

MISSOURI STATE PENITENTIARY REDEVELOPMENT COMMISSION
Final
MEETING MINUTES
Open Session
February 28, 2007

Call to Order: The MSP Redevelopment Commission meeting was called to order at 1:00 p.m. Vice Chairman Jim Wunderlich presided over the meeting.

Roll Call:

The Following Commission members were present. Gene Bushman, Kas Mahfood, Sarah Riddick, Mark Schreiber, John Sheehan, James Wunderlich. Quorum present. (Six members must be present to constitute a quorum – there are 2 vacant positions.)

The Following Commission members were absent: Bob Meyer, Kathy Peerson.

The Following Facilities Management, Design and Construction staff members were present: Deputy Director Walter Johannpeter, Charlie Brzuchalski, Lynne Angle, Dave Mosby and Dianne Beasley.

Special Guests: Richard Ward, Dan Bockert

Charlie Brzuchalski provided a PowerPoint presentation to discuss the meeting agenda items.

- I. Approval of Minutes/Agenda
 - The meeting minutes from the September 27, 2006, meeting (Open and Closed), minutes from the October 25, 2006, Closed meeting, November 29, 2006, (Open, no closed session) meeting minutes, and minutes from the January 24, 2007 (Open, no closed session) meetings were posted to the MSP Redevelopment Commission web forum prior to the meeting and available for review by the members. Motion was made to approve the minutes with a few minor changes; all in favor. Minutes have been updated and the open meeting minutes have been posted on the MSP Redevelopment Commission website.

- II. Review and Update on Redevelopment Project Status – Charlie B.

Slight change to the agenda – the discussion of the Master Developer Selection Process will be reviewed first then the rest of the agenda will be discussed. Richard Ward and Dan Bockert were in attendance to update the Commission on the status of the project.

 - Review Final Draft of RFQ – The final draft of the RFQ document was distributed for comment and discussion of the major topics. This document is located on the web forum in pdf form for review by the Commissioners.
 - Gene Bushmann expressed concern that Commissioners had not had adequate time to review the document and fully understand its content.

The Commission is confused on legal standing of the Commission. Many believe that OA owns the property and is making the decisions. The Commission is curious where they fit into the picture.

- Charlie B. stated that the Commission is the responsible party in the agreement. Dan Bockert stated that the intent of the agreement is to make the Commission the owner and the decision maker.
- Gene Bushmann asked whether the Commission legally can enter into this type of agreement before the transfer of the property to them.
- Dan Bockert asked if this is the first time the Commission has seen the document. Confirmation was made that this is the first opportunity the Commission members have had to review the document. Gene Bushmann expressed his concern about the interest in the property and that this interest is all taken in good faith.
- Another handout was distributed to the group, which was the presentation (PowerPoint slides) to be discussed at the meeting. The review began, however, was opted for postponement pending the Commission members time to review the document. This review will be presented at the next MSPRC Meeting.
- John Sheehan expressed concern with 75% figure for state agencies. Charlie B. stated that this figure came from the feasibility study that was done when the Master Plan was developed. Richard Ward stated that Parsons did the market study. Kas Mahfood stated that this 75% figure looks like the area is being developed as a government campus. She further stated that this redevelopment project is supposed to be for Riverfront development and Historical development. Everyone thinks that this is a government complex built to service government since the area already includes the Federal Courthouse, DNR Green Building, and the Health Lab. Richard Ward stated that the area has not yet been designed. Dan Bockert commented that the area is intended to be a mix of private and public space. Gene Bushmann stated that the Department of Corrections, which is a state agency, is also scheduled to occupy part of the facility. Gene Bushmann asked for the projected growth of state agencies that was included in the plan. Sarah Riddick stated that she understood that the intent of the redevelopment of the area was to promote tourism to attract people into the area.
- Charlie B. stated that the Master Plan is based on growth. He also stated that developers tend to look at areas that produce money with an aggressive growth rate and income ratios. The Commissioners need to revisit the Master Plan document that was originally developed for clarification purposes. Richard Ward stated that there is 2 million sq. ft. of total space in the area. Of that space, 1 million is for office space which already includes the above mentioned government office space. Sarah Riddick wanted to make sure that green space and the green trail was still in the plan. Charlie B. stated that the overview of the property and plan will be provided to the Commissioners including photos and an explanation of the plan. One area of the plan is for 75% state agencies and includes 6 parking structures. Dan Bockert further stated that office space is not the main focus; green space is first. Richard Ward stated that developers require something to attract them

(a way for them to make money). The dominate market is the State Capitol and is needed to pull in developers. Dan Bockert further clarified that whatever needs to be done must be done to make the package marketable to attract interest in the project and generate money.

