any manner intentionally discriminate against any particular group of persons. The rates, fees and charges shall meet all applicable regulatory and legal requirements.

B. Authorization. The Board of Commissioners shall annually establish and revise rates, fees and charges for operations and activities at the Airport.

Section 130.040 Airport Leasing Standards

- A. Policy. The Agency shall ensure that the proposed lease of Airport real property satisfies the requirements of the Airport Compliance Manual, Order 5190.6B (effective date September 30, 2009), and Chapter 12, Review of Aeronautical Lease Agreements, issued by the Federal Aviation Administration (“FAA”); federal, state and local law; and Agency policies and regulations.
- B. The Board of Commissioners shall establish and revise Leasing Standards for the Airport.

Section 130.050 Airport Real Property Leasing

A. Policy.

1. Rate of Return. The Agency shall obtain a fair market rate of return on any Agency-owned Real Property that is subject to an Airport Lease, and shall negotiate terms and conditions that will continue to sustain a fair rate of return by means of rent review, Consumer Price Index adjustments, appraisals, or the application of percentage rents to grow income. The rate of return shall be based upon the highest rate commensurate with the designated public use. Rental rates shall be established based upon a current appraisal, comparative studies, or past rents received.

2. Selection of Lessee. Lease proposals shall be evaluated in terms of the Leasing Standards approved by the Board of Commissioners, the consideration offered in the form of rent, or in the form of value provided through goods or services; Lessee’s financial capability; Lessee’s expertise regarding the development and operation of the proposed Leasehold; the nature of the proposed development; and any special public benefits to be derived. Under no circumstances shall a Lessee’s proposed Leasehold involve the conduct of activities or operations adverse to the interests or operation of the Airport or the Agency.

3. Infrastructure Lease. An Infrastructure Lease, including a Master Development Lease, must satisfy the following conditions:

- (a) an obligation of the Lessee to construct or improve at its own expense Leasehold Improvements which are specifically described;
- (b) an agreement that title to the Leasehold Improvements would vest in the Lessee for the term of the Lease which would not exceed the period required to amortize the investment of the Lessee in the Leasehold Improvements and secure a fair and reasonable rate of return;
- (c) an obligation of Lessee to secure prior written consent of the Agency before undertaking any Leasehold Improvements, including alterations, additions, and improvements to any structure or the Leasehold;

(d) an agreement that at the end of the term of the Lease, title to any such Leasehold Improvement shall revert to the Agency;

(e) an obligation of the Lessee to operate the Leasehold for the use and benefit of the public;

(f) an agreement that any such Leasehold Improvement will be used only for aeronautical activities as defined by the FAA;

(g) a requirement for two independent appraisals of the Leasehold Improvement near the end of the Lease term for determination of a fair market value rental for any extension of the Lease term; and

(h) an option of the Lessee to (a) extend the Lease term upon the payment of a newly determined land and improvements rent or (b) an extension of the date upon which title reverts to the Agency in consideration of additional Leasehold Improvements at the expense of the Lessee.

B. Authorization.

1. The Board of Commissioners shall approve (a) the grant or extension of Infrastructure Leases; and (b) the grant or extension of Leases in which (i) the Agency is the lessor or landlord and the consideration for the Lease is estimated to exceed \$250,000 in any year during the term of the Lease; or (ii) the Agency is the lessee or tenant and the consideration for the Lease is estimated to exceed \$250,000 in any year during the term of the lease.

2. The President & CEO is authorized to approve Leases in which (a) the Agency is the lessor or landlord and the consideration for the Lease is estimated to be up to \$250,000 in any year during the term of the lease; or (b) the Agency is the lessee or tenant and the consideration for the lease is estimated to be up to \$250,000 in any year during the term of the lease.

3. The Vice President of Economic Development is authorized to approve the grant or extension of Leases in which (a) the Agency is the lessor or landlord and the consideration for the lease is estimated to be a maximum of \$100,000 or less in any year during the term of the Lease; or (b) the Agency is the lessee or tenant and the consideration for the lease is estimated to be a maximum of \$100,000 or less in any year during the term of the lease.

