

August 28, 2018 Working Group Meeting Transcript

Paul Payne: [00:00:00](#) This is the Airport Advisory Working Group meeting on Tuesday, August 28th 2018. A couple housekeeping things, as usual here's our golden key to the restroom if anyone needs it. And also I just want to point out that we do have a video live stream and I'm not as familiar with the process so for those either consultants or participants who cannot make it to the meeting, I would like to be able to send out instructions next time about how to log in and participate. I don't know, Jim or whoever on the team does that, if you could share with me the instructions that I could put into an email, say "Hey, from now on we're going to have that capability so that you can log into the meeting itself." Because I know there's a couple of consultants who couldn't make it the [inaudible 00:00:44].

Attendee: [00:00:46](#) We'll take care of that.

Paul Payne: [00:00:47](#) Okay thanks.

Gary Hall: [00:00:48](#) Just to be clear that's not two ways? Because I'm on the west coast that means I would be in my pajamas.

Paul Payne: [00:00:55](#) We won't be able to see you!

Gary Hall: [00:00:56](#) Okay.

Paul Payne: [00:00:58](#) Alright the first item on the agenda is approval of the minutes of the meeting on August 14th, 2018.

Linda Martinez: [00:01:06](#) I make a motion to approve the minutes.

Gary Hall: [00:01:08](#) I second.

Paul Payne: [00:01:09](#) All in favor?

Group: [00:01:11](#) I.

Paul Payne: [00:01:12](#) Any opposed? Great. Thank you. Alright, now second item on the agenda, discussion items regarding the work strains one of those being the airport due diligence involving Rhonda, John Schmidt and Mayer Brown. You want to talk about the data?

John Schmidt: [00:01:31](#) I'm happy to report I think it is going exceptionally well and I think that everyone is very appreciative of Rhonda and her colleagues. We started right after the working group meeting with an introductory session and then the following week there

were 4 meetings at the airport with our lawyers, Wicks people, Moelis people there, Charbonnet people there. One meeting focused on airlines and aviation side of things, and one on environmental issues and one on concessions and one on financial all of which I think everyone came away with a sense that we were getting a terrific overview of the airport and the documentation and I would have to say people were impressed not only with the cooperativeness but with the knowledgeability of the personnel. I wasn't there myself but my colleague, Mitch Holzrichter told me that your legal colleague Mario Pandolfo has the best knowledge, comprehensive knowledge of any airport, literally we've ever run into and that's a wonderful thing to have going for us, not only at the outset of this as things move forward.

John Schmidt: [00:02:35](#) In addition as was described at the last meeting we set up a Mayer Brown extra net protected to which airport officials have been uploading documents. We made an initial priority request that included financial documents, airline agreements, environmental agreements that has been happening. I asked Mitch how many documents have been uploaded.

Rhonda Hamm-Niebruegge: [00:02:56](#) Thousands.

John Schmidt: [00:02:57](#) Literally.

Paul Payne: [00:02:58](#) That's terrific.

John Schmidt: [00:03:00](#) And once that is completed, then we have a second round of documents that we are going to be asking for which relate to areas like the real estate documentation that Jim Clayborne and his colleagues are going to look at. But all that is happening, so in terms of next steps, we listed I think on the document three things.

John Schmidt: [00:03:22](#) One thing we would like to do today is get your approval for us to hire Merrill Corporation to be the third party provider of a protected data website that we can use. First of all, we'll transfer all the thousands of documents we have from Mayer Brown, but equally important it is a process, when it gets to the point where we have bidders participating, they have the capacity to allow access on a protected basis to bidders and their team, their counsel, and their advisors. So I think there was an appendix that laid out Merrill as why, both Moelis and Mayer Brown actually participated in solicited proposals from the two firms that do this on virtually all major transactions in the country. Either Merrill or Info Links and the consensus was

that Merrill first of all had done some upgrading of their services are just better access at this point. And in terms of pricing, Merrill prices based upon number of pages and Info Links prices upon number of megabytes. And they were more comfortable with the paging, but you can see that the document there.

- John Schmidt: [00:04:29](#) So I guess one specific thing we would like to do is get approval from this group to move forward and hire Merrill for that purpose.
- Paul Payne: [00:04:37](#) And everyone, this should have been included with your agenda items. If you don't have it we do have extra copies here, that layout the differences between Merrill and Intralinks and get the detail about what Merrill is proposing.
- Marlene Davis: [00:04:44](#) [inaudible]
- Paul Payne: [00:04:48](#) Sure!
- Marlene Davis: [00:04:53](#) So for me to make sure I'm understanding who is being hired. And one of the things that I needed you to clarify just a little bit more for me because it wasn't identified as clearly as it should have been. The minority of participation for these two entities, especially the one that you've chosen.
- John Schmidt: [00:05:18](#) I don't think these particular entities, comply with minority participation requirements.[crosstalk 00:05:25] The team as a whole is obviously.
- Marlene Davis: [00:05:26](#) Does not matter whether they comply or not, I'd just like to have the knowledge for myself on what level they have within their corporations.
- John Schmidt: [00:05:35](#) I don't know if anyone from Moelis might know them a little bit better.
- Andrew McKenna: [00:05:39](#) I do not but we will find out.
- Marlene Davis: [00:05:41](#) Because if there is absolutely none, that would be sinful.
- Andrew McKenna: [00:05:46](#) I don't know what the stated corporate policy is of Intralinks or Merrill. I'm sure they are quite robust but I do not know, I don't want to tell you the wrong information.
- Marlene Davis: [00:05:54](#) Okay.

Andrew McKenna: [00:05:55](#) But we will find out and report back to you.

Jim Garavaglia: [00:05:58](#) Excuse me Paul, I just got a text message that a couple of folks are trying to get in and they can't get in with the dial-in number and the meeting code that I was given. Is there anybody that can speak to that?

Michael Fleming: [00:06:15](#) Is there anybody on the phone right now?

Marlene Davis: [00:06:17](#) It was for me. I just came in.

Rhonda Hamm-Niebruegge: [00:06:21](#) Trying to connect through video.

Marlene Davis: [00:06:23](#) Oh through video.

Jim Garavaglia: [00:06:23](#) Well they're trying to get in [crosstalk 00:06:26]

Speaker Phone: [00:06:25](#) Good Morning Jean Wilson with Greenberg Traurig is also on.

Paul Payne: [00:06:27](#) Okay well maybe they can tell us.

Jim Garavaglia: [00:06:35](#) Is there anyway that you can share with us that dial in information again? They're not trying to do the video they're just trying to dial in.

Andrew McKenna: [00:06:41](#) If you could please recirculate the information to everybody that's having, to the entire group.

Megan: [00:06:48](#) Yes we will, right away.

Andrew McKenna: [00:06:50](#) Thank you.

Rhonda Hamm-Niebruegge: [00:06:55](#) I have a question relative so, with these firms, whatever which one we end up going with, the documentation that its [inaudible 00:07:02] would be the same that gets uploaded from what we've put into the file system with Mayer Brown, is that correct?

John Schmidt: [00:07:07](#) Yes.

Rhonda Hamm-Niebruegge: [00:07:08](#) Then is there some of that, that gets restricted then?

John Schmidt: [00:07:11](#) Oh yes. I think when the process starts with the qualified teams I would be surprised if we were going to give them immediate access to everything that you have uploaded.

Rhonda Hamm-Niebruegge: [00:07:22](#) Okay.

John Schmidt: [00:07:23](#) The Moelis team will make a judgment about what is appropriate at the outset and as the process moves along they will get more and more, but there maybe some parts of what you uploaded that are never[crosstalk 00:07:35]

Omar Karar: [00:07:35](#) The original mention is use that as a sort of organizational data room for us as a working group and then when we get to the stage of when we'd invite bidders in there are parts of that data room that will be restricted to them.

Rhonda Hamm-Niebruegge: [00:07:48](#) Okay.

Omar Karar: [00:07:49](#) That will only be for our use.

Rhonda Hamm-Niebruegge: [00:07:51](#) Okay.

Omar Karar: [00:07:51](#) So we'll decide on that based on consultation

Rhonda Hamm-Niebruegge: [00:07:53](#) Down the road. Thank you.

Linda Martinez: [00:07:56](#) And just so you know consultant agreement also speaks to confidential data so we'll have the opportunity to identify what is confidential and there will be tiered pieces of information and non-disclosure agreements. People will have to sign a non disclosure agreement before they get access to any information so.

Rhonda Hamm-Niebruegge: [00:08:16](#) Thank you.

John Schmidt: [00:08:20](#) Other questions about Merrill, obviously we can provide the information about their internal policies.

Paul Payne: [00:08:29](#) Is there any other issues related to the selection?

Andrew McKenna: [00:08:32](#) I would just add the point that this is a service provider, this is a very basic, you have your email with Yahoo or Gmail its a service provider, online cloud forum, it stores in a secure way, departmentalizes data and data pages and gives this working group and in the future if this working group decides incrementally allows us to share information to outside third parties on a needed basis. So just so everyone is aware, but just know that the question is noted and we will get you answers.

Marlene Dvis: [00:09:06](#) Thank you.

Andrew McKenna: [00:09:06](#) Yes ma'am.

Mark Ellinger: [00:09:07](#) And what I think we would like to see is Merrill caveating with, providing the Alderwoman with their minority inclusion policy and to make sure you are comfortable with it. And in the event that you are not, then we would not embark on retaining them and we would come back to this group.

Paul Payne: [00:09:28](#) Ok. I would entertain a motion if someone wants to make that, to what Mark just described.

Linda Martinez: [00:09:35](#) I make that motion.

Mark Ellinger: [00:09:36](#) I'll second.

Paul Payne: [00:09:37](#) All in favor?

Group: [00:09:40](#) Aye

Paul Payne: [00:09:40](#) Any opposed? Great thank you. And alderwoman we'll get that to you today if at all possible.

Marlene Davis: [00:09:46](#) And just for the future because I am always going to ask that question.

Paul Payne: [00:09:51](#) I just made that note.[crosstalk 00:09:53]

John Schmidt: [00:09:54](#) I was just thinking the next item that I was going to note is not action today, but Moelis has been on the scope of service for a couple of additional consultants. One a technical consultant who would work with us on developing operating standards for the airport and may also be involved in looking at areas where there is potential for increased revenues particularly on the non-aerial side.

John Schmidt: [00:10:14](#) Another is what is referred to as a financial consultant who would provide what the market calls a quality of earnings report. Basically a look at the financials and a review of either issues there looking forward that raise issues. I think if all goes well that process will have moved along and we may be in a position to present those at the next meeting and we certainly qualify and meet the now, take it as an ongoing request that we deal with that issue we'll do it. I think they will have strong records in that area, everybody who we are targeting is in the business of consulting with public entities all over the country, so I think we will find a strong record of[inaudible 00:10:57]

John Schmidt: [00:10:58](#) The only other thing is once we have reviewed the documents we have which we've been doing, we're going to identify

questions, issues that and come back to people at the airport, the thought is we would try to do that in as targeted a way as possible come back with any specific questions, here's who we think are the right people to answer rather than tie up people in meetings. But I think that process could even begin before our next meeting in 2 weeks cause I really think that this process is moving along, I have to say. All of us feel like we could be three weeks in to due diligence and to be where we are is good. And I think we feel good and we again express appreciation for that.

