

**BI-STATE DEVELOPMENT
BOARD OF COMMISSIONERS MEETING
OPEN SESSION MINUTES**

(Revised per amendment at February 21, 2020 Board Commissioners Meeting)

December 10, 2019

12:00 noon

Board Members in Attendance

Missouri

Aliah Holman, Vice Chair – entered meeting at 12:01 p.m.
Vernal Brown, Secretary
Rose Windmiller
Fred Pestello
Constance Gully - Absent

Illinois

Michael S. Buehlhorn, Chair
Justin Zimmerman, Treasurer
Irma Golliday
Derrick Cox
Herbert Simmons

Staff in Attendance

Taulby Roach, President and Chief Executive Officer
Barbara Enneking, General Counsel and Deputy Secretary
Myra Bennett, Manager of Board Administration
Brenda Deertz, Executive Assistant
Jim Cali, Chief Audit Executive
Kelli Fitzpatrick, Sr. Internal Auditor
Karl Tyminski, Sr. Internal Auditor/PT
Gary Smith, Internal Auditor
Virgie Chaffen, Director Labor Relations
Patti Beck, Director Communications
Kent Swagler, Director of Corporate Compliance and Ethics
Larry Jackson, Executive Vice President Administration
Andrea Jumper, Intern
Whitney Wilson, Manager Consumer Engagement
Angie Staicoff, Sr. Internal Auditor
Sally Bender, Internal Auditor PT
Jessica Mefford-Miller, Executive Director Metro Transit
Kerry Kinkade, Vice President Chief Information Officer
Charles Stewart, Executive Vice President, Organizational Effectiveness
Chris Poehler, Assistant Executive Director Engineering Systems
Shirley Bryant Taylor, Corporate Legal Department Manager
Kevin Scott, Director of Security
Tammy Fulbright, Sr. Director Financial Planning & Treasury

Others in Attendance

Emily Pritchard, KMOV
Roger Spearman, A-1 Private Investigators
Britt Reese, KMOV

Tom Sullivan
Kim Cella, CMT
Paul Hampel, St. Louis County
Paul Martin
Brian Crowley
John Meyer, Loop Trolley Company
Jim Wild, EWGCOG
Brad Choat, KMOX

1. Open Session Call to Order

12:00 noon. Chair Buehlhorn called the Open Session of the Special Meeting of the Bi-State Development Agency, Board of Commissioners to order at 12:00 noon.

2. Roll Call

12:00 noon. Roll call was taken, as noted above.

3. Public Comment

12:01 p.m. Chair Buehlhorn noted that two speaker cards were submitted for today's meeting. (Commissioner Holman entered the meeting at 12:01 p.m.)

Tom Sullivan addressed the Board of Commissioners noting opposition to the proposed takeover and bailout of the Loop Trolley. He stated that he is opposed to the proposed plan, and the public is opposed, due to the excessive amount of money and loans that have already been incurred during the brief operation of the Trolley. He stated that he has heard statements that grant funds received for the project would have to be paid back if the Trolley ceases to operate; however, he has seen no information to back up that statement. Mr. Sullivan stated that he has also seen statements indicating that the failure of the Loop Trolley project would have future impacts to the area, with regard to future Federal funding of projects, but has also seen no information to back up those statements as well.

John Meyer, Board Chairman of the Loop Trolley, addressed the Board of Commissioners stating that the Loop Trolley project was a vision to restore trolley cars to the St. Louis region. He noted that these types of projects have been shown to be economic drivers in other cities. Mr. Meyer stated that this project began as a two and a half mile system, with the possibility for expansion. He noted that, due to various challenges including construction delays, the system has been operating on a smaller basis, operating with only 2 cars instead of 3 cars, which was allowed by the FTA. He noted that the third car is still being refurbished. Mr. Meyer stated that he believes Bi-State President and CEO, Taulby Roach, could have a solution for the Loop Trolley issues, by integrating the project into the larger, public transit system, and he thanked Bi-State Development for their consideration.

4. Memorandum of Understanding with St. Clair County Sheriff's Department for Secondary Deputy Sheriffs (Resolution #1017)

12:09 p.m. Chair Buehlhorn thanked staff for their work on the security contracts that are on today's agenda.

A briefing paper was provided in the Board packet, regarding a request that the Board of Commissioners approve a Memorandum of Understanding with the St. Clair County, Illinois Sheriff's Department, in order to obtain the services of secondary Deputy Sheriffs. Kevin Scott, Directory of Security gave a brief overview of this issue. President and CEO Roach noted that these officers will be used as force multipliers, when needed.