4. (a) The Board of Commissioners shall approve all Airport Utility Easements and Airport Temporary Construction Easements and any Airport Easement or License where the consideration for such Easement or License is estimated to exceed \$250,000.

- (b) The President & CEO is authorized to approve all Airport Utility Easements and Airport Temporary Construction Easements and any Airport Easement or a License where the consideration for such easement or license is estimated at up to \$250,000.
- (c) The Vice President of Economic Development is authorized to approve all Airport Utility Easements and Airport Temporary Construction Easements and any Airport Easement or a License where the consideration for such easement or license is estimated to be \$100,000 or less.

5. The Airport Director is authorized to approve all T-Hangar and Tie Down Agreements.

Section 130.060 Regulation of Conduct at the Airport

A. Policy. It is the policy of the Board of Commissioners that consistent with federal, state and local law, the conduct of persons at the Airport shall be regulated to ensure the safety of persons and the protection of Agency property. Consistent with the laws of the State of Illinois, the Agency may employ security personnel to enforce state laws, local ordinances, and Agency regulations pertaining to the regulation of conduct upon the Airport.

B. Adoption of Rules and Regulations. The Airport Director is authorized to establish, revise and enforce rules and regulations for the use and operation of the Airport with the approval of the President and CEO.

C. Annual Inspection. The Airport Director, or his or her designee, shall make an annual inspection of all Leasehold Improvements, including hangars, buildings and structures and submit a report to the President and CEO.

Adopted by the Board of Commissioners
_____, 2018

***THE BI-STATE DEVELOPMENT AGENCY OF THE
MISSOURI-ILLINOIS METROPOLITAN DISTRICT***

LEASING STANDARDS FOR ST. LOUIS DOWNTOWN AIRPORT

1. All leases will contain the following clauses:
 - a. Lessee agrees to operate the premises leased for the use and benefit of the public.
 - (i) To furnish good, prompt and efficient services adequate to meet all the demands for its service at the Airport.
 - (ii) To furnish said service on a fair, equal and non-discriminatory basis to all users thereof.
 - (iii) To charge fair, reasonable, and non-discriminatory prices for each unit of sale or service, provided that the Lessee may be allowed to make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
 - (iv) The Lessee, his or her agents, and employees will not discriminate against any person or class of persons by reason of race, color, creed or national origin in providing any services or in the use of any of its facilities provided for the public, in any manner prohibited by Part 21 of the Regulations of the Office of the Secretary of Transportation which implements Title VI of the Civil Rights Act of 1964. The Lessee further agrees to comply with such enforcement procedures as the United States might demand that the Lessor take in order to comply with the Sponsor's Grant Assurances.
 - (v) It is clearly understood by the Lessee that no right or privilege has been granted which would operate to prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own aircraft with its own regular employees (including, but not limited to, maintenance, repair, and fueling) that it may choose to perform.
 - (vi) The Lessee, his agents and employees will not conduct operations or activities adverse to the interests or operation of the Airport or the Agency.
 - (vii) It is to be specifically understood and agreed that nothing herein contained shall be construed as granting or authorizing the granting of an exclusive right within the meaning of Title 49 USC Subtitle VII, as amended.
 - (viii) Lessor reserves the right to further develop or improve the landing area and all other publicly owned properties and facilities of the Airport as it sees fit, regardless of the desires or views of the Lessee, and without interference or hindrance.

(ix) Lessor reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.

(x) During the time of war or national emergency Lessor shall have the right to lease the landing area or any part thereof to the United States Government for military, naval, or disaster use and, if such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease to the Government, shall be suspended.

(xi) Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on or adjacent to the Airport which, in the opinion of the Lessor, would limit the usefulness of the Airport or constitute a hazard to aircraft or Airport operations.

(xii) Any executed lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport.

2. All Lessees shall furnish satisfactory evidence of insurance coverage and conditions using the Airport provided "*Insurance Requirements Form*".

