

**METROPOLITAN COUNCIL**

390 North Robert Street, St. Paul, Minnesota 55101

**REGULAR MEETING OF THE MANAGEMENT COMMITTEE**

Wednesday, February 24, 2010

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

**CALL TO ORDER**

A subcommittee was called to order by Committee Vice Chair Wittsack at 2:30 p.m. The purpose of the subcommittee was to hear some of the informational agenda items prior to the arrival of a quorum. A full quorum was present at approximately 2:43 p.m. and Committee Vice Chair Wittsack called the regular meeting of the Council's Management Committee to order on Wednesday, February 24, 2010.

**APPROVAL OF AGENDA AND MINUTES**

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

It was moved by K. Sanda, seconded by C. Peterson to approve the minutes of the January 13, 2010 Regular Meeting of the Management Committee. *Motion carried.*

**BUSINESS**

**SW 2010-45 2010 Unified Capital Program Amendment**

Alan Morris, Principal Financial Analyst, Budget and Evaluation, presented the proposed amendment to the Management Committee. Its objectives are to (1) Amend the 2010-2015 Capital Improvement Plan to reflect the increase in Central Corridor project costs due to the addition of three stations at Hamline Avenue, Victoria Street and Western Avenue, and (2) Amend the Authorized Capital Program to recognize local funding commitments to the Central Corridor Project. This amendment will not impact any planned project in 2010 or materially impact the multi-year CIP plan. The amendment has been reviewed and was approved by the Transportation Committee on February 22, 2010. Mr. Morris addressed questions.

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

"That the Metropolitan Council:

- Amend the 2010 Authorized Capital Program (Multi-year authorization) by adding spending authority as follows:

Metro Transit	\$10,183,600
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- Amend the 2010 Capital Budget (annual appropriation) by increasing appropriation to the Transportation Division as follows:

Metro Transit	\$10,183,600
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- Amend the total project cost for the Central Corridor Light Rail Project from \$941,316,000 to \$956,916,000 and amend the 2010-2015 Capital Improvement Plan for the Central Corridor Light Rail Project from \$870,478,821 to \$886,078,821.
- Approve the changes to capital projects as detailed in Attachment 1."

*Motion carried.*

### **SW 2010-14 Approval of Pay Equity Implementation Report**

Sandi Blaeser, Deputy Director of Human Resources, presented this item to the Management Committee. All public jurisdictions, including the Metropolitan Council, and are required to file a Pay Equity Implementation Report with the State of Minnesota every three years providing employee pay-by-gender data. Submissions must be approved by their governing bodies. The purpose of the Report is to eliminate gender-based wage disparities in public employment in Minnesota. Compliance is demonstrated by passing four tests: Completeness and Accuracy Test, Statistical Analysis test, Salary Range Test, and Exceptional Service Pay Test. This information was last provided by the Metropolitan Council to the State of Minnesota in 2006. The Council was compliant in the 2006 Report to the State and compliance continues in the 2010 Report. Ms. Blaeser detailed the components of the Pay Equity Report and factors affecting the statistical analysis in a PowerPoint presentation. Questions were also addressed.

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

"That the Metropolitan Council approve the Council's 2010 Pay Equity Implementation Report."

***Motion carried.***

### **SW 2010-77 Authorization to renew the Metropolitan Council's insurance for physical damage to trains with Lexington Insurance**

Phil Walljasper, Director, Risk Management and Claims, presented this item. This annual insurance policy provides coverage for physical damage to both Light Rail and Commuter Rail trains while they are on the main line. Competitive bids are requested each year through the Council's insurance broker. Out of four bids solicited this year, Lexington Insurance provided the best quote, maintaining the broad coverage and limits that currently exist, yet agreeing to reduce the rate used to determine the premium by 3.9%. The funding for this insurance is a part of Hiawatha's and Northstar's budget.

It was moved by C. Peterson, seconded by K. Sanda:

"That the Metropolitan Council authorizes renewing its insurance policy that provides coverage for physical damage to light rail and commuter rail trains in an amount not to exceed \$272,405."

***Motion carried.***

## **INFORMATION**

### **Bond Sale Results**

Allen Hoppe, Senior Treasury Manager, summarized the results of the Metropolitan Council's bond sales of February 9, 2010.

Series 2010A. \$16.035 Million of General Obligation Waste Water Revenue Refunding Bonds with a final maturity of five years and a true interest rate of 1.16%. The bonds refunded a 1996 loan from the Minnesota Public Facilities Authority (PFA). The net present value savings were approximately \$1.6 million, with half of the savings being shared with PFA based on past agreements.

Series 2010B. \$36.0 Million of General Obligation Waste Water Revenue Bonds (Build America Bonds (BABs)) with a final maturity of 20 years and a true interest rate of 3.25% (net of BABs rebates). Proceeds will fund projects in the Council's Capital Improvement Program (CIP).

Mr. Hoppe added that both Moody's and Standard & Poor's have confirmed the Council's AAA bond ratings, and he addressed questions that were asked.

### **2010 Management Committee Work Plan**

Wes Kooistra, Chief Financial Officer, presented the 2010 Management Committee Work Plan. He requested that Committee members let him know if they would like additional items added to the plan's framework in the future.

**ADJOURNMENT**

Business completed, the meeting adjourned at 3:23 p.m.

Respectfully submitted,

Trudy M. Aldrich  
Recording Secretary