- Paul Payne: [00:11:37](#) Okay anything else on the due diligence? No. Okay next would be community outreach and communications, Marc let me ask you this, you handed it out[crosstalk 00:11:49]
- Mark Ellinger: [00:11:48](#) I was going to say, we could put it all up on the screen, that way people can see what we're walking through. And the dividers within the power point match the agenda.
- Paul Payne: [00:12:01](#) Okay, okay
- Mark Ellinger: [00:12:02](#) If you prefer, I mean we're getting things done I don't have any objection to throwing the power point up if we're rolling because I think that's much better than going through the AV slides.
- Paul Payne: [00:12:12](#) And just if there's something that you need, more descriptive in the presentation that you've got and you'd like to reference just call our attention to it.
- Mark Ellinger: [00:12:21](#) And all the pages are numbered on the slides. So, if there's something on a slide we need to talk about we can certainly reference that slide.
- Paul Payne: [00:12:27](#) Okay.
- Mark Ellinger: [00:12:27](#) And we're rolling let's go!
- Paul Payne: [00:12:29](#) Okay and I did jump. We do need to talk about the master plan ALP update, so where does that stand.
- Rhonda Hamm-Niebruegge: [00:12:40](#) We had several meetings that the airport team met to try to determine the factors that were most critical for us and there were four of those. One was obviously the runway and some of the changes that we currently need to do to the runway system. Second was a passenger forecast because passenger forecast is tied to your runway. The third was a facility assessment so that we had a really good in depth. When we did our last CIP we had

done an internal facility assessment with the team, but we really felt like as we moved toward the next use and lease agreement that we would have looked at it, at the airport we really wanted an in depth facility assessment so that was number three. And then number four is a look at the roadway system in front of terminal two which is a little bit inadequate so kind of an in depth look at the roadway system.

Rhonda Hamm-Niebruegge: [00:13:34](#) So those are the four things that the team really wanted to get out of the master plan so we had a meeting with the central region division of the FAA, brought those forward and asked that they would agree to fund the AALP out of the existing master plan account that is then set aside, so we did get a verbal commitment from them that they would be willing to support an AALP with those four items. So right now we are finalizing the RFP that would go out for advisors to bid on looking at an updated AALP with these four items. We're waiting on one more person internally to go through that which we anticipate will have finished tomorrow and then the board of public service would actually let that RFP.

Rhonda Hamm-Niebruegge: [00:14:28](#) One of the things that we've talked about and I know Michael and I have had a discussion on it, we think because it is an AALP and not a full master plan that there really are technical people that would be advisors on this looking at our runway system and the roadway system, so I think it is going to be our recommendation that we would restrict bidders who want to bid on the AALP not to be currently active with an operating team as well. So that's the final thing that we need to make a discussion on but that would be the airport's recommendation.

Rhonda Hamm-Niebruegge: [00:15:01](#) The timeline that the FAA used the same budgetary approval that they had funded for the master plan, so we have to meet that timeline that was originally set out so we need to have an RFP kind of finalized and out on the street by October and then there's deadlines past that, but we believe that we can meet those deadlines.

Michael Fleming: [00:15:23](#) If I can just add to that Rhonda we've been communicating closely and thank you for that and I think this is a great solution from both meeting the airport's current requirements and working with the P3 on not conflicting with the P3 so this should work out very well and in addition to that some of the outputs might actually be useful.

Michael Fleming: [00:15:43](#) For example if there is an updated traffic forecast, activity forecast, I assume it is a broader activity forecast, right Rhonda its not just a passenger

Rhonda Hamm-Niebruegge: [00:15:51](#) Correct, that is correct. Its operations and passenger.

Michael Fleming: [00:15:54](#) So, that forecast could potentially be very useful in the P3 process as well to lay out the best case scenario. If the airport were to continue to be under public management it would look like this, under the P3 it would be a different forecast, a different model that might have some different assumptions. That's something that could be useful and that facilities assessment can also be very useful to establish a baseline in the condition of the facilities. That's going to depend a little bit on the timing of when those things are available but as they come in that would be something that would be potentially useful to share with the market place as well and to use as that facilities assessment baseline for example is contractually very valuable because it shows the current conditions of the assets. So it is a good solution.

Rhonda Hamm-Niebruegge: [00:16:39](#) I probably should note there has been a little bit of push back from the air carriers about not doing a full master plan, we shared that we believe these are the critical components and that it would meet the airports needs but we have had some push back there.

Marlene Davis: [00:16:59](#) Can I comment?

Paul Payne: [00:17:00](#) Sure.

Marlene Davis: [00:17:05](#) In this conversation, in this part of this process, can we try to make it a little bit clearer for the public because I understand what you are saying [inaudible 00:17:16] but what the public may not understand is this is another opportunity that is good for the city of St. Louis. Because with your master plan and with your future forecasting that is going to be done of use, regardless to how this ends, it is going to help us and as he just said, in the process. So it is not going to be an unknown and it's not going to be anything that we didn't determine and that's very important for the public to understand. So if somehow we can figure out how to say that in a simplified way. As we go on.

Jim Garvaglia: [00:17:52](#) Paul? Specifically can you have your folks try to reach the two members from PFM that are trying to access, please?

Paul Payne: [00:18:09](#) Sure. Megan or Katie are you able to get ahold of PFM? or seem to be having challenges dialing in?

Megan/Katie: [00:18:25](#) We'll get ahold of them.

Paul Payne: [00:18:25](#) Thank you. Is there anybody else that you are[inaudible 00:18:25] I think we have everybody[crosstalk 00:18:25]

Jim Garvaglia: [00:18:25](#) That's it. Thank you.

Paul Payne: [00:18:26](#) Yeah, absolutely, thank you for letting us know. Alright anything else on the due diligence section?

Paul Payne: [00:18:40](#) Alright now, community outreach and communications.

Stephanie Lewis: [00:18:46](#) Good morning before we jump to that, I just wanted to say I'm Stephanie Lewis with Grow Missouri and I think the last time we were here we did not get a chance to introduce the team and I think that was something that you all were interested in so this is probably a good time now that we can go over and introduce the advisory team to you, so that you can understand a little bit about who we are and get an understanding of the depth and breadth of our experience and background. Would that be acceptable to you?

Paul Payne: [00:19:14](#) Sure.

Mark Ellinger: [00:19:20](#) You going to start with me? I'm Mark Ellinger with Ellinger Associates I served as general counsel for the transaction practicing law in Missouri for 26 years now, I've been involved with this and working on this throughout the contractual process also.

LeJuan Strickland: [00:19:36](#) LeJuan Strickland at MS Solutions, community outreach and community communications. I've worked with different state and local governments throughout, I'm originally from St. Louis, north St. Louis. I went to St. Louis University and also for college. And I'm just excited to be here.

Andrew McKenna: [00:19:54](#) My name is Andrew McKenna with McKenna & Associates. We've worked on a variety of P3 transactions over the last 15 years. We've been helping build and manage this process in the recruitment and retainment of advisors and we will be predominantly responsible for managerial roles over the top of the advisors and making sure they are in full compliance working alongside of Mark Ellinger and the general counsel. It is great to be here with you today. Thank you.

Stephanie Lewis: [00:20:19](#) Again I'm Stephanie Lewis, I'm vice president with Grow Missouri and I will be working with all of our team makers on this project, so that I'm happy to be here.

John Schmidt: [00:20:28](#) I'm John Schmidt from Mayer Brown. I think our particular role is to be responsible for developing the legal documentation, the lease agreement and other documents that will embody the transaction if you ultimately decide to move forward with one. Our particular experience that is most relevant is that we were counsel for the government in Puerto Rico in lease of the San Juan Airport which was completed in 2013. Which went through all of the necessary legal requirements and is I think almost universally viewed as a success ever since then. And before then we had represented the city of Chicago in the proposed lease of Midway Airport, which also went through all the necessary legal stages and ultimately as you may know fell through because the financial markets collapsed. So we've been through that twice and we're looking forward to working with you to try to get to a successful result if that's the direction you ultimately decide to move in.

Gary Hall: [00:21:21](#) Maybe I should start out, I'm Gary Hall, I run investment banking for Siebert, Cisneros, Shank, my firm will serve as the financial advisor for the airport for over 20 years. We're also partnered with PFM in that capacity and our role here is primarily to protect the city through the process and if the deal is complete, making sure that it maximizes the benefit to the city along the way.

Alethia Nancoo: [00:21:45](#) Good morning, my name is Alethia Nancoo I'm a partner at Squire Patton Boggs. I'm an airport finance attorney so primarily I've worked on airport finance transactions for the past 20 years both in the public and private sector. Most recently worked on the LaGuardia P3 transaction, looking forward to working along with PFM and Siebert. And ultimately if the city does determine to go down the path of doing the P3 transaction, to look at the existing debt and properly [inaudible 00:22:25].

Omar Karar: [00:22:28](#) Excuse me, Omar Karar, director with Moelis and Company a New York based investment bank with extensive experience in infrastructure transactions, I've been working with Glenn, who will introduce himself in a second, and I've experience in this space for about 12 years. Glenn?

Glenn Muscosky: [00:22:48](#) Yeah sure so I'm Glenn Muscosky from Moelis I'm sorry I can't be with you today, but I appreciate you giving me the ability to [inaudible 00:22:54] and join you that way. As Omar said we're

both with Moelis and Company which is independent investment bank based in New York but we have 20 offices around the world. We're principally responsible for the market component of this process in the sense the city decides to move forward. And I'll give an update on that as we proceed further down the agenda.

Michael Fleming: [00:23:15](#) I'm Michael Fleming, I'm a partner with the Wicks Group which is an aviation law and consulting firm so all we do is aviation. We do a large amount of airports work, it is big part of our practice. Myself, I was at one point with American Airlines and then I was at United Airlines. At United I negotiated airport arrangements around the world. And then since then, I've been in private practice, private consulting and law practice and have been very active in the airport P3 sector transactions all around the world including some here in the US, the JFK terminal 4 project, Stewart Airport, transaction in which it was in the same program that we are looking at today, as well as West Chester where we worked very collaboratively with the folks from Mayer Brown. So we will be working on the FAA compliance, the airline negotiations, and supporting Mayer Brown on the lease drafting initiation.

Stephanie Lewis: [00:24:14](#) Would members of our team on the second [inaudible 00:24:14]

David Stinfil: [00:24:14](#) I guess I'll go. Good morning my name is David Stinfil, I serve as a vice president at Siebert Cisneros Shank & Company, covering a variety of clients including airports throughout the country and we serve as financial advisors to the city on its airport.

James Clayborne: [00:24:27](#) My name is James Clayborne with Clayborne, Sabo, and Wagner, a law firm from across the water, we've handled most of the development on that side particularity in St. Louis. My role is involved with the due diligence on the property and making sure that the airport, that the City owns the property that they say they own. In my other capacity I'm the majority leader in the senate of Illinois and I have passed legislation that equates to minority inclusion.

Stephanie Lewis: [00:25:19](#) In the back?

Mike Jones: [00:25:21](#) Mike Jones I'm part of the [inaudible 00:25:24] community outreach and communications. I'm a retired migrant government worker so. Glad to be aboard.

Ron Sides: [00:25:37](#) Ron Sides, Charbonnet and Associates and we appreciate the 4000 so on documents that [inaudible 00:25:46]

Joletta Golik: [00:25:49](#) Joletta Golik, environmental management director for Charbonnet Associates, so I'm representing [inaudible 00:25:56] New Orleans office where we'll be working on the environmental due diligence projects.

Jeff Aboussie: [00:26:03](#) I'm Jeff Aboussie with Regional Strategies, we'll be involved with community outreach and also the labor relations component. Been with the labor movement for 35 years with the building trades here in St. Louis, worked for the international union of operating engineers in the international route so I look forward to participating and working with the team.

Attendee: [00:26:25](#) I'm Bob Barker. Next.

Attendee: [00:26:29](#) I'm Brian Robbins, I'm a reporter at the St. Louis Business Journal.

Stephanie Lewis: [00:26:38](#) And anyone on the call?

Jean Wilson: [00:26:38](#) Yes, this is Jean Wilson with Greenberg Traurig we're pleased to serve as independent transaction counsel we look forward to working with the environment group that provided support to the Working Group [inaudible 00:26:49] business transactions in various positions. Sorry we couldn't be with you in person today.

Stephanie Lewis: [00:26:57](#) Anyone else?

Stephanie Lewis: [00:27:01](#) I'm sorry can you repeat that?

Meghan Carroll: [00:27:07](#) I'm Meghan Farrell and Katie Knapp from McKenna and Associates and we'll be working on the management work streams.

Stephanie Lewis: [00:27:09](#) So as you can see,

Mary Francoeur: [00:27:09](#) I'm Mary Francoeur from PFM is on the line and PFM is representing the controller's office.