Adopted by the Board of Commissioners
_____, 2018

Open Session Item

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**METRO Transit Operations
FY2018 1st Quarter Summary
Report to the President /CEO and Board of Commissioners**

Financials

	FY2018	FY2018	FY2017	FY2017	FY2017	Diff FY2018
YTD	Actual	Budgeted	Variance	%	Actual	vs. FY2017
Revenue	\$13,686,252	\$14,778,675	\$(1,092,423)	-7.4%	\$13,922,089	\$(235,837)
Expenses	\$57,625,618	\$63,800,501	\$(6,174,883)	-9.68%	\$51,932,501	\$5,693,117

Expenses for Transit Operations Department continue to spend below budget, with year-to-date expenses below budget by over 9%. Fuel, parts, and completion of grant-funded maintenance projects are the major cost drivers for FY2018 over FY2017. Metro budgeted an additional \$20M for security projects in FY2018 which have not yet been funded by the regional partners. We can expect these trends to continue throughout the fiscal year. System revenues are lagging budget by over 7%. Passenger revenues are behind the FY2017 performance by 1.7%, despite system ridership being off by 7.8% for the first quarter.

Ridership Comparison

Special event ridership was extremely disappointing, especially Fair St. Louis, which had been a major ridership event when the venue was at the Jefferson National Expansion Memorial grounds. Since

Mode	FY2018	FY2017	+/- Previous Year	YTD FY2018	YTD FY2017	+/- Previous Year
Rail	3,706,700	4,099,200	-9.6%	3,706,700	4,099,200	-9.6%
Bus	6,234,400	6,696,900	-6.9%	6,234,400	6,696,900	-6.9%
Van	139,101	139,404	-0.3%	139,101	139,500	-0.3%
System	10,080,200	10,935,600	-7.8%	10,080,200	10,935,600	-7.8%

most of the crowds attending this and other special events are single ticket riders, revenue loss due to lower ridership for this event is more impactful than for other riders who are more likely to take advantage of lower cost passes to access the system. MetroLink led ridership loss, down just short of 10% for the quarter, and again, special event ridership is part of that as well as security issues and associated media coverage in the fourth quarter of FY2016. MetroBus was also down by 6.9%, and Call-A-Ride was down 0.3%, most of which was due to lower rates of contracted trips.

YTD Service Profiles and System Efficiencies

	FY2018 YTD Revenue Miles	FY2017 YTD Revenue Miles	+/- Previous Period	FY2018 YTD Revenue Hours	FY2017 YTD Revenue Hours	+/- Previous Period
Rail	785,913	778,004	1.0%	33,459	33,160	0.9%
Bus	4,699,967	4,709,831	-0.2%	356,825	358,590	-0.5%
Van	1,325,313	1,348,707	-1.7%	73,266	76,182	-3.8%
	FY2018 Pass/ Rev. Mile	FY2017 Pass/ Rev. Mile	+/- Previous Period	FY2018 Pass / Rev. Hour	FY2017 Pass / Rev. Hour	+/- Previous Period
Rail	4.72	5.27	-10.49%	110.78	123.62	-10.38%
Bus	1.33	1.42	-6.71%	17.47	18.68	-6.45%
Van	0.1050	0.1034	1.47%	1.90	1.83	3.68%

The service plan is largely unchanged from FY2017. Some impacts on MetroBus have occurred as the result of the re-opening of the expanded Civic Center Transit Center during the first quarter of the fiscal year. Since Call-A-Ride has the ability to adjust daily service levels to match demand, small improvements in efficiencies were recorded during the first quarter.

Security Activity

Category	FY2018	FY2017	% Change
Dispatch Calls	11,255	13,360	-18%
Security Complaints	222	176	26%
Security Commendations	15	8	87%
Public Safety Log Entries	1,849	N/A	N/A

There have been significant changes to the Security system in fiscal year 2018. For the quarterly report we are bringing forward the key statistics being tracked in this important area. It is important to note that Metro cannot compile a comprehensive report about the

entire Security effort as separate records are maintained by Police partners reflecting their own efforts.

