

SELECTION COMMITTEE FOR
AIRPORT ADVISORY SERVICES IN THE POTENTIAL LEASE OF ST.
LOUIS LAMBERT INTERNATIONAL AIRPORT

Motion:

I move to select the joint proposal from Moelis & Company, LLC and Grow Missouri, Inc., and with McKenna & Associates, LLC, as the first choice to advise and assist the City in seeking and evaluating proposals in connection with the possible lease of St. Louis Lambert International Airport, with Moelis as the lead financial advisor in seeking and evaluating bids and conducting a rigorous analysis of the financial terms thereof, with McKenna identifying the most qualified contractors and subcontractors for the advisory team which are subject to the approval of the City, and Grow Missouri supporting and underwriting the evaluation process. It is the committee's understanding that the city counselor's office will negotiate and prepare a contract for execution by the parties with the following understanding and requirements:

(1) that the City will be making the decision as to the proposed lease of the airport and not the advisors; that all parties acknowledge that any final decision to lease the Airport will require the approval of the Board of Aldermen, the Board of Estimate and Apportionment, the requisite number of airlines that serve the airport, and the FAA;

(2) that the parties confirm that the public engagement regarding the possibility of leasing the Airport shall include the citizens of the City of St. Louis, the citizens of the region, the flying public that utilizes the airport, the corporate community that relies on the airport to further the economic engine and job retention and expansion

in the City and the region, the employees and leadership of the airport, the vendors and suppliers of the airport, and the airlines that serve our region's flying public;

(3) that all parties confirm that the City is committed to undertaking a rigorous public engagement regarding the possibility of leasing the Airport and that the joint proposers and its contractors and subcontractors shall welcome, facilitate, coordinate, and support open communications and the public engagement process;

(3)(a) that the City, with the support of the joint proposers and all other contractors and subcontractors, shall undertake regular reporting of the status of the process of soliciting and evaluating proposals to lease the Airport to the Board of Aldermen, including its Transportation and Commerce Committee, the Board of Estimate and Apportionment, the Airport Commission, and members of the public through the public engagement process described above;

(4) that any lease of the airport must result in a better flying experience at the airport with the opportunity to obtain more direct flights and more freight service;

(5) that all parties acknowledge that the process and any and all final terms of a proposed transaction shall fully comply with law and all requirements of the Federal Airport Privatization Pilot Program including, but not limited to the requirement to honor all collective bargaining agreements related to operations at the airport;

(6) that the joint proposers and all other contractors and subcontractors acknowledge, in accordance with the RFP, their agreement that the City is the client in connection with the activities pursuant to the contract and the proposed transaction and that any and all contractual, fiduciary, professional, and ethical duties are owed to the City;

(7) that the joint proposers and all other contractors and subcontractors acknowledge, in accordance with the RFP, their agreement that such proposers, contractors, and subcontractors shall not represent any party other than the City in connection with any proposal or negotiations to lease the Airport and, should any

such entity undertake to subsequently represent any party other than the City in connection with any proposal or negotiations to lease the airport in the future, such entity shall be terminated under the contract and shall not be entitled to any remuneration directly or indirectly from the City;

(8) that in addition to the joint proposers, the City may require that contractors and subcontractors acknowledge the terms of the RFP, the proposal and the contract and agree in writing to be bound by the terms thereof, including, but not limited to, the provision that neither Moelis, Grow Missouri, McKenna, nor any other contractor or subcontractor shall receive any compensation from the City unless and until a transaction receives all requisite local approvals, the approval of the FAA and the payment of all consideration to be paid at such closing;

(9) that all parties confirm, in accordance with the RFP, that the joint proposers, and all other contractors and subcontractors shall advise and support the City as it undertakes a thorough evaluation of all options to lease the Airport;

(10) [Intentionally omitted]

(11) [Intentionally omitted]

(12) that the joint proposers and all other contractors and subcontractors acknowledge in the contract that the City (acting through its Board of Aldermen and the Board of Estimate and Apportionment) shall make the ultimate decision as to whether or not to lease the Airport;

(13) that all parties acknowledge that the City will identify and communicate its “guiding principles” to inform and guide the process of soliciting and evaluating proposals to possibly lease the Airport, including but not limited to requirements for:

- utilization of MBE/WBE contractors, subcontractors and vendors,

- prohibition against discrimination,
- the requirement to pay off all airport-related debt in full,
- development of a plan for growth and development of the airport and adjoining property,
- the pursuit of additional national and international flights that support job retention and expansion in the City and the region,
- prohibition against sale of the airport, and
- application of any net funds in a manner that will have a dramatic and positive impact on the City and its citizens;

(14) that the consultant team shall, if requested, underwrite the cost of two staff people to serve at the City's direction for the duration of the process;

(15) that the process shall include the development of “operating standards” as described in the RFP to assure the City and the flying public that there will be an ongoing process to evaluate the operation and development of the Airport should a lease of the Airport be consummated;

(16) that any compensation to Grow Missouri, Inc. in the event a lease is executed shall be limited solely to that amount necessary to reimburse Grow Missouri, Inc. for out-of-pocket payments for the fees and expenses of the other joint proposer and other contractors and subcontractors retained by Grow Missouri, Inc. in the delivery of services under the contract, and shall not include any other payments to Grow Missouri, Inc.; and

(17) that all reasonable efforts will be made to include Public Financial Management/PFM and Siebert, Cisneros, Shank & Co. to serve as subcontractors with a defined scope of work as set forth under the contract that utilizes their

background, strengths, and knowledge of the City, the airport, the financial status, needs and credit ratings of the City and the airport, with a special focus of the impact of any possible lease on such critical issues, and an additional focus on the unmet capital needs of the City and the airport and the possible application of any proceeds of the possible lease transaction to such needs; (17)(a) that during the process, the City may obtain separately-financed, independent third-party advice on the valuation of the transaction.