Stephanie Lewis: [00:27:27](#) Is that everyone? Okay. As you can see we have a pretty diverse team not only in the management of our team but also in the depth and breadth of experience we feel that we are more than capable of representing the City not only in the region but as well as for the overall airport process so we are very excited to

be working with you today. And I think at this point, I know you're excited to get into the community outreach portion so we won't belabor that at any point. So I'll turn that over to LeJuan Strickland.

LeJuan Strickland: [00:28:01](#) We originally submitted the plan on August the 10th.

PART 1 OF 4 ENDS [00:28:04]

LeJuan Strickland: [00:28:01](#) We originally submitted the plan on August 10th and we received a lot of feedback and thank you all for the feedback, we do appreciate it. We're all in this together and it's our plan [inaudible 00:28:13]. We took that feedback back and we submitted it in another draft of the plan on the 23rd and we're here today just to hopefully get approval on this plan. Just wanted to point out some key points. I know a lot of folks are kinda ... The issue is wrapped around the use of proceeds and talking about the use of proceeds. But as we're out in the field, we're not going out leading with the use of proceeds. We're working within those 11 guided principles that we agreed upon and within those guided principles, number 11 talks about sort of use of proceeds. But we are not getting granular on that, we're just wanting to get a little bit of market research from the owners of the airport from what their ideas could be. Because this is all a "could be" situation. We just wanna make sure that when we have that opportunity to talk to them, we listen to them. But they may not wanna talk about use of proceeds.

LeJuan Strickland: [00:29:07](#) Another point of the guided principle they may wanna talk about. Our job is really not to force them to talk about one issue or another, but to be able to freely talk about anything that's part of those 11 guiding principles. That's the basis of this outreach plan. I hope that cleared up some of the thoughts that we were just gonna knock on a door... What do you wanna spend whatever the dollar amount on whatever, it's not gonna be that level of feedback. We wanna use the guiding principles when we get in the doors and let them guide the discussion, not us forcing them into a corner on any particular discussion.

Paul Payne: [00:29:49](#) Before obviously we had talked about this somewhat in depth in our last meeting we had some concerns about it. But do you wanna just provide some details about how you would go about ...

LeJuan Strickland: [00:29:59](#) Initially, we would start out ... We broke it down, I don't know if you guys have copies of the plan.

Mark Ellinger: [00:30:05](#) This was circulated with [crosstalk 00:30:06]

LeJuan Strickland: [00:30:08](#) We basically took what's the substantial amount of owners do we need to talk to. We came up with the 20 thousand based upon how the wards are broken up, how the census data, where people actually are and we broke up goals based on wards from one through 28. We're gonna start out going to the doors, just letting them know that this is going on. Because people have a lot of other questions more than the use of proceeds, like what about the airport, are you selling the airport, is the city selling the airport, no, the city's not selling the airport. But these are the type of things that we're hoping to address on the door and let folks know that this is their asset and this is what we're trying to do with it. But we're not trying to do anything without their input. That's basically what we're planning to do.

LeJuan Strickland: [00:30:51](#) We're also gonna reach out to the large organizations that are in the city that have large constituencies in the city and actually go attend their meetings, attend community meetings, attend whatever meetings people feel that we should be at just to let people know what we're trying to do. We're not trying to hide anything, we're not trying to cover anything. In the sake of transparency, we just wanna make sure that everyone ... If you wanna hear about the airport, we wanna talk to you about the airport. Just put all of the just facts ... Our job is not to lean anyway. Our job is to ... We believe in the process and this is the message we give them and these are the 11 principles that's guiding this process. That's what we plan to do and we hope to get to 20 thousand folks. We're gonna knock on 100 thousand doors and hopefully talk to 20 thousand residents and then we will have that information and share it with the working group to discuss some trends. We'll be able to break it down based on demographics, based on ward, based on ... We can get down pretty far, gender, all the demographic information.

LeJuan Strickland: [00:31:55](#) From there, we can go on, what do people care about, what do they wanna know about. That can help shape our messaging going forward. I think it'll just make the process more transparent and smoother for the City.

Rhonda Hamm-Niebruegge: [00:32:12](#) When you knock on the doors, how many people is that, is that two in each group, is that three in each group? Do you have an idea of how that's going to work?

LeJuan Strickland: [00:32:21](#) Typically, when we do a field campaign, you'll have a field manager that will go out with maybe a team of four or a team

of six and they will have a certain geographical area that they need to cover. There'll be a manager and there will be one at a time that will go to each door at a time, but there'll be a field manager on the street monitoring ... Making sure they're doing what they're saying they're going to do and someone there also in an issue arose. For example, they don't really care about the airport, but they have an issue with something's wrong with my alley because you're gonna get a lot of that too that that manager will also take that information and we will pass it over with the necessary party to make sure that stuff is triaged as well.

Rhonda Hamm-Niebruegge: [00:33:03](#) The only other concern I would have is a lot of time when strangers knock on your door, a lot of people don't wanna answer.

LeJuan Strickland: [00:33:08](#) Sure.

Rhonda Hamm-Niebruegge: [00:33:09](#) Is there going to be any sort of public outreach to let the community know that during this week or the following week or whatever timeframe it's gonna be, you could see people on your street from this process coming to ask input. I think if you go knocking on doors without a whole lot, you're just gonna get a lot of slammed faces. That's my own opinion.

LeJuan Strickland: [00:33:30](#) That's funny you bring that up. That does matter based on time of day. There's tons of research on it that some people are more likely to open the door between noon and four on a Saturday, some people are only after work type of doors. It really depends and we have a lot of data just based on St. Louis alone of where the trends are. But we can ... In some areas we will actually need to do that and say by the way ... But we'll let the data dictate that. If we're knocking in a neighborhood and we're getting a success rate that's pretty low, which I mean success rate, we're not talking, no one's opening the door and there's averages per ward where you should be, say just throwing out numbers 20 percent, but we're hitting 12 percent. We say this isn't working, maybe we need to do an overlay of a live call instead to do it or we just need to let everyone know we're only gonna be there these three days, open ... We'll be there. We will let the numbers dictate it before we spend additional resources taking us there. But we're agile enough.

Stephanie Lewis: [00:34:34](#) What LeJuan hasn't mentioned is that we worked on several other campaigns, so we have that data where we've gone into these exact wards and these exact areas and are able to kind of have some sense of the ones that are a little bit more flexible

versus those that are a little less flexible in certain areas. We do have some history.

LeJuan Strickland: [00:34:50](#) This is just phase one of this. This is the preparation phase. Getting this information in now. When we have this information and we're further down the road going into the phase two of it, us as a group will come together and say maybe we should tweak this, maybe we should add that. We will have an opportunity to go. This plan is just up and through the year to January one.

Jim Garavaglia: [00:35:14](#) I got a question. I'm looking at the updated field outreach steps and I'm looking specifically at number one talking about targeting. Also that if you look at number six under the key dates and timelines, it says the field work will start in wards in North City and will continue until the entire City is covered. Also, reaffirm that you're targeting groups that appear to be part of what I and maybe others may consider those that potentially are going to be I guess looking at underserved parts of our community. I would think that this process to be valid needs to be started in all parts of the city with some kind of an organized approach in that you're getting data from south wards, central corridor wards and North City wards simultaneously. I understand what you're saying you gotta start somewhere, but if you're not wanting to have a discussion about proceeds then I think you should start with the entire community simultaneously rather than those it would benefit most if this privatization were to occur. That's the targeted areas beginning in north St. Louis.

Jim Garavaglia: [00:36:57](#) If you're gonna do this then let's do it on an equal basis throughout the city and gather the data simultaneously so that the message ... Under the current scenario, you may have a number of people informed by a number of groups, a number of neighborhood meetings have already occurred and I looked at your time schedule in North St. Louis and theoretically you're not having any discussion with people in the central corridor or in south St. Louis. You say we're gonna get to them. But if we're gonna get this out and you want to do this, in my opinion it needs to be done concurrently, it needs to be done ... I'd like to see what the person walking up to my door is gonna say to me. This is a really, really important piece of this, informing the public, making sure that there is obviously some participation by all parts of the community.

Jim Garavaglia: [00:38:16](#) What I'm reading here is making sure that we hit the underserved community first and to me that's a bias about what

we're gonna do for you. Even though you've said that's not about the end result, I think that this could be improved. I think this should be again a more inclusive by all wards. I see the list, I've got no problem, I think that's great, but let's start in more than one part of the city simultaneously.

LeJuan Strickland: [00:38:57](#) I don't oppose that.

Marlene Davis: [00:38:59](#) I can help you out with that. When we run the census, we're doing just that. I did manage the 1990 census with 36 offices in Missouri. Let's set it up the same way and we'll have our teams out at the exact same time all over the city. We'll also have them identified appropriately whether it's with the portfolio they carry, something, badges. We'll pass the script that's gonna be started around for approval. Also, get the opportunity for them to do some role play ... We do some role play in front of our working group so we all have a feel for what's actually happening. I think also that as we move forward and I think I've shared this with you already, I've shared it with Linda, I am extremely opposed to talking about the end results, extremely opposed to it. Because this is a process that we're gathering data so that we can make a decision in the end. I wanna make sure that that's how we're communicating. People need to feel first of all ... They have to have a comfort level to even talk to us and most especially they need to trust the process and the process must appear to be exactly what we said it is. I don't want it any other way.

Linda Martinez: [00:40:26](#) I think we all agree on that. Go back to your question Rhonda because I think it's important. Should we all decide to vote for this today and I hope we do, I want to make sure that we make an announcement so people know that we're coming. So people know that this is a process that is just an exploration, it's gathering data and we wanna make sure that accurate information is out there. But I think we should be telling people to expect a door knock and we've already talked about that.

Marlene Davis: [00:40:56](#) We would run out ads 10 days prior, run them three days prior so that people can remember that you saw it. All of our media is very easy to do, social media, all that. I think we can get that done so that you can feel comfortable about it.

Rhonda Hamm-Niebruegge: [00:41:13](#) The only other thing that I know I mentioned it before and I get that we're a city asset and we're starting with the city, but Airport Commission's meeting is next week and I think we'll get asked especially if we are talking and running ads about getting

peoples' opinion or things that are important, we can't forget the rest of the region. What is the timeframe to talk ...

Linda Martinez: [00:41:34](#) There's a list, but there's not a timeframe. You're right. There's a list on the front page.

Rhonda Hamm-Niebruegge: [00:41:37](#) Right. Do we anticipate ... You talked about phase one, I don't know if that's a phase two, if it's a phase one.

Mark Ellinger: [00:41:44](#) I can add a little bit there. The concept that we worked under and presented is phase one is to talk to the owners of the airport.

Rhonda Hamm-Niebruegge: [00:41:52](#) Okay.

Mark Ellinger: [00:41:53](#) Phase two is to talk to the business community and the users of the airport because it's the next. The airlines, the employees, we have to talk to them throughout the entire process, so it's a little different, you wouldn't have a communications plan with them, but you don't have a formal outreach plan because we have to deal with the airlines on a constant basis. We will have to work with all of the employees on a constant basis. But the two diverse groups that are outside of that circle really become the owners and the users. We need to make sure we talk to both of those and we thought starting with the owners is the most important place and then go to the users because where we're at right now in the process where we're doing all the due diligence, we can also find out what the owners' interests, thoughts, comments, opinions are.

Rhonda Hamm-Niebruegge: [00:42:41](#) Okay. Just so I don't misstate something, next week I've got the commission meeting and I think I will be asked to give an update. I just wanna make sure that if I mention because a lot of the airport commission is obviously members from the region, I can say that in phase two there will be outreach to the region and to the ...

Mark Ellinger: [00:42:59](#) That is correct.

Paul Payne: [00:43:05](#) My biggest concern with the community outreach plan and I sort of expressed this to Mark through email is again, the use of proceeds. As I look at this process, we've got two things going on. The analysis of whether or not this process ends up in a good deal for the airport and city is totally separate from how proceeds are used. What I would definitely and I feel this strongly, would not want to see is look here we can use these proceeds and that sort of filter our analysis of whether or not

it's a good deal. I strongly believe that in your outreach that you explain why we are looking at this. Again, as I mentioned there are certain things you can look at, the revenues per enplaned plan passengers and things like that that the market may see value in the airport and we are trying to capture, which is what you guys are doing.