YTD Service Quality Indicators

	FY2018 On Time Performance	FY2017 On Time Performance	+/- Previous Period	FY 2018 Complaints/ 100,000 Boardings	FY 2017 Complaints/ 100,000 Boardings	+/- Previous Period
Rail	98.18%	97.20%	1.01%	1.19	1.83	-35.00%
Bus	91.9%	91.1%	.88%	9.08	9.70	-6.34%
Van	90.80%	94.80%	-4.22%	46.01	30.85	49.16%
	FY2018 Total Accidents	FY2017 Total Accidents	+/- Previous Period	FY2018 Incidents	FY2017 Incidents	+/- Previous Period
Rail	1	4	-75%	4	11	-63.64%
	FY2018 Preventable Accidents	FY2017 Preventable Accidents	+/- Previous Period	FY2017 Total Accidents	FY2016 Total Accidents	+/- Previous Period
Bus	45	67	-33%	124	131	-5%
Van	12	12	0%	28	29	-3%
	FY2018 Service Delays – Equipment	FY2017 Service Delays – Equipment	+/- Previous Period	FY2018 MDBF	FY2017 MDBF	+/- Previous Period
Rail	52	68	-23.53%	30,756	22,834	34.8%
Bus	221	265	-16.60%	28,435	21,093	34.7%
Van	148	159	-6.92%	34,810	40,877	-14.8%

System Performance Measures continue to meet the very high goals set for them. The first quarter saw successful OTP performance for fixed route service, while Call-A-Ride had issues due to manpower shortages. This was reflected in customer complaint performance for all three modes, with the fixed route service complaints lower, while Call-A-Ride saw a substantial increase. The system continues to enjoy low accident rates with total accidents lower across all modes in the first quarter. Vehicle maintenance also turned

in a stellar quarter with the number of service delays for revenue vehicles decreased in all modes, and the mean distance between failure rates correspondingly improved. MetroBus in particular is at near record levels of accomplishment in both of these measures.

YTD Customer Service Call Center Statistics

Information call volume continued to decline in the first quarter of FY2017 in spite of the extended hours implemented in the call center in August 2017. Calls regarding service issues did increase in the first quarter perhaps as a result of the re-opening of the Civic Center Transit Center on August 14, 2017. Performance, expressed as the percentage of incoming calls answered, remains well above the 90% threshold.

	FY2018	FY2017	+/-
Information Calls	96,903	125,880	-23.02%
% Information Calls Answered	94.71%	91.60%	3.39%
Service Calls	9,878	5,940	66.30%
Service Calls Answered	97.33%	97.17%	0.16%

Measures at a Glance

Maintenance of Way compiles statistics regarding the downtime for MetroLink system components. We tracked 1893 total minutes of train delays due to system components for the quarter. Also included are escalator and elevator statistics.

MOW System Reliability

Period	# Delays	Delay Time (Min)	Operating Time (Min)	FY18 Reliability	FY18 Goal	FY17 Reliability
1st Qtr	21	1893	118680	98.4%	96.0%	99.0%

Elevator\Escalator Availability

Period FY18	Elevators (19)			Escalator (8)			Combined		
	Down Time (hours)	Operating Time (hours)	Availability	Down Time (hours)	Operating Time (hours)	Availability	FY18 Combined Availability	FY18 Goal	FY17 Combined Availability
1st Qtr	273:49	37582:00	99.27%	1679:52	15824:00	89.38%	94.33%	97.00%	97.81%

Security Complaint Details – Security Complaints by type for FY2018 First Quarter