- Kas Mahfood stated that even if the Commission does not agree with the plan, the Commission does not own the property. Charlie B. stated that the legislation transfers the property to the Commission. John Kuebler, attorney for the Commission, reviewed the legislation and informed the group that the State conveys the property to the Commission. Gene Bushmann stated that the Commission was not in control of the appropriations which affects the legal status. Charlie B. clarified that the appropriation from the General Assembly was made to the Office of Administration and not to the Commission. Gene Bushmann stated that the Commission has no decision making authority on the budget, no decision on the appropriations. The Commission did not see this year's appropriation request, did not see last year's appropriation request. The basic legal issue to be resolved is whether or not the Commission has authority. Charlie B. reminded the Commission that hazard insurance was previously discussed and the group wanted to avoid exposure to the risk. Gene Bushmann asked if the Commission could receive the money appropriated by the State. Mark Schreiber agreed that this is a legal issue to be resolved and answers are needed. The Commission has statutory authority but no control. Mark Schreiber expressed concern about the decline of the east end of Jefferson City. This project was supposed to revitalize downtown to promote business growth in the downtown area.
- Charlie B. assured the Commission that the progress that the Office of Administration has done is what the Commission wanted done. Gene Bushmann requested clarification of what the Office of Administration has done and what needs to be done. He further expressed his concern about the property not being transferred, no control over the money. The question is "Why does the Commission exist?" Charlie B. stated that everything comes back to money. Until the property is sold, the Commission has no funding. The Office of Administration is in control of the funds because the Commission can not yet exist on its own. When properties are sold and money is coming into the Commission, then the Commission can take over the property and become its own entity. Until this point is reached and the property is transferred and developers are ready to spend money, there is not money coming directly to the Commission. John Kuebler stated that the Office of Administration is instructed by statute to receive funds on behalf of the Commission.
- Charlie B. stated that the legal status of the Commission will be clarified by legal counsel. Gene Bushmann expressed his concern that this was the Office of Administration's attorney. Charlie B. stated that further discussion will take place on the status of the Commission. Gene Bushmann stated that this clarification must be made before the Commission can enter into any contracts. Mark Schreiber stated that

there are liability issues. John Sheehan added that the Commission has questions about control of the property and if it is the role of the Commission to provide discount incentives to developers, etc. Gene Bushmann further stated that before the Commission can enter into agreements, the Commission must own the land.

- Dan Bockert advised that the Commission members read every page of the draft RFQ.
- Gene Bushmann asked Charlie B. if there were problems with appropriations and getting additional funds for prison redevelopment and if there is a problem with the Office of Administration spending the money when the Commission gets title of the property. Charlie B. stated that he could not answer that question and deferred to legal counsel. Charlie B. did state that the Office of Administration could pursue moving projects to the Commission but proper channels would have to be observed before this could be done. The Commission must hire personnel to handle the projects. The money is tied up with appropriations from the State, which is a State system. Some type of system would have to be set up before the Commission could take over the projects.
- The following list of items will be added to the MSP Forum for review by the Commissioners.
 - Appropriation bills for last year
 - Appropriation request for this year
 - Legislation: HB58, HB621, HB275
 - Master Developer Draft RFQ
 - Hazard Insurance White Paper
 - Conflict of Interest Document
 - Bylaws of MSPRC
 - Programmatic Agreement with GSA
 - MOU with GSA
 - MOU with Corrections/OA
- It was decided that it was premature to continue the review of the RFQ document. Discussion will continue at a later time when the Commissioners have had the opportunity to review the draft document. Jim Wunderlich advised the Commission members to review the document prior to the next meeting.
- Jim Wunderlich asked if delaying review of the document would delay the Federal Courthouse project. Gene Bushmann requested a specific date to transfer property to the Commission. Charlie B. stated that the demolition at the MSP site will continue. GSA is scheduled to begin construction next year (2008). The project goes out for bid in May/June 2007 which is contingent with the programmatic agreement.
- The State is self insured. The Commission would have to have insurance for liability reasons, which would require legislation to allow the Commission to purchase its own insurance. Gene Bushmann asked if the Commission was considered a 'state agency' and if so, should be self insured. Legal counsel will follow-up.
- Discussion for next meeting will include:
 - Role of the Commission

- Authority of the Commission
- Current status of projects, etc.

Break

When the meeting reconvened, Dave Mosby joined the meeting. The Commission members reiterated their concerns previously discussed in the meeting. Dave Mosby stated that the capital is operating money. The intent is to sell the land so that the Commission can become self-perpetuating. Kas Mahfood stated that no property has been sold only given away. Clarification was made that only GSA was given property. Sarah Riddick stated that headlines appear in the news and the Commission is caught blind on the issues discussed. John Kuebler, legal counsel, will follow-up and report at the next meeting.

Back to agenda items...

III. Status Update on Caretaking/Interim Uses Management of MSP –

- Training
 - Photograph hazard - Some glass was broken in the lower level of the hospital. Care must be taken in who is allowed into the structures. Charlie B. will get them back over to the area to clean up the mess that was made. This should not have happened.
 - Ongoing training by the Missouri State Highway Patrol
 - MU Summer Fire School Training
 - The Fire School has requested use of the facility again this year. They will be using thermal imaging to identify heat sources. A structural collapse exercise is also planned. This will be contingent on the schedule of the redevelopment. The hospital was the only building they were in.
 - Mark Schreiber suggested that in caretaking that when the hospital is imploded, historic elements be removed for safekeeping. Charlie B. clarified that salvage of these items has already been discussed with the consultants.
- Relocation of Maintenance & Security Staff, Carpool Parking and Equipment Storage
 - Rock from the wall is being stored in a secure area. Mark Schreiber expressed his concern about the wall and the possibility of collapse. Something needs to be done about wall stabilization. Charlie B. stated that the wall has been evaluated. The greatest concern is the area between Towers 3 and 4. Wall stabilization will cost big money. Gene Bushmann asked if the State could put in a budget request for wall stabilization. If this is not done, the wall will fall. This issue will be considered as a budget item for the upcoming budget cycle. Charlie B. stated that he suspects that

money from end sales of property will most likely be required to be used first.