Paul Payne: [00:44:13](#)

But not say look at these new things this will buy for you because that's not what we're trying to do. My problem with that ... Again, the contract says upon request of the city, evaluating options for potential ... But we're not asking right now. That gather information for residents' goals for improving the city and its services, that's something we will do and there's a process for doing that, but that has nothing to do with what we're doing today, which is trying to get the best value for the airport and the city. I do not want to see and speaking for myself, do not want to see use of proceeds and look, all these nice new things that can be bought with the money to skew our analysis of whether or not this is ultimately a good deal for the city and its airport.

Andrew McKenna: [00:45:06](#)

We completely agree with you. At this phase of where we are right now in the process, we completely agree with everything you just said.

Paul Payne: [00:45:12](#)

Then I wanna make sure that that point is left out. If we wanna do the community outreach plan, I don't wanna ... That would be a key objective number three there.

Marlene Davis: [00:45:28](#)

I don't know if you understand where we are in our city right now, but this could be so detrimental for us to even have the ability to make a decision one way or the other. Because we now have a narrative that's out here that was put out here about two or three years ago and it talks about participatory budgeting. Well, people are elected to represent bodies in order to make the hard decisions on their behalf, but be astute, be knowledgeable and also work in collaboratives. The average individual does not have that ability to have that knowledge base, but yes, they can think about feel good things that will go away in six months or a year, but not necessarily think about and look at those things that are best for the city 10 years from now or what would bring this city to the next level if we wanted to be a Memphis or Nashville or whatever. They don't look at it that way. I personally don't even wanna put people in that position because it's not fair to them as a citizen.

Marlene Davis: [00:46:35](#) I don't do participatory budgeting because my community trusts me and we talk about that all the time. They're like Miss Davis let's go do that because you're there every day and that's why I sent you there. I want people to understand the process so that they feel comfortable when we are making the decisions on their behalf. But we don't need a lot of feel good nonsense going on out here, this is very serious. We gotta keep it there. I know that a lot of people have been ... I'm just gonna say it.

Marlene Davis: [00:47:12](#) When you pass through tweets, re-tweet stuff about nonsense ... It's not nonsense, but decisions that have been made someplace else, that's not helping us because the first thing my community says is you're pumping us now, you're trying to make us agree that you should do it this way because somebody else is already doing it or thinking about it. That's not fair to us because then I gotta spend hours working on that, answering emails and phone calls and getting grilled at my neighborhood meetings because they say I'm trying to ... I didn't re-tweet it. I didn't even know the information was out there. I didn't make the statement at a meeting, I wasn't there. But it gives me more work to do, I don't need more work to do. Just be conscious of that as we move forward.

Mark Ellinger: [00:48:00](#) All with respect to your point, item three on the objectives, if we added at the end of it, but not solicit use of proceeds, would that address your concern? We do wanna be able to know if there are city services ... City services will get mentioned, you can't knock on a door in the city of any city, not just St. Louis, any city in the country without somebody saying my trash didn't get picked up, my sidewalk's broken. We need to be able to get that and pass that on.

Andrew McKenna: [00:48:29](#) I think what we're talking about is a dividing line between advocating on one policy position or use of proceeds and where it should be allocated. I think we agree that's off the table completely. But I think when we talk about are there things that could be added or enhanced, what do you think, as a citizen, what do you think needs to be improved upon, that question's gonna come up organically whether we ask it or not.

Paul Payne: [00:48:49](#) And they can and they can provide that on their own. But if you're soliciting that, I don't ... Here's the thing and I've said this before, we all hope that there's some big number at the end of this thing and everyone's happy. That's what you want. There's also the possibility that it might not happen and you don't get proper bids and nothing happens. But then there's that gray area. That gray area is gonna be an area where consultants may

say we wanna still go forward, but the city is gonna say is this transformational, is it not and what we don't wanna do is create some marketing campaign where you've got information out there that says look, we can get a new recreation playground in this section of the city or some other service in another section of the city, so therefore the pressure is to do the deal even though it might not be as transformational as we think it is. Otherwise, the city needs to be in control of that message at all times. I don't wanna contract out that part of the [inaudible 00:49:54] because that's the city's decision. Melding the two together talking about city services whereas right now you're in the analysis stage about whether or not this is a good deal for the city and the airport, trying to get the best number and best value, that's what we should be focused on. As Alderwoman Davis mentioned, the process, so people know this is why we're looking at it. People like adults, this is why we're looking at it. There might be some value there. But to sorta lead them down that line of if you do this you might have this shiny new toy, we don't wanna go there.

- Andrew McKenna: [00:50:32](#) I don't think there's gonna be any push polling or majority of doing nothing but asking a leading question. I don't think you're gonna see the door knockers ... It's going to be are you aware for example that there's a process that's been embarked by the city to evaluate the potential leasing of the airport, they're gonna say yes or no. That's gonna lead the question or the next question, if you are aware, would you mind sharing with me what you've heard so far. They're then gonna answer the second question and it's gonna go down that list, so what we're really evaluating is awareness, what is and are people's awareness levels of this campaign or this process so far and then how do we evaluate that and then what is that feedback. Are your needs being met at the airport, that's I think a fair question, I don't even use the airport. Then that leads you to your next series of questions. It's really informational gathering. I do agree however that it needs to be broader based, I think that's a very good point and it's too narrowly focused right now.
- LeJuan Strickland: [00:51:33](#) We can start in the north, the south and in the central corridor, I agree with that. That's an easy change that can be made.
- Marlene Davis: [00:51:40](#) We can do field teams in four different areas of the city at the exact same time. I think that's what you're alluding to.
- Paul Payne: [00:51:47](#) Could you share with the community the list of questions that you're gonna be [inaudible 00:51:50]

LeJuan Strickland: [00:51:51](#) We can. We'll send it via email to you so you can have it.

Mark Ellinger: [00:51:55](#) We can send you the doorknocker that would be left behind, which to be real candid to see it is the 11 guiding principles that are in the contract.

Gary Hall: [00:52:05](#) That's it.

Mark Ellinger: [00:52:05](#) That's the doorknocker because that's what the contract says these are the guiding principles the city's gonna embark upon. I believe they are in order as they're presented exactly in the order that they were laid out in the contract. Those guiding principles, that's the doorknocker.

LeJuan Strickland: [00:52:27](#) Like I said, it's real basic. It's also to funnel them toward where to get information from too as well, the website, send folks to the website. It's basically just our initial conversation and we take the approach that it's their asset is like someone selling your car but not telling you they're selling your car or whatever it may be. We're not gonna go down use of proceeds and that's not gonna be there, we're gonna stick to the 11 guiding principles, that's what's guiding us through the conversation and collecting good information from them. That's what we plan to do as objective as possible.

Mike Jones: [00:53:05](#) I was just gonna say the city's collective point, if we stayed with the process that first of all the city has to decide whether we want to go to market [inaudible 00:53:19] Secondly, if you decide to do that, the market will have a response. It's almost like a real estate development deal. There's the story of the deal and then there's the deal. The deal doesn't show up to all the players. [inaudible 00:53:42] you can't talk about the money until all the [inaudible 00:53:47] and the reality is you won't know that until the city decides to go forward with the process and you can calculate the market's response to the offer that the city has put out there.

Marlene Davis: [00:54:01](#) That's so scary right now. Because as we look at every day things are changing, but we do need this process. We need it just in the health of who we are.

Mike Jones: [00:54:14](#) If you just wanna ease people about not getting too far ahead, there are some major strategic decisions that have to be made by the city and then the market before you can have [inaudible 00:54:29]

Marlene Davis: [00:54:35](#) I'm glad you said that because that's our responsibility to make sure that as we're communicating that we let people know that. Because at the end of the day, at the end of the process, whatever the decision is, if the market is not healthy, nobody's gonna be making an offer anyway. We need to keep all those things crystal clear so the people are not getting off on the wrong path and or being led down the wrong path.

Mike Jones: [00:55:01](#) And finding a way to simplify those communication points so that the average person can understand.

Marlene Davis: [00:55:09](#) That's it.

Mike Jones: [00:55:11](#) Here's when this happens, here's who will decide it and ultimately ... Kind of stand down now because we're not at the point that you need to be anxious and nervous. There might be a point later on that you need to be anxious and nervous, but this aint it.

Marlene Davis: [00:55:28](#) This is not it. I agree.

Mark Ellinger: [00:55:31](#) Paul, if we take out bullet point three as a key objective, we take that out, if we change point six to start in north, south and central corridor simultaneously and we submit the script and the leave behind, which we can submit probably by 10 AM Thursday, but probably sooner than that, but I wanna make sure we don't over commit and under deliver ...

PART 2 OF 4 ENDS [00:56:04]

Mark Ellinger: [00:56:00](#) Probably sooner than that, but make sure we at least, we don't over commit and under deliver. [inaudible 00:56:05]. You get an approval of a plan with those three caveats and you're alls exception of the script and the doorknob.

Paul Payne: [00:56:14](#) That was my biggest concern. And I think that would address at least mine, and I'll put that up to the rest of the ...

Marlene Davis: [00:56:19](#) I'm good.

Linda Martinez: [00:56:20](#) I'll make that motion.

Marlene Davis: [00:56:21](#) I can second that.

Paul Payne: [00:56:23](#) Hold on, Jim.

Jim Garavaglia: [00:56:25](#) I'm not voting on something I don't see in my hand.

Marlene Davis: [00:56:28](#) Oh, okay, we can wait.

Mark Ellinger: [00:56:34](#) What is it that you'd like to see in your hand before you vote.

Jim Garavaglia: [00:56:37](#) What you just spoke to.

Mark Ellinger: [00:56:38](#) Okay, so the edits to the page and ...

Andrew McKenna: [00:56:42](#) Leave behind and the questions.

Mark Ellinger: [00:56:44](#) Questions and the leave behind.

Jim Garavaglia: [00:56:45](#) Right.

Mark Ellinger: [00:56:45](#) Okay, that's fair.

Attendee: [00:56:46](#) Okay.

Mark Ellinger: [00:56:49](#) As a working group I would ask if you all comfortable in the entire community outreach plan is paused for another two weeks, or should we try to get some of it going while we still have good weather. That's going to become the biggest problem is the farther you push the front end, the back end starts to move and you get into our notorious Missouri weather which can be not so great in December and in January.

Marlene Davis: [00:57:14](#) And see you can't talk to those who have to run for office in the ice.

Michael Garvin: [00:57:14](#) We can go through and subject to Paul's review and Paul give the go ahead once these edits are made.

Paul Payne: [00:57:29](#) That's fine, what I would do is I'd wait to get the circulated material from Mark, once I get it circulate all the committee say hey, is everyone okay with this and if not, and if so, I'll give you the go ahead. Would that do it Jim?

Jim Garavaglia: [00:57:45](#) Yes.

Mark Ellinger: [00:57:46](#) That's good for us.

Paul Payne: [00:57:47](#) Let's do that sir.

Marlene Davis: [00:57:48](#) Okay, we don't have to do another meeting.

Paul Payne: [00:57:49](#) No. Right.

Marlene Davis: [00:57:51](#) Okay.

Linda Martinez: [00:57:51](#) Can we all just commit if we get it Thursday morning then we'll look at it by Friday. Give our feedback.

Marlene Davis: [00:57:56](#) I promise.

Linda Martinez: [00:57:56](#) And if ...

Rhonda Hamm-Niebruegge: [00:57:57](#) And is that this Thursday morning or next Thursday.

Mark Ellinger: [00:57:59](#) Yes.

group: [00:58:02](#) This Thursday.

Mark Ellinger: [00:58:02](#) As in tomorrow.

Rhonda Hamm-Niebruegge: [00:58:02](#) Day after tomorrow.

Mark Ellinger: [00:58:02](#) 36 hours or whatever.

Andrew McKenna: [00:58:04](#) Probably have it before, but we want to under promise.

Paul Payne: [00:58:07](#) Okay, we also wanted to have time to look over all the questions.