	FY18	ALL Complaints			Valid Complaints		
		July	August	Sept.	July	Aug.	Sept.
SE01	Criminal activity	1	2	0	1	2	0
SE02	Requested surveillance/investigation	0	1	1	0	1	1
SE03	Fare Inspector/Guard rude	1	5	2	1	4	2
SE04	Fare Inspector/Bad ticket	1	1	1	0	1	1
SE05	Other Security issues	2	2	4	2	2	4
SE06	Parking lot issues	0	0	0	0	0	0
SE07	PAT Assistance	3	2	1	3	2	1
SE08	Panhandlers	1	1	0	1	1	0
SE09	Passenger intimidation/harassment	3	7	1	2	5	1
SE10	Guard did nothing	9	2	21	8	2	21
SE11	Inadequate security	16	15	21	16	13	20
SE12	Guard racial discrimination	0	1	1	0	1	0
SE14	Guard unprofessional	7	11	6	5	8	6
SE15	Drug activity	2	2	2	2	1	2
SE16	Felt Unsafe	13	3	6	13	3	6
SE17	Theft/Robbery	0	0	3	0	0	3
SE18	Passenger Behavior	8	7	5	8	7	5
SE19	Gambling	2	0	1	2	0	1
PB01	Loud music	0	0	0	0	0	0
PB02	Smoking/Eating/drinking/litter	2	1	17	2	1	17
PB03	Other Passenger Behavior issue	7	0	4	7	0	4
TOTALS		78	63	97	73	54	95

Key Capital Project Status

Construction / Acquisition / Rehabilitation Projects						
Project	Action	Total Units	Completed Units	% Complete	Estimated Completion	CODE
Downtown Transfer Center	Construction Activity	1	1	100.00%	Jul-2017	
Boyle Ave. MetroLink Station	Design Activities	1	1	100.00%	May-2017	
Boyle Ave. MetroLink Station	Construction Procurement	1	1	100.00%	Aug-2017	
Boyle Ave. MetroLink Station	Construction Activity	1	0	0.00%	May-18	
Radio System Deployment and Site Development	New Design Calls For 19 Above Ground, 6 Below Ground and 1 in building Transmitter sites	26	24	92.31%	Oct-18	
Capital Commercial Leases. Will require site development and deployment	Negotiate	10	10	100.00%	2015	
New Construction	Construct	2	1	50.00%	2018	
New In Building Construction	Install in existing building (Owned)	1		0.00%	2017	
Owned. Will require site development and deployment	Existing (Owned)	2	2	100.00%	2015	
Owned. Will require site development and deployment	Existing (Owned)	6	6	100.00%	2015	
Capital Lease and agreements. Will require site development and deployment	Intergovernmental Agreement	5	5	100.00%	2015	
Smart Card	Hardware	592	589	99.16%	Aug-17	SCHEDULE
Software	Rail Sys Testing			95.00%	Sep-17	SCHEDULE
Software	Bus Sys Testing			99.00%	Aug-17	SCHEDULE
Software	Third Party Interfaces			100.00%	COMPLETED	SCHEDULE
Procedures / Personnel / Equipment	Security / Enforcement			100.00%	COMPLETED	SCHEDULE
Vehicle Acquisition						
New Bus Rolling Stock (ILL)	Procure 40' Buses	4	0	0.00%	Jan-2018	
New Bus Rolling Stock (MO)	Procure 40' Buses	24	0	0.00%	Mar-2018	
Van Rolling Stock	Procure CAR Vans	17	0	0.00%	Prod on Hold. Looking for a new lighter duty vehicle	
New Grant Non Revenue Vehicles	Procure / Lease	30	24	80.00%	Dec-2017	
MetroLink Capital Maintenance						
Elevator Rehabilitation	Construction	6	0	8.00%	Aug-2018	
Modernize Business Management Tools						
Phase 2 and 3 Software Upgrades to AVL / Trapeze software suites authorized by Board of Commissioners	Public Safety Projects	Genetec Camera Upgrade Phase 1			4/30/2018	SCHEDULE
	Operations Management Projects	Dispatch/PSD/Cust. Service			10/30/2018	SCHEDULE
	Operation Business Intelligence	Transit Business Suite / Dashboard			In process - Customer Service data up by Dec/2017	SCHEDULE
MOW Work Integrated Plan	Asst Mgmt Plan Capital Planning Software Tool				Awarded Board Meeting 11/18/2016	
Service Design Review	Comprehensive Operational Analysis	1	0	40.00%	5/31/2018	Anticipated completion June 2018
Color Code KEY		No issues	Regulatory/ Economic	Technical issues	Behind schedule/overbudget	
1/16/18 - 1st Qtr 2018 LAB						