

METROPOLITAN COUNCIL

390 North Robert Street, St. Paul, Minnesota 55101

MEETING OF THE MANAGEMENT COMMITTEE

Wednesday, October 12, 2011

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

CALL TO ORDER

A quorum present, Chair Brimeyer called the meeting of the Council's Management Committee to order at 2:30p.m. on Wednesday, October 12, 2011.

APPROVAL OF AGENDA AND MINUTES

It was moved by R. Kramer, seconded by S. Chávez, to approve the agenda.

Motion carried.

It was moved by G. Van Eyll, seconded by R. Kramer, to approve the minutes of the September 28, 2011 regular meeting of the Management Committee.

Motion carried.

BUSINESS

2011-259 Unified Capital Program Amendment

Alan Morris, Principal Financial Analyst, presented Business Item 2011-259 regarding the 2011 Unified Capital Program Amendment.

This proposed amendment programs new federal, state and regional funding to capital projects in the Transportation and Community Development Divisions and reallocates funding between capital projects as detailed in [Attachment 1](#).

Before this business item could be voted on, Boe Carlson, Associate Superintendent of the Three Rivers Park District and John VonDeLinde from Anoka County Parks and Recreation, attended the meeting in order to address Council Members regarding the Three Rivers and Anoka County land acquisition proposal.

Mr. Carlson reviewed the history and background of the Three Rivers Park District and the Coon Rapids Regional Park. Mr. VonDeLinde provided additional detail regarding use of the land in question as well as prior transactions matching the proposed amendment.

It was determined through this discussion, that the Metropolitan Council has encountered similar transactions in the past. As noted by Council Member Chávez, a prior precedence has been established. Chair Brimeyer also affirmed that the Metropolitan Council's legal stand regarding this matter is intact.

Council Member Kramer asked if the transaction could take place with stipulations. Mr. Arne Stefferud noted that the Council can have stipulations and/or conditions placed on the use of the issued grant funds.

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

That the Metropolitan Council:

- Amend the 2011 Authorized Capital Program (multi-year authorization) by adding spending authority as follows:

Metro Transit	\$ 18,024,382
Metropolitan Transportation Services	\$ 20,890,903
Parks	\$ 7,103,000

- Amend the 2011 Capital Budget (annual appropriation) by increasing appropriations as follows:

Metro Transit	\$ 3,571,882
Metropolitan Transportation Services	\$ 3,569,307
Parks	\$ 1,420,600

- Approve the changes to capital projects as detailed in [Attachment 1](#)

2011-279 Technical Amendment to Legal Services Agreement

Don Muetting, General Counsel, presented business item 2011-279 regarding the Technical Amendment to Legal Services Agreement

The Office of General Counsel procures outside legal services for various public law matters. The contract price set in each agreement represents a cap on the amount payable; it is a "ceiling," and not a guarantee or entitlement. Regardless of any contract price, the actual amount paid under a legal services agreement is based upon actual services requested and rendered, and the budget amount(s) approved by the Metropolitan Council. In order for the Counsel to continue receiving legal services under its contracts, the contract price must be increased.

The proposed amendment would allow the General Counsel to pay for essential legal services.

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

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

<u>Law Firm</u>	<u>Services</u>	<u>Term</u>	<u>Current Price</u>	<u>Proposed Increase</u>	<u>New Price</u>
Lockridge, Grindal Nauen	Legal Services related to Minnesota Public Radio Contract No. 10P042A	7/1/11 - 6/30/13	\$250,000	\$250,000	\$500,000

2011-281 Authorization to Execute an amendment to the 2011 Agreement with the public facilities Authority (PFA)

Jason Willett, MCES Finance Director, presented business item 2011-281 regarding the Authorization to Execute an amendment to the 2011 Agreement with the public facilities Authority (PFA).

Business Item 2010-421 approved on January 12, 2011, authorized the Regional Administrator to execute a \$70.0 million loan agreement with the Public Facilities Authority (PFA) to fund eligible capital projects." The proposed amendment simply adds an additional amount, for which the principal will be forgiven to the loan, specifically for two "green" projects at the Metro plant:

- \$525,000 for the non-condensing steam turbine project
- \$450,420 for aeration tank improvements

Both of these projects were recently qualified by the PCA as eligible for the PFA's *Green Project Reserve* which means they are eligible for 25% principal forgiveness in the amounts listed above.

PFA has allowed us to add the amounts to the existing loan agreement, so that the \$70 million loan portion of the agreement (that has very favorable interest) will be unchanged. Thus, the full agreement is being increased to almost \$71 million.

Note that Exhibit A to the Agreement lists all the currently eligible projects (and their phases) and it is being updated also with this amendment. This is routine business and the projects listed in Exhibit A may change over time.

[The Attachment](#) is the proposed amendment to the Agreement. This has been approved as to form by our Bond Counsel.

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

“That the Metropolitan Council authorizes the Regional Administrator to execute an amendment to the 2011 loan agreement with the Minnesota Public Facilities Authority (PFA) in substantially the same form as the attached agreement. ”

INFORMATION

Salary/Wage Pay Structure

Sandi Blaeser, Assistant Director Employee Relations, presented a high overview of the employee salary and wage pay structure currently in place.

Ms. Blaeser reviewed the following topics:

- Workforce Demographics
- Key Events in Recent History
- Key Findings
- Objectives
- Challenges
- Approach

Ms. Blaeser noted that a Labor Strategy Presentation would be held in a closed session in two weeks. She mentioned that the Metropolitan Council has a complex labor structure. Discussions continue to be held within the appropriate teams within the Met Council regarding compensation.

Action: Council Member Melander would like a copy of the 9/28/11 Benefit Presentation.

Action: Chair Brimeyer would like a copy of the 2006-7 compensation study done by the HayGroup.

Quarterly Summary of Procurements

Micky Gutzmann, Acting Director of Contracts and Procurements reviewed the 2nd and 3rd quarter summary of procurements from 2011.

ADJOURNMENT

Business completed, the meeting adjourned at 3:45 p.m.

Respectfully submitted,

Robbin Schmitt
Recording Secretary