Linda Martinez: [00:58:10](#) Yes absolutely.

group: [00:58:12](#) Yes.

Linda Martinez: [00:58:12](#) Absolutely.

Paul Payne: [00:58:13](#) Okay, let's do that.

Mark Ellinger: [00:58:15](#) Would that be, can we get a vote on that, that that's the process we're going to use. I think the contract does say that we at least need the [inaudible 00:58:22] you can caveat and all that, but we do need that [crosstalk 00:58:25].

Paul Payne: [00:58:26](#) I'll entertain a motion that our way of proceeding on the community outreach is that Mark you provide the information just requested as stated, which is the ...

Andrew McKenna: [00:58:39](#) Questions.

Paul Payne: [00:58:39](#) Deletion of a key objective number three, the changing ...

Mark Ellinger: [00:58:45](#) [crosstalk 00:58:45] is starting in the three corridors through sessions.

Rhonda Hamm-Niebruegge: [00:58:50](#) The door knocker.

Mark Ellinger: [00:58:50](#) The door knocker and the [crosstalk 00:58:51].

Paul Payne: [00:58:50](#) That will be, you circulate that to me and I'll circulate that to the group and then on everyone's okay, I'll acknowledge and approve.

Mark Ellinger: [00:59:02](#) Perfect. That'll be great.

Linda Martinez: [00:59:04](#) Does everybody have to approve it, because if somebody doesn't get back, I don't want to have ... If something doesn't happen. I know there's a lot of people that are trained and ready to go, I guess, getting ready to go from what I understood.

Jim Garavaglia: [00:59:15](#) When do you need to know by?

Mark Ellinger: [00:59:18](#) [crosstalk 00:59:18] Close of business Friday. That's more than reasonable.

Marlene Davis: [00:59:22](#) Right.

Paul Payne: [00:59:22](#) Perfect. Okay.

Andrew McKenna: [00:59:23](#) Thank you.

Mark Ellinger: [00:59:23](#) Thank you very much.

Paul Payne: [00:59:25](#) Well, let's make sure we've got the motion.

Linda Martinez: [00:59:26](#) Well, I guess what I'm saying if everything was here, only three out of four would have to vote and I don't want if one person thinks this is not the way to go, I don't want this to be something ... I mean, I want to try to get this to go forward but with everybody's input but if somebody doesn't give their input or says no, but everybody else says yes, I don't want to ... I guess, I'm trying to figure out.

Paul Payne: [00:59:50](#) Well, it's okay as long as it's not me saying no.

Jim Garavaglia: [00:59:53](#) But it doesn't have to be a consensus, if that's the way it is, then that's the way it is.

Paul Payne: [00:59:55](#) Yeah.

Linda Martinez: [00:59:55](#) That's why I'm just trying to make sure.

Paul Payne: [00:59:56](#) I'll try to build them [crosstalk 00:59:58] if there's an issue with the questions or something like that, we'll try to get to that.

Marlene Davis: [01:00:01](#) I think we've built the consensus so far.

Linda Martinez: [01:00:01](#) Okay, all right. Just want to make sure.

Michael Fleming: [01:00:01](#) Concerns are.

Paul Payne: [01:00:06](#) With that long winded ...

Linda Martinez: [01:00:09](#) I second the motion.

Paul Payne: [01:00:10](#) Motion. Okay. All in favor.

group: [01:00:14](#) Aye.

Paul Payne: [01:00:16](#) Okay, thank you. Agenda. Is there anything else on communications?

Mark Ellinger: [01:00:30](#) I think we've pretty much covered that.

Andrew McKenna: [01:00:35](#) This is fun right, we're having fun.

Paul Payne: [01:00:38](#) All right, the next item is the new use agreement lease, FAA, Michael if you want to go in there.

Michael Fleming: [01:00:49](#) I'll start off, the airline process I think you all know now is rather front loaded in the way that these transactions work in addition to the city's own need to approve any potential transaction. The airlines have to, two-thirds of the airlines have to approve as well, I think you all know we've already had some very preliminary outreach to some of the key carriers here.

Michael Fleming: [01:01:13](#) We thought there was going to be a meeting with Bob Montgomery of Southwest Airlines today, I know that was postponed. We thought we might learn something useful from that, but with that postponed for a couple weeks, I think we will now continue the outreach to each of the individual carriers. I think the key question for the airlines is going to be, procedurally whether they plant to work through our expectations, they'll plan to work through the airline committee, but we just need to get that confirmed. And if and

when that is confirmed we can then move towards the process of actually starting to ascertain what is it that the airlines would be expecting. What will it take in terms of changes to their current arrangement, future plans for the airlines to be on board.

Michael Fleming: [01:02:04](#) And the idea is that before the city would go out to the market, assuming we get to that point, that we would have pre-determined what that would take so we can tell the marketplace, hey we have a tentative deal with the airline, this is what it looks like so when you bid, your expectations should be, you're going to have to come in and accept that deal or if you're going to make a change to it, got to get all the airlines to approve it once again.

Michael Fleming: [01:02:33](#) That process is underway, we've been meeting among our internal advisory team with Mayer Brown and Moelis to look at all the precedent transactions, how that has transpired. We've been meeting with the airport director and her staff to understand what has the history been here, what are the key issues been and the current use agreement and I think we're making good progress toward being ready to start sitting down with those carriers and pretty short order. So, expect that as soon as tomorrow. We'll be continuing the outreach and trying to schedule something more definitive with them.

Michael Fleming: [01:03:12](#) Are there any questions on the airline component? This will extend, by the way, we talked about users by which I believe we meant passengers at the airport, we also sometimes talked about users, maybe we should use the word tenants. We are going to want to go out and talk to some of the other major tenants of the airport as well. And that can be the FBOs, it could be companies that have a corporate hanger, it could be the rental car companies. It's the major enterprises and companies that have a relationship with the airport that are going to want to have an opportunity to have their voice heard. They don't all get a vote like the airlines do, but it's important to have outreach with those people as well. That's an element of that plan, I'll call it tenant outreach so we're not confusing that with individual users, passengers that use the airport.

John Schmidt: [01:04:10](#) In your communication with the airlines have you felt any, I guess, push back as far as the level of communication that they've received on the process?

Michael Fleming: [01:04:20](#) Not so far. I mean there hasn't been much, the initial outreach was to really, it was immediately after we got on board to say,

we're just on board. There was a vacuum but I think during that vacuum when the airlines weren't sure if and how things were going to go forward there was some of those concerns, but I think now that someone's talking to them, they will in short order understand what that plan is and be part of it. I think that should ameliorate those concerns if they were out there before.

- John Schmidt: [01:04:50](#) Because I just want to make sure, no matter where this process ends we have to manage and maintain those relationships with the airlines. I just want to make sure that there aren't any issues that are brewing that we aren't aware of. That can impact the long-term relationship with the airlines and the airport. Because I think the airlines, they're really partners to the airport.
- Michael Fleming: [01:05:14](#) That's a good point. Nothing like that has arisen. We'd certainly make you all aware if we saw any of those kinds of issues. One of the, I think, underlying principles of any discussion like this is to say, this is a separate discussion from your on-going day to day discussions with the airport. This may or may not go through, if it does not, there's a continued on-going relationship between the airport, airport directory, and staff and the airlines and those have to be maintained separate elements.
- Michael Fleming: [01:05:45](#) But certainly we're going to do this in a way that, if we don't bring the airlines on board then the transaction would not go through in any case so we need to pay a lot of deference and respect to their view at the same time we need to find a deal that will work for the city and produce those potential benefits that we've talked about.
- Paul Payne: [01:06:09](#) Michael, did you want to go into your draft message to FAA?
- Michael Fleming: [01:06:14](#) Yeah.
- Paul Payne: [01:06:15](#) We're running out of questions into something else.
- Michael Fleming: [01:06:17](#) The next point, this is really the only item right now that's open with the FAA.
- Paul Payne: [01:06:20](#) Okay.
- Michael Fleming: [01:06:21](#) The FAA has requested that the city provide for the FAA's own planning purposes that the city provide and indicative overall timetable primarily for the purpose of the FAA understanding when it is likely to be asked to issue its record of decision, which is its approval at the far end of the process. The FAA understands there are a lot of contingencies, the city has to

decide whether it wants to go through the various steps to get to that point, but if it does, what is the plan, what is the vision.

- Michael Fleming: [01:06:53](#) That document, that draft email to the FAA, simply lays that out based on the target 18 month timeframe that we've been talking about which is again contingent and indicative only, but it at least lets the FAA know, hey if everything goes according to the plan we have in front of us and the city at each step of the way decides that the right thing to do is to move forward, we would be expecting FAA to issue that decision somewhere in late 2019 or around early 2020. That's the only purpose of that is really for FAA's own resource planning purposes. We'd like to ask if it's acceptable for the working group to approve that communication to the FAA, so that we can fulfill that request that they've asked.
- Paul Payne: [01:07:43](#) Is there a motion to approve, state or any other question about it?
- Gerard Hollins: [01:07:48](#) I didn't have any questions.
- Linda Martinez: [01:07:50](#) I move that we communicate this to the FAA as our overall timeframe.
- Paul Payne: [01:07:58](#) Voting members.
- Gerard Hollins: [01:07:59](#) I'll second.
- Paul Payne: [01:08:01](#) Okay, so all in favor.
- Linda Martinez: [01:08:05](#) Do you want to talk about some more?
- Paul Payne: [01:08:07](#) Okay, you want to have discussion. Okay go ahead.
- Marlene Davis: [01:08:07](#) No, no. I thought you were done.
- Paul Payne: [01:08:11](#) Oh, okay. All in favor.
- group: [01:08:12](#) Aye.
- Paul Payne: [01:08:13](#) Oppose. Okay. Great.
- Michael Fleming: [01:08:14](#) Thank you.
- Paul Payne: [01:08:14](#) Okay.

Marlene Davis: [01:08:17](#) I'm going to jump back into communications very quickly. Two things we just brought up, I think is important for us to communicate is the approval process. Making sure that people understand there are six entities that has to approve this before it can more forward. And most people think beside just the mayor's office or it's just the board of aldermen or it's this outside entity in another place and space. I think it's important that you know that.

Andrew McKenna: [01:08:52](#) Noted.

Michael Fleming: [01:08:54](#) I think the only other item relevant to this, maybe John Schmidt could speak to this is the issue of whether or not to use [Unison 01:09:03] as a service provider.

John Schmidt: [01:09:05](#) Yes, it's really been anticipated, I think from the time we were hired that Unison Consulting, which is a consulting firm in Chicago also an office here in St. Louis, would do a projection of continued operation of the airport by the city, assuming nothing else happens, which I think is actually referred to in the Siebert PFM contract that you'll work with them. It's necessary for a lot of purposes and obviously it's a base line for the city going forward but we have it under airline use agreement because one place it's also going to be relevant is in our discussions with the airlines based on our prior experience. The central question is going to be, what will our rates and charges be if we continue under city operation, which requires you to project, since it's not a fixed number and how does that compare to what we end up deciding we can do as part of a privatization.

John Schmidt: [01:09:52](#) Getting that Unison process going seems to us important. I think the thought was they can do it potentially under their existing agreement with the city, with the qualifications that I assume if that's done the financial arrangement would call for the consultant group to pick up the cost of that as they're doing other costs. I think the thought was if we could get, I don't know if we need a formal authorization to hire them since they were already hired, but to work out an arrangement where they could go to work on this projection with an appropriate arrangement for reimbursement that would be Mark or otherwise [inaudible 01:10:25].

Rhonda Hamm-Niebruegge: [01:10:26](#) John, one thing on that, I think their projections are only going to be as good as the remainder of this use and lease agreement which is literally two years. I don't think they'll, I don't know, but I would be surprised based on the work that we've done in the past with them, that they would do a projection beyond

that because we don't have a use and lease agreement to do a projection on.

