

METROPOLITAN COUNCIL
390 North Robert Street, St. Paul, Minnesota 55101

REGULAR MEETING OF THE MANAGEMENT COMMITTEE
Wednesday, April 22, 2009

Committee Members Present: Lynette Wittsack, Vice Chair; Sherry Broecker; Craig Peterson;
Kris Sanda; and Robert McFarlin.

CALL TO ORDER

A quorum being present, Vice Committee Chair Wittsack called the regular meeting of the Council's Management Committee to order at 2:30 p.m. on Wednesday, April 22, 2009.

APPROVAL OF AMENDED AGENDA AND MINUTES

It was moved by K. Sanda, seconded by S. Broecker to approve the amended agenda. **The motion carried.**

It was moved by K. Sanda, seconded by C. Peterson to approve the minutes of the March 25, 2009 regular meeting of the Management Committee. **The motion carried.**

BUSINESS

2009-120 2009 Unified Operating Budget Amendment

Paul Conery, Manager, Budget and Evaluation, presented this business item to the Management Committee. On March 24, 2009, the Metropolitan Council approved the receipt and expenditure of \$212,000 in American Recovery and Reinvestment Act (ARRA) funding through the U.S. Department of Housing and Urban Development (HUD) for the Council's federal public housing program, the Family Affordable Housing Program (FAHP). This amendment to the 2009 Unified Operating Budget requests administrative staff realignments in Community Development and Metropolitan Transportation Services that do not affect Council fund balances, as well as increased expenditure authority in Community Development that is offset by the revenue funds received from ARRA.

It was moved by K. Sanda, seconded by S. Broecker:

"That the Metropolitan Council amend the 2009 Unified Operating Budget as indicated and in accordance with the tables attached thereto."

The motion carried.

2009-121 2009 Capital Improvement Plan and Capital Program and Budget Amendment

Alan Morris, Principal Financial Analyst, presented this business item. The proposed capital amendment: (1) programs newly available federal, state and local funding to projects in the approved capital improvement program; (2) reallocates regional bonding between existing capital projects; and (3) deletes completed capital projects from the authorized capital program. All of the proposed capital program amendments are consistent with the adopted 2009-2014 Capital Improvement Plan. The proposed amendment for Parks and Open Space includes new, but anticipated, regional bonding authority in the Authorized Capital Program that is reflected in the fiscal impact analysis done as part of the 2009-2014 Capital Improvement Plan.

Metro Transit's proposed purchase of replacement buses with Federal Stimulus (ARRA) funds will appear before the Transportation Committee on April 27, 2009, but for expeditious purposes was

pre-authorized by the Transportation Committee to be brought first to the Management Committee on April 22, 2009.

It was moved by S. Broecker, seconded by K. Sanda:

”That the Metropolitan Council:

- Amend the 2009 Authorized Capital Program (Multi-year authorization) by adding spending authority as follows:

Metro Transit	\$ 68,627,098
Metropolitan Transportation Services	\$ 1,492,728
Parks and Open Space	\$ 4,700,000
- Amend the 2009 Capital Budget (annual appropriation) by increasing spending authority as follows:

Metro Transit	\$ 2,110,855
Metropolitan Transportation Services	\$ 1,492,728
- Approve new projects and transfers between capital projects as detailed in Attachment 1.”

The motion carried.

2009-104 Technical Amendments to Legal Services Agreements; No Budget Impacts

Mark Thompson, Deputy General Counsel, presented this item to the Management Committee. The proposed increase amendments would enable the Office of the General Counsel to pay for essential workers compensation legal services, as described below.

It was moved by C. Peterson, seconded by S. Broecker:

“That the Metropolitan Council authorizes the General Counsel to amend legal services agreements to increase the maximum contract prices as follows:

<u>Law Firm</u>	<u>Services</u>	<u>Term</u>	<u>Current Price</u>	<u>Proposed Increase</u>	<u>New Price</u>
Heacox	Legal Services related to	06/30/08	\$500,000	\$125,000	\$625,000
Hartmann	Workers Compensation	06/30/11			
	Contract No. 05P044B				

The motion carried.

2009-146 American Reinvestment and Recovery Act (ARRA) Grant Applications

Wes Kooistra, Chief Financial Officer (CFO), presented this item to the Management Committee. Mr. Kooistra reported that a number of competitive grant opportunities are becoming available as federal agencies implement ARRA, but that the short timelines for grant submissions may not be conducive with Council and Committee meeting schedules. He, therefore, requested that the Management Committee propose that the Regional Administrator be given authority to issue grant applications, as appropriate. Prior to grant acceptance, all such agreements will be brought before the Council for review and approval.

It was moved by K. Sanda, seconded by S. Broecker:

“That the Metropolitan Council authorize the Regional Administrator to issue applications for competitive grant funds under the American Reinvestment and Recovery Act (ARRA).”

The motion carried.

INFORMATION

2008 Financial Results and Reserve Balances Briefing

Due to time constraints, this information item was deferred to the next regularly scheduled Management Committee Meeting on May 13, 2009.

Stimulus Package Briefing

Wes Kooistra, CFO; Ed Petrie, Metro Transit Finance Director; Jason Willett, Environmental Services Finance Director; and Mark VanderSchaaf, Community Development Planning & Growth Management Director, presented a PowerPoint briefing on the Stimulus Package as it pertains to the Metropolitan Council. Slides included information on ARRA funding sources, ARRA funding requirements, timelines, estimated grant amounts, potential 2009 ARRA projects, next steps, and other potential ARRA Competitive Grant opportunities.

Mr. Kooistra reported that meetings at the Council, and process development for making the most of ARRA funding opportunities within stipulated tight timelines, are ongoing. The Council's proposed ARRA projects are projects that had already been planned for and considered in the Council's overall debt load, but are being accelerated due to less expensive ARRA funding opportunities that will put the Council in a better position than anticipated last October.

Discussion ensued and questions were addressed on the following topics:

- The impact of taking stimulus dollars on the Council's overall debt obligation.
- The amount of ARRA funds that will need to be paid back.
- The impact of changes to the Council's debt ratio.
- The impact of ARRA projects on the Council's credit rating and PFA loan rates.
- Whether proposed ARRA projects will create ongoing operating costs or obligations.
- Whether the proposed acceleration of 2009 projects will result in changes to spending in subsequent years.
- Accountability for the Council's stimulus dollars and debt issuance.
- Competition for ARRA grants.
- Decision deadline dates.

Environment Committee Proposed Meeting Time Change

Vice Chair L. Wittsack, who is also a member of the Environment Committee, announced that a resolution was going before the Council on April 22, 2009, requesting a change in the regular meeting time of the Environment Committee from 4:00 p.m. to 9:30 a.m. on the second and fourth Tuesdays of each month. The time change would better accommodate commute times for committee members travelling to the Council from suburban locales.

ADJOURNMENT

Business completed, the meeting adjourned at 3:42 p.m.

Respectfully submitted,

Trudy M. Aldrich
Recording Secretary