

METROPOLITAN COUNCIL

390 North Robert Street, St. Paul, Minnesota 55101

SPECIAL MEETING OF THE MANAGEMENT COMMITTEE

Wednesday, June 15, 2011

Committee Members Present: James Brimeyer, Chair; Steven T. Chávez, Vice Chair; Harry Melander; Richard Kramer; and Gary Van Eyll.

CALL TO ORDER

Chair Brimeyer called the special meeting of the Council’s Management Committee to order at 2:30 p.m. on Wednesday, June 15, 2011.

APPROVAL OF AGENDA AND MINUTES

It was moved by R. Kramer, seconded by G. Van Eyll, to approve the amended agenda.

Motion carried.

It was moved by G. Van Eyll, seconded by R. Kramer, to approve the minutes of the May 11, 2011 regular meeting of the Management Committee.

Motion carried.

BUSINESS

2011-160 Technical Amendment to Legal Services Agreement

Donald Muetting, General Counsel, presented Business Item 2011-160 regarding an increase in Contract Price for the law firm of Lockridge, Grindal & Nauen.

It was moved by S. Chávez, seconded by G. Van Eyll:

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

Law Firm	Services	Term	Current Price	Proposed Increase	New Price
Lockridge, Grindal & Nauen	Legal Services related to Minnesota Public Radio Contract No. 10P042	2/1/10 - 6/30/12	\$500,000	\$250,000	\$750,000

Motion carried.

2011-161 Request for Waiver of Conflict – Parker Rosen, LLC

Donald Muetting, General Counsel, presented Business Item 2011-161 regarding a request for Waiver of Conflict for Parker Rosen, LLC.

Mr. Andrew Parker, attorney at Parker Rosen, became aware that his firm was representing and advising business owners within the Midway Shopping Center regarding eminent domain actions initiated on behalf of the Metropolitan Council for its Central Corridor Light Rail Transit Project.

A Waiver of Conflict will permit Parker Rosen, LLC to continue representing both parties while maintaining that only attorneys or paralegals who have not worked for the Council will work on the

condemnation matters and those attorneys and paralegals will not perform any work for the Council in the future.

There was a note of concern regarding the public perception of such an agreement. Mr. Mueting advised the Committee that these types of legal proceedings are "common" and that the Metropolitan Council has entered into such agreements in the past.

Vice Chair Chávez also agreed that as law firms grow and become specialized, these types of requests are common and prudent.

It was moved by S. Chávez, seconded by G. Van Eyll:

"That the Metropolitan Council:

- (1) waive any conflict of interest and consent to Parker Rosen, LLC (Parker Rosen) representing and advising the owners of the St. Paul Athletic Club and the owners of the LA Fitness business located in the Midway Shopping Center in the eminent domain actions initiated on behalf of the Metropolitan Council for its Central Corridor Light Rail Transit (CCLRT) project by the State of Minnesota through its Commissioner of Transportation; and,
- (2) authorize the General Counsel to execute any documents necessary to effectuate such waiver."

Motion carried.

2011-162 Approval for Interagency Agreement with the State of Minnesota, Office of Enterprise Technology

Dave Hinrichs, Chief Information Officer, and Pancho Henderson, Information Services Manager, presented Business Item 2011-162 requesting an extension of computer hosting services with the State of Minnesota Office of Enterprise Technology (OET). Mr. Henderson outlined the rationale behind this request.

The Committee discussed other options with regards to housing servers and security. Mr. Hinrichs commented on one option called "Cloud Computing." Cloud Computing allows for all applications and data to be accessed from any network device. Discussion continued as to whether security with this type of service could be an issue. Councilmember Melander noted the desire to keep any type of service for housing data local.

ACTION ITEM: Wes Kooistra, Chief Financial Officer, will discuss with Micky Gutzmann, Acting Director of Contracts and Procurement, procurement requirements.

It was moved by S. Chávez, seconded by R. Kramer:

"That the Metropolitan Council authorizes the Regional Administrator to extend the current interagency agreement with the State of Minnesota Office of Enterprise Technology (OET) for computer hosting services for two years, in the amount of \$490,000."

Motion carried.

2011-169 Approval for \$500,000 of Services from Financial Advisors

Allen Hoppe, Senior Manager, Treasury, presented Business Item 2011-169 requesting approval of Financial Advisors. Mr. Hoppe noted that this item is a replacement request. Of six qualifying proposals, three financial advisors (Springsted Incorporated, Public Resources Advisory Group (PRAG), and Ehler and Associates best met the terms of the request for proposal.

It was moved by S. Chávez, seconded by G. Van Eyll:

"That the Council authorize the Regional Administrator to execute contracts, in an aggregate amount to not exceed \$500,000 and for a time period to not exceed five years, for financial advisory services with three firms: Springsted Incorporated, Public Resources Advisory Group (PRAG), and Ehlers and Associates."

Motion carried.

2011 – 170 Approval of Bond Rating Agencies (Sole Source)

Allen Hoppe, Senior Manager, Treasury, presented Business Item 2011-170 requesting approval of Bond Rating Agencies. There were neither questions nor discussions regarding this.

It was moved by S. Chávez, seconded by R. Kramer:

"That the Council authorize the Regional Administrator to execute any necessary contracts in an aggregate amount to not exceed \$625,000, and for a time period to not exceed five years, for bond rating services with two firms: Moody's Investors Service and Standard and Poor's (S&P). Such services are to be secured as Council sole source services."

Motion carried.

INFORMATION

Budget Update

Wes Kooistra, Chief Financial Officer, updated the Committee regarding the budget.

Mr. Kooistra noted that in regards to the State Budget, there was not much to update or report. He noted that there has been no movement between the Governor's Office and the GOP. There have been conversations with the Governor's Office, and the Council is making contingency plans in the wake of a shutdown.

Mr. Kooistra reviewed how this applies to the Council and noted that communication will be coming from Chair Haigh's office. The Council is a political subdivision and not a state agency. The Council has its own administrative infrastructure.

Currently, the Council plans to keep all services going. Mr. Kooistra did note that it is likely that no funds will be distributed during a shutdown (MVST funds).

1Q11 Investment Review Committee Report

Allen Hoppe, Senior Manager, Treasury, and Mercy Ndungu, Financial Analyst, with limited time, presented a PowerPoint presentation of the 1Q2011 report on investments. They touched quickly on a few topics including:

- An economic review of Short and Long Term Investments; and
- Diesel and Natural Gas Hedging impacts on the budget

Transition Topics

The Information Services presentation will be postponed until the Regular Management Committee Meeting on Wednesday, June 22, 2011.

ADJOURNMENT

Business completed, the meeting adjourned at 3:39 p.m.

Respectfully submitted,

Robbin Schmitt
Recording Secretary