A motion to approve the MOU with the St. Clair County Sheriff's Department, as presented, was made by Commissioner Cox and seconded by Commissioner Golliday. **The motion passed.** (Commissioner Simmons abstained from the vote.)

5. Memorandum of Understanding with St. Louis City Sheriff's Department for Secondary Deputy Sheriffs (Resolution #1018)

12:12 p.m. A briefing paper was provided in the Board packet, regarding a request that the Board of Commissioners approve a Memorandum of Understanding with the St. Louis City Sheriff's Department in order to obtain the services of secondary Deputy Sheriffs. Mr. Scott noted that, as noted in the previous item, these officers will be used as force multipliers, when needed.

A motion to approve the MOU with the St. Louis County Sheriff's Department, as presented, was made by Commissioner Holman and seconded by Commissioner Windmiller. **The motion passed.**

6. Law Enforcement Services Agreement with St. Clair County Sheriff's Department (Resolution #1019)

12:13 p.m. A briefing paper was provided in the Board packet, regarding a request that the Board of Commissioners authorize the President and CEO to execute a Law Enforcement Service Agreement with the St. Clair County Sheriff's Department for FY2020, in the base contract amount of \$1,674,000 for security services, for a term retroactive to July 1, 2019, through June 30, 2020.

Commissioner Zimmerman asked for clarification, specifically the year over cost change. President and CEO Roach stated that, although he does not have the figure in front of him, he believes this number has remained fairly constant. Mr. Roach stated that he will supply that information to the Board of Commissioners.

A motion to approve this agenda item, as presented, was made by Commissioner Brown and seconded by Commissioner Pestello. **The motion passed.**

7. Law Enforcement Services Agreement with St. Louis County Police Department (Resolution #1020)

12:14 p.m. A briefing paper was provided in the Board packet, regarding a request that the Board of Commissioners authorize the President and CEO to execute a Law Enforcement Service Agreement with the St. Louis County Police Department for FY2020, in the base year amount of amount of \$406,421.25 per month.

Commissioner Cox noted that the agreement includes 44 officers, and stated that he thought that number was going to be 62. Mr. Scott, Director of Security, stated that the process is being vetted at this point, regarding the possibility of increasing the number of St. Louis County Police Officers. President and CEO Roach stated that the Mayor and County Executive are working through those issues.

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

8. Contract Award – Public Safety and Security Services (Resolution #1021)

12:16 p.m. A briefing paper was provided in the Board packet, regarding a request that the Board of Commissioners authorize the President and CEO to award a contract to G4S Solutions for Public Safety and Security Services, in an amount not to exceed \$28,537,891.97.

Commissioner Cox asked if this contract is a complete package, to include everything that Metro is changing regarding security. President and CEO Roach stated that the contract would enact the draft plan, which was previously submitted to the Security Sub-Committee. **Commissioner Cox asked if the Board would be voting on the actual new security plan. Mr. Roach replied, yes.** He noted that, at the last Security Sub-Committee meeting, discussion was held regarding the selection of a vendor, and at that time, bids were being vetted, and two companies were chosen for one-on-one interviews. Mr. Scott stated that interviews were held last week, and covered 17 points of discussion. Mr. Roach noted that Metro is looking at a February 1st deployment date.

A motion to approve this agenda item, as presented, was made by Commissioner Golliday and seconded by Commissioner Pestello. **The motion passed.**

9. 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).

12:22 p.m. Chair Buehlhorn asked President and CEO, Taulby Roach, to speak to the current status of the Loop Trolley situation. Mr. Roach stated that he would be asking in Executive Session for the Board of Commissioners to authorize him to move forward with further negotiations regarding the Loop Trolley. Commissioner Cox asked why this issue is being discussed in Executive Session, as opposed to the open session. General Counsel, Barbara Enneking, noted that, pursuant to Board Policy, the Board may hold an executive session meeting to discuss “contract negotiations”. In addition, President and CEO Roach noted that personnel may also be affected by the proposed negotiations. Commissioner Zimmerman stated that he does not feel that the proposed discussion meets the threshold to be held in an executive session

meeting, and would rather err on the side of caution and hold the discussion in open session. Ms. Enneking noted that the Board of Commissioners has set policies on what issues are considered open versus closed items. Commissioner Windmiller asked if the Board feels it is appropriate to hold the Loop Trolley discussion in the open meeting. Commissioner Cox made a motion to hold the Loop Trolley discussion in open session. The motion was seconded by Commissioner Zimmerman. A roll call vote was taken as follows:

Aliah Holman – Yea
Vernal Brown – Yea
Fred Pestello – Yea
Rose Windmiller – Yea

Michael S. Buehlhorn – Yea
Derrick Cox – Yea
Irma Golliday – Yea
Herbert Simmons – Nay
Justin Zimmerman – Yea

Motion passed 8 yea, 1 nay, with no abstentions.