- Carpool parking – nothing is being done that is detrimental to the site. Everything is reversible.
- MSP Museum – some stones have come off of the building. This is one of the biggest tourist drives. Stabilization factors need to be assessed.
 - Housing Unit #3 will be the Department of Corrections headquarters. Housing Units 1 and 4 could be used for the stabilization project. Gene Bushmann asked if there had been any consideration to deal with the State Museum and Arts to take over Housing Units 1 and 4. Charlie B. stated that there was not enough funding but it should be brought up again. Mark Schreiber stated that the intend is for preventative maintenance to preserve the property for public good, which is the purpose of the Commission.
- Jefferson City Visitors Bureau – Tours
 - Sarah Riddick asked about the interest of the Jefferson City Chamber of Commerce to set up tours. Charlie B. stated that they have expressed an interest and want to be participatory in this. Steve Picker is the interim director for the Visitors Bureau and is interested in getting something going.

IV. Review and Update on Redevelopment Project Status – Charlie Brzuchalski

- Master Developer Selection Process – Charlie B., Dan Bockert, Richard Ward
 - Review Final Draft of RFQ – discussed earlier that further discussion would take place after the Commissioners had the opportunity to review the document.
- Federal Courthouse Project – Charlie Brzuchalski
 - Programmatic Agreement with GSA has not yet been approved. The document is not legal until it has been signed by both parties. Kas Mahfood asked if there was enough money for surface parking. Charlie B. answered yes to the question. Gene Bushmann asked if the Commission would know before signing the document what type of parking is planned. Charlie B. stated that this can be clarified. Gene Bushmann asked if the plan was to build a parking structure. Kas Mahfood asked if this is the case, will the architecture go with the general area. Charlie B. stated that the character of design/style is defined in the Master Plan. Greenway space is included. The draft of the programmatic agreement will be placed on the MSPRC web forum for review.
 - Demolition Project is in progress.
 - GSA has interviewed the Construction Manager they intend to hire. There were two (2) Missouri based firms. FMDC has worked with both of the companies previously. Hopefully, this information will

be available for discussion at the next meeting. GSA will be kicking off the design team soon. Commissioners are encouraged to attend.

- Missouri Naval Museum Proposal Update
 - Charlie B. discussed two scenarios that the Naval Museum is considering. Charlie B. will draft a letter on behalf of the Commission per the request from the Naval Museum for a commitment for the site and the plan selected. The favorite plan utilizes two (2) ships, both docked on the shore. The letter will be drafted and placed on the MSPRC web forum for review by the Commissioners. Building a bridge is part of the negotiations in this project. The Naval Museum needs a commitment on the site so they can proceed with fundraising for the project. Concerns of the Commission will be included in the letter such as the plans to build a bridge, no future commitment to any land.
 - John Kuebler asked Charlie B. to request that the Naval Museum request the letter in writing. Charlie will ask them to send the letter to set protocol.
 - Jim Wunderlich stated that he is concerned about how this project would fare should new commissioners be appointed.
- Missouri Riverfront Access Project
 - A kickoff meeting was held. Charlie B. will keep the Commission apprised of the status of the project as it progresses.
- Financial Disclosure Statements –
 - Charlie B. advised the Commission Members that Financial Disclosure reports are due to the Ethics Commission by May 1, 2007. Penalties will apply if a report is not filed. Statutorily the Commissioners of the MSP Redevelopment Commission have authority to make binding decisions. Therefore, members are required to file an annual report.
 - Dianne Beasley asked that members advise her when reports are filed for tracking purposes.
 - Jim Wunderlich, Mark Schreiber, and John Sheehan have filed.

V. Pending Items from Previous Meetings – Charlie B.

- Budget Requests submitted for FY08 – add to MSPRC web forum for review
- MSP Web Forum Updates (meeting minutes and agendas) – added per request of the Commission
- Property Hazard Insurance Coverage – post to MSPRC web forum for review

VI. Upcoming Agenda Items

- Final Review / Approval of Federal Courthouse Programmatic Agreement
- Commercial Banking Provider Selection Process
- Project Schedule / Timeline Review
- Draft Policy for Photo and Video Production usage of MSP Property
- Recommendations for MSPRC Staff Position Descriptions
- Election of Officers

The minutes will be posted to the MSPRC web forum for review prior to the next meeting.

With no further business, the meeting was adjourned.

Next Meeting: **April 25 (March 28 meeting canceled)** from 1:00 p.m. to 4:00 p.m.
Lewis and Clark Building
Jefferson City, Missouri