

**BI-STATE DEVELOPMENT  
BOARD OF COMMISSIONERS  
SPECIAL MEETING  
OPEN SESSION MINUTES  
August 20, 2019 11:41 a.m.**

**Board Members in Attendance**

Michael S. Buehlhorn, Chair  
Vernal Brown, Secretary  
Irma Golliday (via phone)  
Derrick Cox  
Rose Windmiller  
Constance Gully  
Herbert Simmons  
Fred Pestello

Aliah Holman, Vice Chair – Absent  
Justin Zimmerman, Treasurer – Absent

**Staff in Attendance**

Taulby Roach, President and Chief Executive Officer  
Barbara Enneking, General Counsel and Deputy Secretary  
Myra Bennett, Manager of Board Administration  
Brenda Krieger, Executive Assistant  
Mary Lamie, Executive Vice President – Multi Modal Enterprises  
Erick Dahl, St. Louis Downtown Airport Director  
Mark Vago, Senior Vice President and Chief Financial Officer  
Tammy Fulbright, Senior Director, Financial Planning & Treasury  
Jim Cali, Chief Audit Executive  
Karl Tyminski, Senior Internal Auditor/PT  
Jessica Mefford-Miller, Executive Director Metro Transit  
Larry Jackson, Executive Vice President Administration  
Charles Stewart, Executive Vice President Organizational Effectiveness  
Ted Zimmerman, Vice President, Marketing and Communication  
Patti Beck, Director Communications

**Also in Attendance**

Jeff White, Managing Member, Columbia Capital Management, LLC  
Jason Terry, Gilmore & Bell

1. **Open Session Call to Order**

**11:41 a.m.** Chairman Buehlhorn called the Special Meeting of the Board of Commissioners to order at 11:41 a.m.

2. **Roll Call**

**11:41 a.m.** Roll call was taken, as noted above.

3. **Interagency Agreement between the Village of Sauget, Illinois and Bi-State Development, on behalf of the St. Louis Downtown Airport (Resolution #985)**

**11:42 a.m.** A briefing paper, attachments, and resolution were provided in the Board packet, regarding a request to execute an Intergovernmental Agreement between the Village of Sauget and Bi-State Development, on behalf of the St. Louis Downtown Airport regarding the local match for the Curtis Steinberg Drive and Sauget Business Boulevard Intersection Improvement Project, in an amount not to exceed \$125,000.

Mary Lamie, Executive Vice President – Multi Modal Enterprises, gave an overview of this issue, noting that improvements to the intersection at Curtis Steinburg Drive and Sauget Business Boulevard have long been sought by the Airport for the benefit of Airport users and others in the local area. Although originally expected to cost no more than \$565,000, the current estimate of the Project is \$650,000. As the Federal / State share of the Project is capped at \$452,020, the increase in the Project cost must necessarily come from the local match funded by the Village of Sauget and the St. Louis Downtown Airport. Due to the delays, scope changes, and inflation since 2009, when the Project was first approved, the Airport's approximate local share has increased from \$100,000 to \$125,000, and staff is seeking Board approval.

A motion to approve this agenda item, as presented, was made by Commissioner Cox and seconded by Commissioner Windmiller. **Motion passed unanimously.**

4. **Potential Refunding of Series 2009 and Series 2013A Bonds (Resolution #986)**

**11:42 a.m.** A briefing paper, resolution, and attachments were provided in the Board packet, regarding a request to approve permission for BSD to proceed with a refunding of the Refunding Targets, in order to realize economic savings and to use a portion of those savings to fund a capital projects account for the purpose of security improvements, the releases from which would require approval by the County.

Mark Vago, Senior Vice President and Chief Financial Officer, gave a brief overview of this item, noting that staff is requesting that the Board approve the refunding of all of Bi State Development's ("BSD") outstanding Series 2009 Bonds, BSD's Series 2013A Bonds maturing in 2019, 2028, 2046 and 2048 and interest due on the Series 2013A Bonds on October 1, 2019 (collectively, the "Refunding Targets"), in order to lower BSD's borrowing costs and to fund a capital projects account to be used for security improvements. He noted that, as of July 3, 2019, all of the Refunding Targets became currently callable. Current markets present BSD with the

ability to replace \$196.8 million of bonds carrying interest rates of 4.5% to 5.0% with bonds having an effective cost of funds of approximately 3.0%.

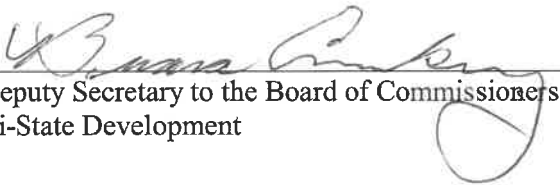
It was noted that this transaction seeks to replace higher cost debt (4.5%-5.0%) with lower cost debt (3.0%). BSD's annual debt service payments will be less after the refinancing. The amount of savings in each year varies depending upon the amount of debt service due on the existing bonds. Although the amount of savings differs each year, the average across all years through the end of the financing (10/1/2048) is expected to be about \$2.3 million annually (Note: These are *nominal* or *future value* or *budgetary basis* savings). When discounted to 2019 dollars, this produces a net present value benefit of approximately \$45 million. The term of the existing bonds will not be extended by the refinancing.

A motion to approve this agenda item, as presented, was made by Commissioner Gully and seconded by Commissioner Cox. **Motion passed unanimously.**

**5. Adjournment**

**11:43 a.m.** Chair Buehlhorn asked for a motion to adjourn the meeting. A motion to adjourn was made by Commissioner Cox and seconded by Commissioner Brown.

**Motion passed unanimously, and the Special Meeting was adjourned at approximately 11:43 a.m.**

  
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Deputy Secretary to the Board of Commissioners  
Bi-State Development