10. Loop Trolley Negotiations (Resolution #1022)

President and CEO Roach noted that information was distributed to the Board members relating to this issue. He noted that there have been questions relating to the possible negative impacts of default of Federal grants, and Executive Assistant, Brenda Deertz, distributed an additional email to the Board, related to this issue. Mr. Roach noted that, with the possible negative impacts, it is important to look at how we could make the Loop Trolley project viable. He noted that the partners at FTA have indicated that they would like to see if the project can be salvaged and avoid default.

President and CEO Roach stated that he is proposing to re categorize legacy funds, (previously unused, unencumbered funds) to support the Trolley for the next four to five years, along with establishment of a capital reserve fund, in case of needed repairs. He noted that his proposal does not require any new funding from BSD partners on this project for the next four years; however, he noted that the proposed plan is not without difficulties. He stated that, at this point, there are no final agreements, and he will not move forward with any further negotiations, without the approval of the Board of Commissioners. Mr. Roach noted that he has met with all of the “electeds” regarding the viability of the project. Chair Buehlhorn asked the position of the “electeds” concerning the project, and he noted that he does not want the Bi-State Development Agency to be penalized in any way for its involvement with this project. Mr. Roach stated that he has only presented the proposed funding to the electeds at this point, and does not feel that it is appropriate to release any additional information, without approval from the Board of Commissioners. Mr. Roach noted that Mr. Trakas has indicated that he does not believe that the County Council will be supportive; however, Mr. Trakas has not reviewed the numbers at this point. Chair Buehlhorn noted that, if the Board of Commissioners votes to approve moving forward with negotiations today, this will not serve as “finalization” of the project. Mr. Roach stated that this is correct; several transportation agreements would have to be approved by the Board before this project could be finalized.

Commissioner Golliday posed questions relating to the current operation of the Trolley, and possible expansion of the 2.2 mile system. Mr. Roach stated that only 2 of the 3 cars are currently running, and are running at a reduced schedule. He noted that it is anticipated that a third car would be added sometime in January, 2020. Mr. Roach also stated that is has been

proposed to move the Trolley into the larger transit system and expand the revenue service, so that the systems can feed into one another.

Commissioner Windmiller noted concerns related to who is responsible for a debt default, and stated that she would like to see the terms and time frame of the recapture provision. Commissioner Pestello asked that President and CEO Roach clarify the consequences for the tax payers, if the project does not move forward. Mr. Roach stated that a default could have implications for other transit operations, not just for Metro Transit, but for others, such as MoDOT. He noted that one component in the ranking process for project funding for the area is “structural capacity”, and a default could impact the ranking for all other area projects. Commissioner Pestello asked if the President and CEO could outline the consequences for the tax payers, if the project moves forward. Mr. Roach noted that the proposed funding indicates no additional local funds will be needed for the next four years. He noted that the project includes expected growth, and should arrive at a “break even” basis at the end of four years.

Commissioner Cox stated that he does not understand what is left to be “negotiated” at this point, and does not feel that St. Clair County Board Chairman, Mark Kern would be supportive of the project. He further stated that the FTA can withhold future funding for a number of reasons, outside of a default. Commissioner Cox stated that he feels that the Trolley has been a huge failure, and does not feel this is “transit”. He stated that the numbers show that no one is riding it. President and CEO Roach stated that default on the project can lead to a reputational problem for the entire area, when applying for grants. He noted that there is tough competition for these tax dollars, and could hinder Bi-State’s ability to do their job. Commissioner Cox asked if the Trolley would be able to bring in any “real money”. Mr. Roach stated yes. Commissioner Cox noted that if Bi-State Development takes responsibility for the project, and it fails, the TDD will no longer be “on the hook”, but instead, Bi-State Development will be. Mr. Roach stated that this is not totally accurate; the TDD was established for the long-term. Commissioner Simmons asked Commissioner Cox if he had any evidence that future grant applications will not be affected by a default of the Trolley project, and Commissioner Cox responded that he did not, but he still does not feel that the Trolley should be considered “transit”.

