

METROPOLITAN COUNCIL

390 North Robert Street, St. Paul, Minnesota 55101

REGULAR MEETING OF THE MANAGEMENT COMMITTEE

Wednesday, January 23, 2008

Committee Members Present: Roger Scherer, Chair; Lynette Wittsack, Vice Chair; Sherry Broecker; Mary Hill Smith; Tony Pistilli. Craig Peterson, new appointee to the Metropolitan Council, District 4, also attended the meeting.

CALL TO ORDER

A quorum being present, Committee Chair Roger Scherer called the regular meeting of the Council's Management Committee to order at 2:30 p.m. on Wednesday, January 23, 2008.

APPROVAL OF AGENDA AND MINUTES

It was moved by Tony Pistilli, seconded by Sherry Broecker to approve the agenda. *The motion carried.*

It was moved by Sherry Broecker, seconded by Tony Pistilli to approve the minutes of the January 9, 2008 regular meeting of the Management Committee. *The motion carried.*

BUSINESS

2008-15 SW 2008-2013 Capital Improvement Program and Capital Program and Budget Amendment

Ed Petrie, Director of Finance, presented this Same Week item to the Management Committee. The Transportation Committee approved the proposed amendment unanimously at its meeting on January 14, 2008, and the business item is going from the Management Committee to the Council as a Same Week item to prevent delays in moving the Northstar coach contract forward. It was moved by Lynette Wittsack and seconded by Sherry Broecker that the Metropolitan Council:

- Amend the 2008 Authorized Capital Program (multi-year authorization) by adding authority as follows:

Metro Transit	\$44,350,123
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- Amend the 2008 Capital Budget (annual appropriation) by increasing spending authority as follows:

Metro Transit	\$15,900,000
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The motion carried.

2008-31 Cash Flow Management Plan for Northstar Project

Ed Petrie, Director of Finance, presented this item to the Management Committee. Mr. Petrie reported that this plan follows the same model as was used in the Hiawatha LRT project, and internally financing the cash flow loan from the Council's investment pool is the most cost effective and administratively efficient way to keep the Northstar Project on schedule. It was moved by Lynette Wittsack and seconded by Tony Pistilli that the Metropolitan Council authorize providing cash flow financing to the Northstar Corridor Commuter Rail Project for passenger car and locomotive contracts while awaiting receipt of federal appropriations. *The motion carried.*

Revised 2008-35 Authorization to Award General Obligation Bonds within Established Financial Parameters

Resolution 2008-02 Resolution to Issue and Sell \$40,300,000 General Obligation Transit Bonds, Series 2008B, fixing the form and specifications thereof, providing for their execution and delivery and levying taxes for their payment.

Resolution 2008-03 Resolution to Issue and Sell \$80,000,000 General Obligation Waste Water Revenue Bonds, Series 2008C, fixing the form and specifications thereof, providing for their execution and delivery and levying taxes for their payment.

Resolution 2008-04 Resolution to Issue and See \$8,850,000 General Obligation Waste Water Revenue Refunding Bonds, Series 2008D, fixing the form and specifications thereof, providing for their execution and delivery and levying taxes for their payment.

Beth Widstrom-Anderson, Chief Financial Officer, and Allen Hoppe, Treasury Manager, presented this item to the Management Committee. Jeanne Vanda, Chuck Upcraft and Heather Casperson of Public Financial Management, Inc., and Lynnette Slater of Dorsey & Whitney, LLP also attended the meeting to answer questions. In an effort to streamline the bond sale process and to provide flexibility in setting the most advantageous sale dates, Ms. Widstrom-Anderson proposed a change to the bond issuance model that would authorize staff to award the sale of these bonds within specific parameters adopted by the Council. This bond issuance model was used for the Robert Street Building. Allen Hoppe, Treasury Manager, distributed copies of the Presale Analysis prepared by Public Financial Management, Inc., in connection with the Council's issuance of the above-referenced Bonds proposed for sale on February 20, 2008.

Mary Hill Smith questioned the amount of the Waste Water Revenue Refunding Bond, which was different in the resolution and the agenda item. It was explained that the amount of the refunding bond would vary depending on interest rates on the day of the sale. The bidders will bid premiums or discounts as the market rates move. The estimated net present value of interest savings to be realized is approximately \$470,000.

After discussion, Mary Hill Smith requested that the Proposed Action of Revised Business Item 2008-35 be amended to add the following statement: *"That the Metropolitan Council authorize a change in the bond issuance model by delegating authority to staff to award the sale of bonds within specific parameters adopted by the Council."* It was then moved by Mary Hill Smith and seconded by Tony Pistilli that the Metropolitan Council: (1) Authorize a change in the bond issuance model by delegating authority to staff to award the sale of bonds within specific parameters adopted by the Council; and (2) Adopt Resolutions 2008-02, 2008-03, and 2008-04 authorizing issuance and award of sale of General Obligation Bonds and execution of other necessary documents to complete the bond sale. ***The motion carried.***

2008-28 Authorization to Extend Contract for Drug and Alcohol Testing Services

Gloria Heinz, HR Director, and Connie Klein, HR Manager, presented this item to the Management Committee. After brief discussion, it was moved by Tony Pistilli and seconded by Sherry Broecker that the Metropolitan Council authorize the Regional Administrator to extend the contract for drug and alcohol testing with Park Nicollet Occupational Medicine for a period of two years, increasing the total contract amount from \$600,000 to \$950,000. Mary Hill Smith abstained from the vote. ***The motion carried.***

2008-30 Non-Represented Plan Effective January 1, 2008

Gloria Heinz, HR Director, and Jennifer Tvedten, Deputy Director, HR, presented this item to the Management Committee. They discussed the highlights of changes made to the Non-Represented Plan and fielded questions pertaining to severance packages, annual leaves and the budgetary impact of changes made. It was moved by Sherry Broecker and seconded by Tony Pistilli that the Metropolitan Council approve the Non-Represented Plan effective January 1, 2008. ***The motion carried.***

INFORMATION

Revised Draft of 2008 Management Committee Work Plan

Beth Widstrom-Anderson, Chief Financial Officer, presented a revised draft of the 2008 Management Committee Work Plan for review and discussion. Additional recommendations were made, and the final draft will be distributed to Committee members at the next Management Committee Meeting.

ADJOURNMENT

Business completed, the meeting adjourned at 3:25 p.m.

Respectfully submitted,

Trudy M. Aldrich
Recording Secretary