

Messenger: From day one, city's lead consultant has had end goal in mind — privatize Lambert

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First Rule media company has a punchy slogan.

“Give us the end goal,” it says. “We’ll direct the way.”

Indeed, that’s what lobbyist Travis Brown has been doing, with Mayor Lyda Krewson’s blessing, as he’s directed the city down the runway toward privatization of St. Louis Lambert International Airport over the past couple of years. Some city officials want desperately to believe that what they are doing is studying privatization, to figure out if it makes sense. But for Brown, the end goal has always been clear.

That became even more obvious last week as one of Brown’s employees invited community leaders to the screening of a pro-privatization propaganda film produced by First Rule, one of his companies.

The invitation I saw came from Andrew Smith, who recently left the St. Louis Regional Chamber to work for First Rule as the Missouri Hyperloop project liaison. You might have heard of the Hyperloop. It’s the futuristic transportation concept that would move travelers and freight at incredible speeds through pneumatic tube-like structures, making the trip between St. Louis and Kansas City about 23 minutes. I’m not sure what the Hyperloop has to do with airport privatization other than the fact that billionaire Rex Sinquefeld is involved in both projects, but when it comes to Travis Brown’s companies — all operated under the umbrella of Pelopidas, LLC, the company he owns with his ex-wife and business partner, Rachel Keller — there is little separation between any of them.

In fact, that’s one of the points Keller makes in her ongoing lawsuit against Brown, in which she accuses him of “looting” the company, in part by spending their joint income and resources on some of Brown’s personal pet projects, like multiple First Rule subsidiaries in Florida.

Here’s how Brown describes the business relationship between the various entities, on the website of Heartland Hyperloop, a nonprofit he created with his friend and fellow lobbyist Steve Tilley:

“Travis serves as President for Grow Missouri Inc., which is responsible for various public outreach efforts in Missouri, including FLY314. He also serves as Chief Executive Officer of First Rule, a Saint Louis based government and public affairs network.”

Grow Missouri, of course, is the nonprofit leading the privatization project team that includes a bevy of consultants paid approximately \$800,000 a month by Sinquefeld.

Grow Missouri is First Rule is Hyperloop is FLY314 is Rex.

And this is what bothers Paul Payne.

The city’s budget director, and member of the Airport Working Group that is studying the privatization of the airport, Payne spoke up at the Oct. 24 public meeting of the group, and again a week later, upset that the First Rule propaganda film was produced and being marketed without the knowledge of the other public officials working on the privatization project. The film’s existence and planned screening was revealed when Payne received a copy of an invitation to it, and Payne wasn’t happy about it. Such a move likely violates Brown’s contract with the city to manage the privatization process, which requires coordination on public communication.

“I was taken aback,” he told fellow members of the Airport Working Group. “This troubles me.”

Airport Director Rhonda Hamm-Niebruegge shared Payne’s concerns.

But longtime Sinquefeld attorney Marc Ellinger, who is being paid \$80,000 a month plus expenses to work on the airport privatization effort, told working group members that Brown’s work on First Rule was not connected to his work on Grow Missouri.

“First Rule is not an entity of Grow Missouri Inc.,” Ellinger said. “To the best of my knowledge this was not something that was done with the knowledge of ... Grow Missouri.”

Ellinger might want to brush up on his knowledge.

The same Brown employee, Jessica Oldham, who certified the most recent Grow Missouri document that discloses Ellinger’s quarterly haul of \$251,205 for being Sinquefeld’s yes man, was listed as the RSVP contact for the First Rule movie.

Where does Grow Missouri end and First Rule begin? Perhaps the propaganda movie could answer that question. For now, its screening has been postponed.

But it's not like the damage of the city's head consultant already having his mind made up on airport privatization is likely to change anything.

It's the same as it ever was, since at least March 16, 2017. That's the day that Brown, on behalf of Grow Missouri, signed a memorandum of understanding with the city, agreeing to advise the city through the early stages of the privatization process. Part of that early process included drawing up a request for proposals from companies that would be interested in advising the city on the legal and financial issues all the way up to a possible lease of the airport.

Nearly every one of the bidders, most of them big international companies like Credit Suisse and Ernst & Young, advised the city not to adopt a "success fee" model where a group of consultants working as a consortium would be ultimately funded or reimbursed out of the proceeds of the lease.

"It is our experience that advisor consortia, coupled with a single success fee establish a significant conflict of interest," one of the bidders wrote. Others agreed.

The city didn't listen.

Grow Missouri won the bid that it helped write and the conflicts of interest have only multiplied since then.

"The fix is not in," Krewson said at the time.

Tell that to Paul Payne.

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