Chair Buehlhorn stated that he cannot speak for Chairman Kern; however, our organization started as a “development corporation”, not as a “transit agency”, and Chair Kern is very supportive of development in the area as a whole.

Commissioner Zimmerman stated that he understands that Mr. Roach had been handed a difficult task, and he thanked Mr. Roach and staff for their work on this issue. He asked if our Agency had seen the budget figures for the Trolley. Ms. Tammy Fulbright, Sr. Director Financial Planning & Treasury, stated that staff has been given that information, and staff has reviewed their numbers for the past several years. Commissioner Zimmerman asked if salaries, liability insurance, etc. for the project have been included in the proposed figures. Ms. Fulbright indicated that those numbers are included. Commissioner Zimmerman asked if the Loop Trolley is being charged for the staff time and work in reviewing options for this project. President and CEO Roach indicated that the Loop Trolley is being billed for staff time, and currently that amount is approximately \$41,000. Commissioner Zimmerman expressed concerns regarding maintenance costs for the Trolley, noting that he feels these costs could be quite high. President and CEO Roach stated that inspections have been done with regard to the system, and maintenance costs

have been included in the proposed capital budget. Additional concerns were voiced regarding the grant “recapture” period if the system fails, what level of service will be considered “acceptable”, and possible grant repayment if the Trolley does not succeed. President and CEO Roach stated that many of the questions cannot be answered at this point; however, those questions would be answered during the negotiation process. Commissioner Golliday clarified that, at this point, President and CEO Roach is asking for approval to continue in the negotiation process, in order to get the remaining questions answered. Commissioner Windmiller posed questions relating to the current hours of service of the Trolley, and if increasing the hours of operation would have an impact. President and CEO Roach stated that he does not feel that the change in hours would have a significant impact, under its current operation. He noted that currently, the Trolley has not operated in the true sense of a “transit service”, but the hope would be to integrate it into the transit system. Commissioner Pestello asked Mr. Roach if he is confident that the Trolley could operate at a “break even” or better level over the next four years, and avoid default on the Federal grant. Commissioner Pestello noted that Mr. Roach is aware that the Board and the public will hold him “responsible” if it fails. President and CEO Roach stated that all public projects involve some level of risk, and he is asking for approval to pursue negotiations, so that he can get answers to some of the “unknowns” before moving forward.

Commissioner Holman noted that the general public has not asked Bi-State Development to pursue this project; however, the public has asked for review of other services, such as better access to the transit system. She stated that, if Bi-State Development can be creative with regard to assisting with the current issues of the Trolley project, she will ask that Bi-State become more creative in addressing some of the other areas of service.

Commissioner Golliday made a motion to authorize the President and CEO to negotiate a comprehensive management agreement with the Loop Trolley Transportation Development District and a transfer of Loop Trolley transit assets to the control and responsibility of the Agency. The motion was seconded by Commissioner Brown.

It was noted that the President and CEO will be seeking answers to the Commissioners’ questions through the negotiation process, and this is not the final vote on the issue. Commissioner Zimmerman reiterated that there will not be a final vote on this issue, until it comes back before the Board. Commissioner Windmiller stated that this is not a “cooked cake”, and the Board needs additional information, before it can make a decision on this matter. Commissioner Holman stated that, if this project moves forward, she will ask that other service areas be addressed and will ask that these issues be addressed in a matter to ensure racial equity.

A roll call vote was taken as follows:

Aliah Holman – Nay
Vernal Brown – Yea
Fred Pestello – Yea
Rose Windmiller – Yea

Michael S. Buehlhorn – Yea
Derrick Cox – Nay
Irma Golliday – Yea
Herbert Simmons – Yea
Justin Zimmerman – Nay

Motion passed 6 yea, 3 nay, with no abstentions.

11. Adjournment

1:43 p.m. Chair Buehlhorn asked if there was any further business; being none, Commissioner Holman made a motion to adjourn the meeting. The motion was seconded by Commissioner Simmons. Unanimous vote in favor taken. The motion passed, and the meeting was adjourned at approximately 1:44 p.m.



Deputy Secretary to the Board of Commissioners
Bi-State Development