John Schmidt: [01:10:46](#) We spent some time, just last week talking about this question. Well, the question is part what they will or won't do. They can do a projection it would require them to make some assumptions going forward. The airlines are certainly going to make assumptions going forward. Because they're not going to look at this deal just to the middle of '21, 2021. I think that's a question, would have to be discussed with them, whether they can go beyond the current use agreement. But I think Unison and others in this business do due projections that go beyond current use agreements. People sell bonds now that go substantially beyond current use agreements and they rely on projections from Unison or [inaudible 01:11:24] or someone else. I think that's an issue, but that's part of what we would want to engage them on and talk to them about, because as I say, that question is going to be important for the airlines.

Michael Fleming: [01:11:34](#) I would probably need to sit Rhonda with you and your team and say what do we think it would like on a going forward basis, of course that's a little hard. I don't think we want to get too much into this because we'll start to talk about what our negotiating strategy is, when I meet with the airlines, which we probably shouldn't do in open session, but I think we could give them with the team and your team together some assumptions and say these are the assumptions we want you to use for the period that we're asking you to forecast that's beyond the current use and lease agreement.

Michael Fleming: [01:12:06](#) Because we need for the negotiations with the airlines to accomplish the objective, we need to be able to have a forecast of what they're use, and rates, and charges, and overall expenditure would have looked like under status quo, meaning continued public management of the airport, compared to what it might look like under a P3. And we just have to build that status quo scenario so we have something to compare it too.

Michael Fleming: [01:12:34](#) And it would be great if that use agreement covered that whole period, but it's just not realistic that it would do that, and it doesn't. It means there might be some negotiations with the airlines around what the status quo would have looked like.

Rhonda Hamm-Niebruegge: [01:12:47](#) Okay.

John Schmidt: [01:12:48](#) And one thing they do get out of the new deal is certainty, versus uncertainty. Which actually if you go back to why

Southwest finally decided they were interested in doing the mid-way deal. It was very important to them. Because whatever anybody projects is going to be just a projection and the deal they're going to almost certainly want from the new operator is going to be a much higher level of certainty. But we can only talk to you about sort of what they [inaudible 01:13:10] what they can do or won't ...

Mark Ellinger: [01:13:13](#) I think what we're looking for is approval to go ahead and reach to Unison engage in that discussion so that if we need to either engage them we can bring back proposal to engage them or what we would need them to do is already authorized under the existing contract we could come up with the proper ruminations, because it would be more time on their behalf than probably in the existing contract from Unison ...

Paul Payne: [01:13:36](#) So for my education, Unison, the reason why you selected Unison is because you already have a contractual relationship with Unison that does this work for the airport ...

Rhonda Hamm-Niebruegge: [01:13:44](#) Right, they do all of our projections and forecasting for us. They run the models so when we do our use and lease agreement we may look at 20 different ways to negotiate a lease based on rates and charges and they run all those models and then we, in conjunction with the airlines, pick the one that we most like and they do and then we kind of come to a happy median and they run the numbers. I guess the only thing I would ask is that we, the airport, have an opportunity to look at those projections that they forecast. Because I think, we go back and validate them on our own to make sure that they're right. I would just ask that our team could look at the projections whatever, if they agree to do them, whatever they may be, because I want to make sure the assumptions are accurate.

John Schmidt: [01:14:30](#) Absolutely, I think-

John Schmidt: [01:14:31](#) They're only going to do it if you're part of the process and they're going to say we're basing it on assumptions and they may have other assumptions. They also do it publicly. When you've issued bonds, you've had attachments which are projections done by Unison, so they've done it before. But how far out they will go and what kind of assumptions they will make about the use agreement, those are real issues.

Paul Payne: [01:14:52](#) So you would envision this being an addendum to the existing contract for additional services that we're contemplating.

Rhonda Hamm-Niebruegge: [01:14:57](#) If it's an addendum I have to take it forward to the airport commission and to E&A.

Paul Payne: [01:15:02](#) Yeah. Is that work. Is that ...

Andrew McKenna: [01:15:06](#) I think the way our agreement said is that we ...

Mark Ellinger: [01:15:09](#) We could either engage them as the service provider.

Michael Fleming: [01:15:11](#) We can engage them directly.

Rhonda Hamm-Niebruegge: [01:15:11](#) I would consider it.

John Schmidt: [01:15:16](#) Just do it directly. Well that's fine.

Mark Ellinger: [01:15:20](#) I guess the point was, we did not want to reach out to Unison and start contractual discussions without making sure you guys were okay with that.

Gerard Hollins: [01:15:26](#) But to just keep it clean, we should probably just do a new contract.

Mark Ellinger: [01:15:28](#) Okay.

Rhonda Hamm-Niebruegge: [01:15:29](#) I mean, we don't have a problem reaching out. I don't know what they're answers will be, but we don't have a problem from the airport reaching out as long as we get an opportunity to look at what those projections are forecasting [crosstalk 01:15:39] are and if they choose to do them.

John Schmidt: [01:15:39](#) They've done a little reaching out themselves, they're eager to be involved. I think we'll be able to come back maybe by the next meeting with a proposed contract with them.

Gary Hall: [01:15:49](#) One question Rhonda, do you have any idea whether or not there's potential to hire Unison, not related to this, for any sort of money bonds that you might be issuing in near term?

Rhonda Hamm-Niebruegge: [01:16:01](#) Yes, we would be using them along with obviously you and PFM. The goal is to issue our bonds probably in January we're working through the last two ratings of [inaudible 01:16:12] S&P, which we expect out here in the next week, and next week, and then we'd obviously go forward with issuing those bonds. And the refunding and of 28, I mean it's small.

Gary Hall: [01:16:23](#) Right. [inaudible 01:16:24] whether or not there maybe things that are connected to that scope of services that might be applicable for help here.

Rhonda Hamm-Niebruegge: [01:16:32](#) Okay.

Gary Hall: [01:16:32](#) So that you might get some economies of scale.

Rhonda Hamm-Niebruegge: [01:16:36](#) Okay.

Gerard Hollins: [01:16:36](#) If they're going to need to projections for the bonds anyone.

Rhonda Hamm-Niebruegge: [01:16:40](#) Right.

group: [01:16:40](#) Right.

Rhonda Hamm-Niebruegge: [01:16:41](#) It's going to be in the OS.

Gerard Hollins: [01:16:43](#) Yeah, exactly. And we wouldn't want two sets of projections out there.

Rhonda Hamm-Niebruegge: [01:16:49](#) Separate right. You don't want separate projections.

Gary Hall: [01:16:50](#) Definitely don't want one projection for your bond holders and one for ...

Gerard Hollins: [01:16:53](#) Exactly.

Marlene Davis: [01:16:55](#) The time frame is really pretty much about when you'll need it anyway. If you're talking about January.

John Schmidt: [01:17:01](#) Well, no. I think in the extent to our airline discussions it's earlier than that.

John Schmidt: [01:17:06](#) You raising a good question, how far they will go on projecting and therefore it may not be as helpful to the airline discussions as we would hope.

Rhonda Hamm-Niebruegge: [01:17:14](#) Well, and there's two separate things. On the bonds they're going to look at forecast projections, they're going to look at land and weights. If you talk about the use and lease agreement and the projections they run really are a charge of what are the airlines rates and charges going to be. That you typically aren't going to have in your bond negotiation, or your bond release.

Rhonda Hamm-Niebruegge: [01:17:34](#) I mean, they do two things, they're a little bit unrelated. I think the majority of what you're looking for them is really for what's the rates and charges forecast [crosstalk 01:17:43].

John Schmidt: [01:17:43](#) It sounds like, yeah.

Michael Fleming: [01:17:45](#) And I think that part of it as John said, we want, we'd like to get that going relatively quickly if we can get them under contract. Because the airline discussions are very front loaded and we're starting to [inaudible 01:17:54].

Marlene Davis: [01:17:54](#) I'm still confused why you're doing them so soon.

Paul Payne: [01:18:07](#) I hear a voice.

group: [01:18:08](#) Glenn.

Glenn Muscosky: [01:18:09](#) Yeah, thank you. I was just going to say, one of the important use of this product which Sean alluded to earlier, which is or Michael alluded to earlier, which is for the working group to be armed with information to compare the financial impact on the city of proceeding under the current approach which is continued public sector management of the airport versus a public-private partnership and making sure you understand and are armed with the data to inform your decision making with respect to a choice between a public-private partnership and not a public-private partnership, so that's another important piece, but more than Rhonda, I think you were suggesting, more than just the use, the rates, those kinds of things, but looking more broadly at what the financial impact would be on the city and for Unison looking at the as is piece of that in connection to the PFM. [inaudible 01:19:03]

Omar Karar: [01:19:05](#) Does that make sense, the idea that in general when we need to ultimately make decisions on whether or not proceeding down this transaction actually makes sense. You have a status quo, just a baseline of [crosstalk 01:19:18], if we were not to go down this route, this is what the future looks like for the airport. If we were to go down this route, this is what the future looks like for the airport from a financial perspective.

Marlene Davis: [01:19:29](#) I'm okay with knowing that early on, but we were probably, based on everything that I see, we will probably still need to do some new projections at the end of this process.

Paul Payne: [01:19:44](#) I think that's fair.

Marlene Davis: [01:19:45](#) Because the economy is just, we don't know where it's going to be. And the use, we don't know where it's going to be based on the economy as well. We can do the early one, but I'm pretty sure we'll have to do one when we get to the end of 16, 18 month process. That will give us a true numbers that we need to deal with.

Glenn Muscosky: [01:20:07](#) Yeah, I'd agree with that.

Marlene Davis: [01:20:13](#) I've done forecasting before. I understand economics. I've run a pension fund before so I know what I'm talking about. And I don't want to play with early numbers and give people false.

Paul Payne: [01:20:20](#) Apples to apples comparison.

Marlene Davis: [01:20:23](#) Yeah.

Linda Martinez: [01:20:23](#) All numbers will be iterate.

Mary: [01:20:24](#) [inaudible 01:20:24] and I think one of the things that you want to verify is that this is a continuous process. I mean in terms of reporting along the way, you're going to do this kind of check in on the economics, on the transaction, it's not just a point in time analysis. It's really kind of a continuous check in that you want to be doing, as we continue through the process.

Gary Hall: [01:20:49](#) [inaudible 01:20:49] I think it's important to note that Unison is also a certified MBE firm as well.

Marlene Davis: [01:20:57](#) Okay, thank you.

Linda Martinez: [01:20:57](#) I would make a motion that we have the team explore Unison as an additional service provider under the consultant agreement so that they could be provided these additional services, baseline information. Iterative updates as needed and help us to understand what we've got and what's possible.

Marlene Davis: [01:21:15](#) Yeah, keep us on point.

Gerard Hollins: [01:21:17](#) I'll second it.

Paul Payne: [01:21:17](#) All in favor.

group: [01:21:20](#) Aye.

Paul Payne: [01:21:21](#) Opposed. Thank you. All right, anything else. Take care of your stuff Michael.

Michael Fleming: [01:21:29](#) Yes, thank you.

Paul Payne: [01:21:29](#) Okay. Very well. All right. Next. The market and I think Glenn, that's your category.

Glenn Muscosky: [01:21:42](#) Yes, thanks very much.

Glenn Muscosky: [01:21:43](#) I'll give a brief update on that and take any questions as well. Really the key happening here is that consistent with the message that you approved a couple weeks ago, we reached out to potential participants in our process via email with that script. Really the key parts of that just to [inaudible 01:22:03] everybody were one timing, talking about processing our preparatory work for approximately six months as part of our broader 18 month process. Two communications protocol, at the city's request investors communicate exclusively through Moelis and ask their representatives do the same to ease the burden on all of you as you go about your regular jobs. Three priority, priorities again were community and economic development, therefore for the region for the city to improving the airport, net proceeds upfront and over time. And included in that kind of thinking about ...

Glenn Muscosky: [01:22:50](#) And we successfully reached to virtually all the names that were on the initial list and the feedback from people I think are generally enthusiast. They're asking the kind of questions you'd expect them to ask at this point in the process, we reminded them that we're just getting started and we'll have lots of opportunities to answer those question along the way. The people were glad that they had open lines of communications, this process getting started, that the working group is still engaged, they are looking forward to kind of ...

Glenn Muscosky: [01:23:20](#) I think that's really the extent of the updates on the market side. Do any of you have any questions.

