

**Grand Valley Metro Council
Executive Committee Meeting**

Thursday, May 19, 2005
12:00 PM

Grand Valley Metro Council
40 Pearl NW, Suite 410
Grand Rapids, MI

MINUTES

Present

Kurt Kimball	City of Grand Rapids
Cy Moore	Council Treasurer
Sandy Frost Parrish	Cascade Township
Rick Root	City of Kentwood
Rob VerHeulen	City of Walker

Other

Andy Bowman	Grand Valley Metro Council
Leon Branderhorst	Grand Valley Metro Council
Abed Itani	Grand Valley Metro Council
Gayle McCrath	Grand Valley Metro Council
Don Stypula	Grand Valley Metro Council

Absent

Jim Beelen	City of Allendale
Jim Buck	City of Grandville
Daryl Delabbio	Kent County
Don Hilton	Gaines Township
Al Vanderberg	Ottawa County

1. Call To Order

The meeting was called to order at 12:15 p.m. by Secretary Kurt Kimball. It was noted there was not a quorum present.

2. Approval of Minutes

The April minutes were not approved as there was not a quorum.

3. Financial Update

The financial report was not reviewed as there was not a quorum.

4. Appointment of Patricia Capek as GVMC Representative from the City of Cedar Springs.

The group agreed to pass along the nomination of Patricia Capek as the representative of the City of Cedar Springs to the June GVMC Board Meeting.

5. Proposed Addendum to GVMC Personnel

The proposed addendum to the GVMC Policy and Procedures manual was not reviewed as there was not a quorum.

6. Blue Print Awards

Andy Bowman explained the PIE Committee had chosen the Blueprint Award recipients.

Secretary Kurt Kimball indicated that the members present concurred with the awards and there was no one in dissent.

Don Stypula stated that Ada was almost ready to become a member of GVMC. Mr. Stypula stated that Lowell and Belding have already indicated they are going to join, however he is holding off on the paperwork so that he can do a joint public advertisement to save money when Ada also joins.

There was discussion on what was required regarding a public advertisement. There may be more economical options than the Grand Rapids Press.

Mr. Stypula stated it had to be a paper of general circulation. He stated he would research what was needed and report back to the group.

7. Transportation

a. FY 2006 Unified Planning Work Program & Transportation Dues Adjustment

Abed Itani explained the FY2006 Unified Planning Work Program and dues adjustment request. The proposal showed an increase of 5 cents in transportation dues and then indexes both transportation and administration dues for inflation until 2009. The proposal lists projects, funds, staffing levels, expenses, and mandated activities. The FY2006 Unified Planning Work Program needs to go to the June GVMC Board Meeting for approval so it can be forwarded on to MDOT and the feds. Both the Tech and Policy committees have approved the Transportation dues increase.

Mr. Itani explained that not much was different in this years program other than the new traffic count program; new pavement management system; and the Long Range Transportation Plan needs to be updated.

For budgeting purposes, this plan had the Land Use Blueprint funding zeroed out and had moved the Systems Administrator entirely into Transportation. This budget presumes there is no Planning Department. If funding for Land Use Planning comes about, it could be inserted into the GVMC budget before it is approved. Or the budget could be amended if funding materializes afterwards.

Currently total dues are 38 cents, with 30% of the total paid by those who don't have a seat (road commission, airport, etc). The proposed increase for those entities would be the same percentage.

The proposal also factored in an expected move of offices in the year 2009 which would save \$30,000 per year.

Kurt Kimball questioned the dues spreadsheet and requested that the headings over each column indicate that the per capita figures are being multiplied by fractions of cents (don't round off to full cents).

Sandy Frost Parrish stated that it would be preferable to continue the indexing rather than starting and then stopping a couple of years afterwards.

Rob VerHeulen stated he didn't like building in an increase. The City of Walker is having hard times themselves and he doesn't want to concede to continual escalation if at all possible.

Kurt Kimball asked what the members were being asked to approve, the methodology, or the budget to 2010?

Abed Itani responded that he was looking for approval for the FY2006 Unified Work Program and the 5 cent Transportation dues increase.

Sandy Frost Parrish asked if it was typical to approve a deficit budget. In Cascade a deficit budget would be a bigger problem than a dues increase.

