

METROPOLITAN COUNCIL

390 North Robert Street, St. Paul, Minnesota 55101

REGULAR MEETING OF THE MANAGEMENT COMMITTEE

Wednesday, January 13, 2010

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

CALL TO ORDER

A quorum being present, Committee Chair Scherer called the regular meeting of the Council's Management Committee to order at 2:30 p.m. on Wednesday, January 13, 2010.

APPROVAL OF AGENDA AND MINUTES

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

It was moved by Vice Chair L. Wittsack, seconded by S. Broecker to approve the minutes of the December 9, 2009 Regular Meeting of the Management Committee. *Motion carried.*

BUSINESS

2010-15 2010 Unified Operating Budget Amendment

Paul Conery, Budget and Evaluation Manager, presented the proposed Transportation, Regional Administration and Environment Services revisions to the 2010 Unified Operating Budget. Approval had previously been received by the Transportation Committee on January 11, 2010, and by the Environment Committee on January 12, 2010.

It was moved by L. Wittsack, seconded by K. Sanda:

"That the Metropolitan Council amend the 2010 Unified Operating Budget as indicated and in accordance with attached tables."

Motion carried.

2010-33 Authorization to Award General Obligation Revenue Bonds within Established Financial Parameters. Resolution 2010-01 and Resolution 2010-02.

Allen Hoppe, Senior Manager of Treasury, Jason Willett, MCEC Finance Director, and Dave MacGillivray, Chairman of Springsted, presented information on this business item. Mark LeMay, Vice President of Springsted was also introduced. This business item and resolutions propose the issuance and sale of:

- (1) \$18,000,000 in General Obligation Waste Water Revenue Refunding Bonds (refunding of a 1996 loan with the Minnesota Public Facilities Authority); and
- (2) \$45,000,000 General Obligation Waste Water Revenue Bonds.

The refunding is being undertaken to lower interest expense on debt. The new money debt is being issued in support of the Council's Capital Improvement Plan. All of the debt service is expected to be paid from net revenues of the waste water disposal system. February 9, 2010 has been set as the tentative sale date and, at the moment, no additional Council bonding is expected in 2010.

Mr. Hoppe described the parameters established for the bond sales, Mr. Willett elaborated on the Council's shared savings' relationship with the Minnesota Public Facilities Authority, and Mr. MacGillivray discussed the history and Council benefits of Build America Bonds. Questions were addressed.

It was moved by L. Wittsack, seconded by S. Broecker:

"That the Metropolitan Council adopt Resolutions 2010-01 and 2010-02, authorizing the issuance, sale and award of general obligation waste water revenue bonds primarily for refunding, and asset acquisition and betterment purposes, and the execution of other necessary documents to complete these events."

Motion carried.

2010-13 Technical Amendments to Legal Services Agreements; No Budget Impacts

General Counsel Don Mueting presented a request to increase maximum prices for the Lockridge Grindal and Provo-Petersen O'Neill contracts listed in the business item. Since Risk Management manages tort and property damage contracts, Dave Larrabee, Senior Risk Analyst, elaborated on the Provo-Petersen O'Neill contract. Both contracts relate primarily to ongoing litigation or services initiated under the original contracts. Mr. Mueting reiterated his plan to terminate existing legal contracts by the end of 2010 and to ask for new bids with better pricing. Eight termination letters have been sent to date.

Committee members were assured that the budget covers and exceeds current legal contract amounts.

It was moved by L. Wittsack, seconded by R. McFarlin:

"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>
Lockridge Grindal	Legal Services related to Housing, Land Use, Planning, Parks Open Space and Other Matters	09/09/01 - 12/31/10	\$500,000	\$250,000	\$750,000
Provo-Petersen O'Neill	Legal Services related to Tort & Property Damage Contract No. 08P044B	1/31/09 - 1/31/12	\$125,000	\$125,000	\$250,000"

Motion carried.

2010-28 Authorization to Award Contract for Employee Assistance Program (EAP) Services

Gloria Heinz, Human Resources Director, and Connie DeVolder, HR Manager, Occupational Health, presented this item to the Management Committee. Topics covered in discussion included the types of services and benefits offered by this program, its popularity and favorable reputation, the volume of usage by Council employees, the potential overlap of this program with Council healthcare plans, its comparison to State EAP programs, and State or Federal requirements. Ms. Heinz explained that EAPs are intended for short-term problem solving (up to three visits) and that employees are referred to medical professionals for extended treatment, if necessary.

It was moved by L. Wittsack, seconded by S. Broecker:

"That the Metropolitan council authorize the Regional Administrator to execute a contract with DOR & Associates, Inc. to provide Employee Assistance Program Services for a term of four (4) years at a cost not to exceed \$275,000."

Motion carried.

2010-29 Authorization to Award Contract for Drug and Alcohol Testing Services

Gloria Heinz, Human Resources Director, and Connie DeVolder, HR Manager, Occupational Health, presented this item. Ms. DeVolder praised MEDTOX's speedy service over the past year, the quality of its physicians and cost savings to the Council. In addition, its three clinic locations provide better access to Council employees.

It was moved by L. Wittsack, seconded by S. Broecker:

"That the Metropolitan council authorize the Regional Administrator to execute a contract with MEDTOX Scientific, Inc. to provide Drug and Alcohol Testing Services for a term of five (5) years at a cost not to exceed \$1,000,000."

Motion carried.

2010-30 Authorization to Award Contract for Occupational Health and Medical Services

Gloria Heinz, Human Resources Director, and Connie DeVolder, HR Manager, Occupational Health, presented this item to the Management Committee. When questioned, Ms. DeVolder explained that the lengths of the three contracts presented today (four years, five years, and three years, respectively) were staggered to spread out work involved in sending out Requests for Proposals and to lock in favorable pricing.

It was moved by L. Wittsack, seconded by S. Broecker:

“That the Metropolitan council authorize the Regional Administrator to execute a contract with Health Activation Services to provide Occupational Health and Medical Services for a term of three (3) years at a cost not to exceed \$600,000.”

Motion carried.

In an effort to save money, Vice Chair Wittsack requested that the Metropolitan Council seek opportunities to use State vendor contracts whenever possible as a standard procurement practice. This will be investigated.

INFORMATION

2010 Management Committee Work Plan

Wes Kooistra, Chief Financial Officer, presented a draft of the 2010 Management Committee Work Plan, which contains standard reports requested by Committee members in the past. He requested that Committee members review the plan and advise of any desired additions at the next Management Committee Meeting.

K. Sanda asked if annual reviews of the Council's operations, programs and management are performed. There was also discussion regarding the potential benefit this review could provide during transitions to new administrations. Mary Bogie, Deputy Chief Financial Officer, advised that the Council's Audit and Program Evaluation group do evaluate programs over time, based on a risk analysis, and that financial operations are reviewed annually in the budget process. Mr. Kooistra will have further conversations with Ms. Sanda on this topic before the next Management Committee Meeting.

ADJOURNMENT

Business completed, the meeting adjourned at 3:38 p.m.

Respectfully submitted,

Trudy M. Aldrich
Recording Secretary