Gerard Hollins: [01:23:27](#) How many potential betas did you reach out to?

Glenn Muscosky: [01:23:32](#) There are a little more than 40 on the list. Now those won't be individual potential bidders, they will team together, so I expect the number to be significantly lower than that as sort of groups of participants participate in our process. There are little more than 10 sort of airport operators and the rest are more financial investors that either have airports in their portfolios or were partnered with airport operators to make sure that they can qualify for our process.

PART 3 OF 4 ENDS [01:24:04]

- Glenn Muscosky: [01:24:00](#) ... To make sure that they can qualify for our process.
- Rebecca Perry-Glickstein: [01:24:04](#) Hey Glenn, this is Rebecca, does the city have a list of [inaudible 01:24:10]?
- Glenn Muscosky: [01:24:11](#) No, I have a list and I need to share that with them, that's a good point, we just haven't had a chance to do that yet, but I intend to do that if not today, tomorrow. And the one [inaudible 01:24:20] is I think we should keep that list confidential, but happy to [inaudible 01:24:30].
- Rhonda Hamm-Niebruegge: [01:24:29](#) I'm sorry, go ahead.
- Marlene Davis: [01:24:31](#) Glenn, I just want to clarify something very quickly. We talk about potential anything, you are not trying to do anything other than identify what is out there potentially based on whatever decision is made at the end. We are not engaging anyone to be in a particular position to bid or anything else at this moment. The information is public. Any entity that chooses to prepare themselves in case the decision is to privatize, that's on them, not on us. We didn't ask them. Is that clear, Glenn?
- Glenn Muscosky: [01:25:16](#) Yeah, absolutely, I'm glad you raised it. So the other part of the messaging was the message that you all approved is that the city retains decision-making over every milestone of the process. We have been very clear, the city has not approved starting process, the city has not approved the transaction. These are all milestones that we need to cross before anything even comes to market. So we've been very clear about that too.
- Marlene Davis: [01:25:42](#) Thank you, but the average public doesn't understand that. And I just had a neighborhood meeting last night, and what I say is it's just like a construction project. And I've been in predevelopment. So predevelopment goes out, looks for business, always got a plan, always got a new project prepared. Now someone along the way may like that project in one city or another, and then they want to buy into it. But it's not that anyone in that locale may have necessarily wanted it. But we are always looking for business, and we prepare ourselves for business. And that's basically the type of entities that we are going to be working with if we ever make a decision to work with someone. Is that true?
- Glenn Muscosky: [01:26:31](#) It all makes sense. In fact what we said is ... People ask questions about decision-making and political risk that's ...

people usually do. Our response is then there are always political “risks” associated with these processes. As you know and as you said consistently to you the market participants, the city retains all decision-making rights over the process, and as you think about your best way to respond to this process, should we proceed with the working group's approval, you should think about the city's two priorities and how we can best address those priorities so that we do not have to leave the market to be innovative around those things, again to the extent the city decides to pull the trigger and start the process.

Marlene Davis: [01:27:13](#) Very clearly stated, thank you, Glenn.

Rhonda Hamm-Niebruegge: [01:27:16](#) And this is relevant to that just to make sure, one of the things, and we sent the letter out asking potential operators not to sunshine the airport, thank you, that seems to have helped. The other piece I would ask on that is especially for the lobbyist who are retained in the St. Louis area by these operators, that they curtail what they're saying, because I just got a text while we were sitting here from someone talking about the use of proceeds and things that could be done and other things, and I think it's important that we make sure that people working for those operators have the same sort of restriction that we put on others.

Andrew McKenna: [01:28:01](#) I think we've really tried deliberately, we've really gone to all the operators prior to all of this, because of course they were asking and we were saying to them, “We are not retained, we do not have authority, but our recommendation to you is that you're very careful and thoughtful about how you communicate about this. We strongly encourage you not to say anything. Sure you can talk about the attributes of privatization, but you should not get specific.” But to the extent we don't have control necessarily over who gets retained by any one decision-maker, but we have worked very hard and gone to all the operators directly and said “please refrain from this. It's not helpful in this process.”

Andrew McKenna: [01:28:39](#) And I think Glenn's email, thanks to all of you approving that communication will very much limit the overwhelming inbound that you've been receiving. Particularly the mayor's office, aldermen and members. So we will continue to do that. And if you have specific examples that you would like to share with us of particular operators, I don't think it's in their best interest in the long-term, so if you all decide to be disruptive or be seen as being disruptive at this point, because I'm sure people in this room will remember that, but that will be our decision to make,

but we've informed them that that's not necessarily helpful right now.

Rhonda Hamm-Niebruegge: [01:29:17](#) Okay thank you.

Andrew McKenna: [01:29:19](#) Yes ma'am.

Glenn Muscosky: [01:29:19](#) Yeah Rhonda, to Andrew's point, of view that people are [inaudible 01:29:22] let us know and we'll touch outside with whoever their client might be if you'd like.

Rhonda Hamm-Niebruegge: [01:29:26](#) Okay thank you.

Linda Martinez: [01:29:29](#) So who did it?

Andrew McKenna: [01:29:32](#) Yeah. But they're all very excited about that process, and to that extent that they all have retained quite a bit of people in the community and state.

Marlene Davis: [01:29:51](#) And every other individual out here [crosstalk 01:29:51]

Andrew McKenna: [01:29:51](#) I don't think you'll to be able to go into an elevator without someone [crosstalk00:05:53]

Paul Payne: [01:29:56](#) Any other discussion related to the market? Any questions with Glenn or any other thing? All right, that brings us to the next item on the agenda. Existing debt and finance. So-

Gerard Hollins: [01:30:09](#) We keep this in closed session?

Paul Payne: [01:30:11](#) Sure. Let me jump in first. I noticed we said the requirement closed session bond discussion, but before we do that, because we did discuss in general terms, and I want to have that discussion here about the issue of retiring the debt. Because that was one of our feedback items. It's a guiding principle, all debt shall be retired. And again this goes back almost to my initial premise that we want some clarity in terms of whether or not this is eventually a good deal and if you start getting numbers where "oh we've got this big number, but in the small print part of the debt's not paid for not the fees or whatever have you." We felt strongly, I believe, that this is one of our guiding principles. And so we were sort of taken aback when we heard, "Oh, well it might not all be paid off. We might look at other options." So that's sort of the background of this discussion. So to the extent we can discuss this in the open session, I'll open up the floor to whoever wants to opine on this topic.

Gary Hall: [01:31:21](#) Sure. So just to be clear, I think I heard you say that in connection with this transaction, all debt outstanding would be either paid off or to fees or whatever way we can to be off the books of the airport and the city.

Paul Payne: [01:31:33](#) Yes.

Gary Hall: [01:31:33](#) That's what I hear you saying.

Paul Payne: [01:31:34](#) Yes, and that's actually not me saying that, that's actually in our contract, and it's the second guiding principle.

Gary Hall: [01:31:41](#) That is clear. Before we get into some nitty-gritty, I just want to reaffirm sort of our role in this process and how its connected to the transaction or not. So in our current capacity at PFM and Siebert, the principal stakeholder that we are concerned with, two, are bondholders and credit ratings. And they have a say, not in this process, but in the ongoing operation of the airport.

Gary hall: [01:32:11](#) So the first thing is we want to do no harm. And no harm means things like not deferring capital improvements, not extracting savings in the market. And there's nothing about this process that prevents us from doing that. So take some comfort in that. In connection with that, there's a \$600 million or so of par amount outstanding. That means active bonds are being traded every day. And so one of the things that we have to protect in this process that we don't give certain bond investors information that other bond investors don't have. So from time to time when we get into granularity about discussing specific bonds, we would have to go into closed session. That is not to thwart the commitment to transparency and openness and the sunshine rules that I know that exist that governs us, but that is a requirement for the city and ongoing and making sure they're not injurious to this process. So I just wanted to make sure that you understood first, no prevention from doing new money bonds or refundings, and second, from time to time, we might have to go off-line to discuss things.

Paul Payne: [01:33:10](#) Yeah, and I think that's ... yeah, there's going to be a time when we are here in negotiations whether its lease agreements and all that, we are going to go into closed session. I just want to make sure that the general purpose item about debt being paid off which we discussed in open session last time was somehow addressed.

Gary Hall: [01:33:26](#) Crystal clear.

Paul Payne: [01:33:28](#) Okay great. Thanks.

Alethia Nancoo: [01:33:30](#) With that, I think overall, the last time we met we talked about the flexibility, if that was something that the city wanted to consider in keeping some of the bonds outstanding. The team has taken a deeper dive in your master indenture. I think it falls in line with what the principles of this working group is in that we would recommend that all the bonds be defeased prior to a ultimate transfer of the airport, and that was something that the working group and the city decided to do. We can go into more detail with that opinion in closed session, but that would be our ultimate recommendations to redeem or defease all the existing debt prior to a transfer.

Paul Payne: [01:34:29](#) Great. I think that would be consistent with principles and ...

Linda Martinez: [01:34:33](#) Since you said that in public, do we need to put something on MSRB disclosure that should the city decide to go forward, if there's a market, if we decide that we want to go that way, this is something we are considering, but its 18, 24 months out, and no decision's been made in terms of some kind of notice, so people who are trading in the bonds had the same information that we just said in this room?

Gerard Hollins: [01:35:00](#) So you think an event filing?

Linda Martinez: [01:35:04](#) Yeah, its an ephemeral event notice, and most people know about it, but should we do some kind of an event notice?

Alethia Nancoo: [01:35:13](#) Well I think you have the benefit also of the fact that you're going into the market in short order.

Gary Hall: [01:35:21](#) You make a very valid point, but that's potentially new bondholders who would get that information. I subscribe to belt and suspenders. If you've made the disclosure in other places, if rating agencies have picked up that particular nuance of your guidance, why not just go out and just make that declaration? There is no harm in doing so.

Alethia Nancoo: [01:35:39](#) I mean it's in the public domain anyway.

Gary Hall: [01:35:41](#) Right.

Gerard Hollins: [01:35:43](#) So piggybacking on that, if obviously we have a new offering that will hit the market soon, are you willing to have a disclosure in the OS?

Alethia Nancoo: [01:35:49](#) Yes.

Gary Hall: [01:35:50](#) Yes.

Alethia Nancoo: [01:35:50](#) Absolutely.

Gary Hall: [01:35:51](#) We have to say that.

Paul Payne: [01:35:53](#) And just so you know, the guiding principle which we just talked about, that's all public documents. That's all in the record. This meeting is a public meeting, so ...

Linda Martinez: [01:36:00](#) But its not on Emma, its not in the bond world or MSRB's ... That's what I'm just saying is ...

Alethia Nancoo: [01:36:09](#) And I think we could couch it to the fact that the city is exploring this option. If the city were to choose to go in that direction, it's been publicly addressed that the expectation would be to redeem or defease the existing debt.

Gerard Hollins: [01:36:28](#) I mean do we need a specific communication plan for bondholders [inaudible 01:36:31]?

Alethia Nancoo: [01:36:31](#) I'm sorry?

Gerard Hollins: [01:36:32](#) A specific communication plan for our existing bondholders.

Gary Hall: [01:36:36](#) It's a repository. So its not necessarily ... The message is literally you extract what you say, but you just put it in a place ...

Gerard Hollins: [01:36:42](#) No, I used to file filings for LA County. So I'm very familiar. But I'm just saying from a strategic standpoint as we look at the timetable and kind of the milestones from the prior day, do we need to think about which some of those milestones need to be communicated specifically bondholders through [inaudible 01:36:58] filing?

Alethia Nancoo: [01:36:59](#) I think you don't want to go too specific, because you've got the various milestones can move, the schedule can be modified, but I think it would be very helpful to just provide an overview of what the expectations are for the city in the upcoming months and ultimately going into the RFP process in your offering document. Because that would be something that by the time you've gone to the market, you'll have a better sense as to where the city is in the process of solicitation of potential bidders.