Kurt Kimball stated that as long as there is money that can come out of the reserves it is O.K. He also indicated at the last Board meeting several suggested a balanced approach including both cuts and dues increase.

Abed Itani was instructed to make the following changes to his proposed budget for Transportation: add the appropriate interest revenue amount; change the column headers so they indicate the exact number being multiplied; index the dues yearly to inflation; and do not show projections out to 2010 as it presumes a budget has been set for subsequent years.

Cy Moore questioned what was being approved at this meeting? He stated we were not approving the GVMC budget, and we are not going to the Council asking them to approve the GVMC budget.

Kurt Kimball stated that they were not approving a GVMC budget or cuts. Options still need to be presented on that. At this time the focus is on the Transportation budget as it needs to be sent to MDOT and the feds for approval.

Gayle McCrath added that per the minutes for the May Board meeting, at least four people instructed that a dues increase for the entire amount of the expected deficit was impossible, however they wanted to see options which would include a combination of cuts and dues increase.

Don Stypula stated he would take Andy Bowman to meet with Bill Rustem of Public Sector Consultants to review funding options.

Sandy Frost Parrish indicated the Wege Foundation would also be an option.

Andy Bowman stated that if Mr. Itani's Transportation budget assumed there would be no Land Use Department, then reference to supporting Land Use Planning should be taken out of his proposal.

Mr. Itani stated he would do so.

Cy Moore reported he was concerned with passing along the assumptions regarding other departments (Land Use) which are included in the Transportation budget. He stated that the Council was largely created around the need for land use planning, and that the MPO came later. This conversation was started at the last Board meeting and it hasn't been resolved. We need to be asking what the members want GVMC to be.

Kurt Kimball added that as one of the principle architects of the original mission statement he could testify that from the beginning, one of the main goals was to do regional land use planning. It is ironic that when there is a money pinch, cuts in land use are being proposed. We need to determine if this happens, do we feel in our guts that we are still GVMC, or are we just an MPO. Would this mean GVMC wouldn't be meeting its mission – Yes. We need to work on sustainable funding.

Cy Moore added that if some funding were approved for land use planning, GVMC could approach others by means of a challenge grant.

Kurt Kimball added that moving on the Transportation budget is no guarantee that money will not be asked for at a later time to fund land use.

Cy Moore stated that he didn't want to just fund Transportation and close off the possibility of additional land use funds.

Abed Itani stated they need to make sure the members address the need for land use funding.

Kurt Kimball asked if the UCB \$40,000 was in this current year's budget.

Leon Branderhorst indicated it was already taken into account in the current year's budget.

Cy Moore asked if Mr. Stypula was ready to take the budget amendment which was considered at the last Executive Committee to the Board.

Mr. Stypula stated yes.

Leon Branderhorst stated it couldn't be taken to the Board until the transaction on the U.C.B. money was determined.

Rob VerHeulen stated the UCB had reissued the \$50,000 for the Lower Grand Watershed to GVMC and asked if it would then reduce the projected budget deficit by \$50,000?

Don Stypula stated yes.

Cy Moore stated it wouldn't. Since GVMC would incur expenses for the Lower Grand Watershed, the \$50,000 had to be reflected both as revenue and as an expense, and therefore would not change the budget situation.

Don Stypula stated he was meeting Friday with Fishbeck to determine what their expenses would be on the Lower Grand Watershed which would determine what the final figures would be on the amendment.

8. Legislative

Don Stypula reported work is still being done on the budget. He encourages everyone to talk with their legislators. Revenue sharing is still on the table.

Don Stypula stated he has asked Bill Davis to meet with members and give them a history of revenue sharing. Mr. Stypula will forward the information on the location, date and time once it has been determined.

The statement was made that the people who needed to be educated on the history of revenue sharing isn't the locals, it is the legislators.

Legislation regarding rental housing is being worked on.

At the federal level, the Senate has passed the highway bill at \$295 billion. The House version is \$284 billion. However, the obligation ceiling is just over \$221 billion.

9. REGIS

Don Stypula indicated that the REGIS transition team was underway and that a formal search for the new REGIS Director would begin shortly.

10. Adjourn – 1:30 p.m.