Jim Garavaglia: [01:37:42](#) At this point I think we need to step back just a little bit, because when we refunded the 2007 bonds last year, we had a notice in that offering that served the market well. I don't know if we were to do more than do what we did last year, I don't want to send a signal to the market. I don't want to give ... Let's put it this way, I don't want to what I've been told is a healthy appetite for Missouri paper to be somewhat dissuaded by the fact that we are going in taking an extra step of making sure hey you guys, we're going to have ... Because for right now, we have to conduct our business the way we would normally do it, whether ...

Marlene Davis: [01:38:44](#) In a safe position.

Jim Garavaglia: [01:38:44](#) In a safe position, regardless of this other. Now we're noting it, everybody's going to know it, but I don't want to spoil the appetite for our paper because that's going to cost Rhonda. And it could cost her dearly.

Rebecca Perry-Glickstein: [01:39:02](#) This is Rebecca, just a quick question [inaudible 01:39:06] on that ...

Paul Payne: [01:39:07](#) Rebecca, we can hardly hear you.

Alethia Nancoo: [01:39:08](#) Rebecca, can you talk up a little bit?

Rebecca Perry-Glickstein: [01:39:12](#) Is this better?

Group: [01:39:13](#) Yes.

Rebecca Perry-Glickstein: [01:39:15](#) Okay. Just thinking about the concept of a voluntary notice to the market that if anything happens, all bond [inaudible 01:39:25], and then to your [inaudible 01:39:32] about investors and kind of not pushing them one way or the other or more importantly pushing them away from us. I just want the group to think about, I think the disclosure we had in the 2017 OS basically mirrors the language or some of the language in the indenture, which some of the language says you could do this under certain circumstances. And to go further into [inaudible 01:40:14] comes from the fact you can't do it. So is it worth noticing the market that notwithstanding the interpretation or other mucking about in the indenture, it is the city's intent that all bonds be paid off or defeased is that harmful, is it helpful? Just a question.

Linda Martinez: [01:40:36](#) I guess I was thinking it's a little bit more vague than that. Because in the summer of '17 we were working on possibly

drafting an RFP. At this point in time we got an RFP, we have a selection, we have an advisory team, and it would be an update saying it's being explored, however no decision's been made, numerous parties, six of them have to sign off on it, it's being explored ...

- Marlene Davis: [01:41:02](#) Timeframe of process [inaudible 01:41:03].
- Linda Martinez: [01:41:04](#) Yeah. But I would suggest talking to the disclosure counsel for the airport bonds and city and just saying, "Is this something we should put out there," just caveated thoughtfully and appropriately.
- Jim Garavaglia: [01:41:20](#) That makes sense. And could we just table it for right now, because-
- Linda Martinez: [01:41:23](#) Oh absolutely. The only reason I added was I just thought it was something that we should ask this disclosure counsel to look at it and to work with Alethia and PFM and Siebert on it just to make sure that we're doing the right thing.
- Jim Garavaglia: [01:41:34](#) Sure.
- Linda Martinez: [01:41:35](#) I don't think a decision needs to be made today.
- Marlene Davis: [01:41:37](#) Not right now.
- Linda Martinez: [01:41:38](#) Right.
- Paul Payne: [01:41:41](#) All right. Was there anything else on the debt side that we need to discuss? At least in open session at all? [inaudible 01:41:48]. Okay. Moving on. Administrative items. Working group list.
- Linda Martinez: [01:41:58](#) I got [inaudible 01:41:59] or was that supposed to be circulated to you so you could sent out ... I got it last week. I can't remember if I sent it to you.
- Paul Payne: [01:42:06](#) I don't remember either.
- Linda Martinez: [01:42:07](#) I'll send it to you. I'm sorry. My bad.
- Paul Payne: [01:42:09](#) All right. Okay. And I'm circulating that when I get it. Timeline. Review the 60 day, six month timeline, those were included with your agendas. Omar, you want to go over those?
- Omar Karar: [01:42:27](#) Sure. The next few pages talk about different phases of the 60 day timeline. I think the idea here was not to go through each

individual line item but kind of categorize them into airport diligence, community outreach, FAA related and market related. What we did want to draw your attention to was where it is that there is a city action item. So that's kind of highlighted in the yellow area on each of these, on page 19 through 20. And as you can tell, kind of within each work stream, the city and airport team it's in communication, or a decision needs to be made throughout each one of the work streams. So I'd be happy to go through some of these in particular, but I think the idea was to be more general to show where it is that the city plays a part in each one of the work streams.

Paul Payne: [01:43:34](#) And I noticed in the material we got, we had one for open session, one for closed session. It would be helpful, and again going into that I want to be sort of limiting on make sure that what we are discussing in closed session is appropriate for closed session. If there are items in here that are subject to closed session, if you would highlight those, because I was having ... maybe it's because I printed them black and white, but it's difficult to compare what was in the one versus what was in the other.

Linda Martinez: [01:44:02](#) Mike and I talked about this yesterday, and I think what would be helpful is if we look at the proposed more detailed timeline in the closed session, and if it's not supposed to be handled in closed session, then we'll come out of closed session and look at it in open session. But that would be my suggestion.

Marlene Davis: [01:44:24](#) It looks like the majority of it is closed.

Paul Payne: [01:44:31](#) And we could do that, but I just sort of want when you put them together in the future so I can compare which items it was and why would that be a closed session item that we can discuss.

Mark Ellinger: [01:44:46](#) Well Paul, just so I understand what you're talking about, I think I may be confused. Are you thinking line by line determining what's open and what's closed? They're going to be the open document, the one we're looking at now is also going to be included in the confidential document because they necessarily overlap. What's been taken out are the things we believe that need to be discussed in closed session. So you have an open document that's everything we believe is not confidential, and the closed document that includes all that, because by necessary it's already there, and it has the confidential information in it.

Attendee [01:45:22](#) Right.

Paul Payne: [01:45:23](#) I just want to be able to know which ones are specifically in the closed session so that they are properly in the closed session. You know what I'm saying?

Mark Ellinger: [01:45:33](#) So you want us to highlight in some manner each line, and I'm recognizing right now, I'm only looking at the open session document, because we are not in closed session, so I don't look at the closed session document.

Paul Payne: [01:45:45](#) Right. Right.

Mark Ellinger: [01:45:47](#) I'm looking at page 19, the first one says process data relaunch, and ongoing management conditions to the data room, which we think's open, and this is why it's on this agenda. If we thought that was closed, do you want us to black that out with asterisks and note closed item?

Michael Garvin: [01:46:04](#) We have to have a proper reason to go into closed session, and so we have to identify what that reason is. Whatever way you think is the best way to-

Mark Ellinger: [01:46:12](#) But you don't want it line by line, you want it document by document, correct?

Michael Garvin: [01:46:16](#) Whatever you think is the most work efficient.

Mark Ellinger: [01:46:18](#) That's why I was inquiring, all that would be a document by document analysis, because that's how we've always done closed session issues is document by document. Either a document is closed or a document is not closed.

Paul Payne: [01:46:29](#) Well the issue here is I got two very similar documents. One is a little longer than the other, so I imagine there are some items in the one that are closed.

Mark Ellinger: [01:46:38](#) Correct.

Paul Payne: [01:46:39](#) So if I'm looking at that document I can't tell the difference. I have to compare it with this to figure out okay what's in this one that's not in this one.

Andrew McKenna: [01:46:49](#) He needs crosswalking.

Alethia Nancoo: [01:46:50](#) Or like a black line.

Andrew McKenna: [01:46:50](#) He needs a crosswalk. We'll find a way to do a crosswalk.

Mark Ellinger: [01:46:54](#) We'll figure out a way in the future to do that.

Paul Payne: [01:46:54](#) And I'm not trying to be ... I just want to make sure that the reason why is highlighted and why is properly closed.

Mark Ellinger: [01:47:02](#) Understood.

Linda Martinez: [01:47:02](#) Absolutely.

Mark Ellinger: [01:47:02](#) Okay.

Andrew McKenna: [01:47:03](#) You need a crosswalk, we'll get you a crosswalk.

Paul Payne: [01:47:10](#) Thanks. Next item. And is there anything else on the timetables?

Rhonda Hamm-Niebruegge: [01:47:14](#) I just have one question just so I understand it. On page 21, it says the airport team review of draft city financial projections. I just want to make sure I know what that is. It's one of the action items, it's on page 21. So it says airport team review of draft city financial projections.

Omar Karar: [01:47:33](#) So I believe since it's sort of in the later part of September, what we do is during this time and leading up to the end of September we will, along with the airport city team, we'll provide our financial model and where we think projections are, compare that with Unison if that ends up working out, and then we kind of show you this is how this is looking on just a best case.

Rhonda Hamm-Niebruegge: [01:47:59](#) Okay. All right. [inaudible 01:48:07]. Okay.

Paul Payne: [01:48:06](#) Okay the next item under administrative items, additional consultants to consider. Are there other agreements that we were ...

Mark Ellinger: [01:48:13](#) They're not agreements for approval, this is basically an upfront heads-up. I think John mentioned it right at the beginning there were two other groups of consultants we may need to take a look at, that are very technical, very specialized areas and we just wanted to give you a heads up that we are embarking down that course of reviewing them, discussing them taking into account Alderwoman Davis' comments from the beginning to heart, and that we would anticipate at the next meeting we would come back with recommendations and decision items on that. But we just wanted to give a heads up that it's not a global expansion, it is two very technical specific fields, and anytime

we are going to look at additional service providers, they're going to be brought to you as a heads up in advance before we go to the contract point.

- Paul Payne: [01:48:58](#) Right. And I do want to add also, I think it was helpful when you [inaudible 01:49:02] the data room that you had the comparison to say this is how we went through the process of comparing the pluses and minuses of each. And I expect that's probably what you can do with the others I assume, so ...
- Mark Ellinger: [01:49:13](#) That's correct.
- Andrew McKenna: [01:49:14](#) And this is going to be heavily focused on accounting of quality of earnings, this'll have to deal with development operating standards, airport overview benchmarking, forecasting projections over 50 years, and airport improvement initiatives. So these will be highly technical firms that do this around the globe. We've got a pool right now of about 30 or 40 providers, but thanks to Chairman Davis we are going to evaluate some of the criteria and make some recommendations to this group and say, "We've done our analysis, now we're going to bring that analysis to you to check our homework."
- Marlene Davis: [01:49:44](#) Appreciate that.
- Andrew McKenna: [01:49:45](#) Yes ma'am.
- Paul Payne: [01:49:45](#) Okay.
- Andrew McKenna: [01:49:48](#) We also want to make sure, last point, I don't mean to belabor it, but we don't want to be adding unnecessarily additional team members unless it's absolutely critical and necessary, so these are firms that will be highly technical in a given area and focused. So their scope of work will be very narrow, and it will be focused around providing a certain data set to this group to make decisions.
- Paul Payne: [01:50:10](#) Alright. Thank you. And that sort of brings us to the end of the set open session agenda. Is there anything else among the working group members that we want to discuss? Anything else? Okay. Well then do we need to go into closed session?
- Linda Martinez: [01:50:32](#) Make a motion that we go into closed session? I think I need to read this section.

Paul Payne: [01:50:36](#) Yeah, I was going to ask do we need to go into closed session? That's fine, we can. We do have some amendments to approve at least.

Linda Martinez: [01:50:44](#) To discuss the legal actions pursuant to 610-021-1, 610-021-2 to discuss leasing and real estate, 610-021-3 to discuss the hire of new employees, 610-021-12 to discuss seal proposals and related contracts.

Gerard Hollins: [01:51:06](#) I second it.

Paul Payne: [01:51:06](#) In favor.

Jim Garavaglia: [01:51:08](#) Aye.

Paul Payne: [01:51:08](#) Aye.

Linda Martinez: [01:51:09](#) We each have to say it.

Paul Payne: [01:51:11](#) Sorry. Jim said aye, I said aye.

Gerard Hollins: [01:51:13](#) Aye.

Attendee: [01:51:14](#) Aye.

Linda Martinez: [01:51:14](#) Aye. Okay.

Paul Payne: [01:51:15](#) All right. Okay, so we are now officially in closed session.

PART 4 OF 4 ENDS [01:51:18]