

**Grand Valley Metro Council
Executive Committee Meeting**

Thursday, June 16, 2005
12:00 PM

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

MINUTES

Present

Jim Beelen	City of Allendale
Daryl Delabbio	Kent County
Don Hilton	Gaines Township
Cy Moore	Council Treasurer
Al Vanderberg	Ottawa County
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 Buck	City of Grandville
Kurt Kimball	City of Grand Rapids
Sandy Frost Parrish	Cascade Township
Rick Root	City of Kentwood

1. Call To Order

The meeting was called to order at 12:30 p.m. by Vice-Chair Don Hilton

2. REGIS Update

Don Stypula reported that there have been excellent meetings with the transition teams for the past three weeks. They are developing a new operational agreement and working on a staffing model and the budget. Next Tuesday both will be approved.

The target date to have the process completed is mid July, and the budget will go to the REGIS Board on July 20th.

Don Stypula reported on the request to upgrade license authorization for Arc 9 for ten licenses at a cost of \$1,614.21 each.

MOTION – To Approve Payment of \$16,142.10 to Upgrade Ten REGIS Licenses to Arc 9. MOVE - Delabbio. SUPPORT – Beelen. MOTION CARRIED.

3. Legislative Update

Don Stypula reported that TEA-21 has been extended again until June 30th. There seems to be movement in Congress to the \$284 billion figure.

It appears as if revenue sharing will be held harmless this year. The business tax debate will continue through summer.

The Legislative Committee met last week and approved a position in opposition to SB522 which would affect the ability of a local entity to determine right of way access for public utilities in limited access highways.

Don Hilton also added that the MML and MTA oppose the bill.

MOTION – To Oppose SB522. MOVE – Vanderberg. SUPPORT – VerHeulen. MOTION CARRIED.

4. Approval of Minutes

MOTION – To Approve the Minutes of the May Executive Committee Meeting. MOVE – Vanderberg. SUPPORT – Moore. MOTION CARRIED.

5. Financial Report

Don Stypula asked Leon Branderhorst to give the financial report.

Leon Branderhorst stated land use contractual services is higher than expected due to contracts not budgeted for. Water and sewer is higher due to a pass through billing. Transportation contractual services is higher due to equal increments budgeted each month, and invoices not coinciding. Other than that, everything is on target.

Cy Moore asked why transportation mileage was higher.

Abed Itani reported it was due to underestimation of mileage for transportation staff.

MOTION – To Accept the Financial Report into Record. MOVE – Beelen. SUPPORT – Delabbio. MOTION CARRIED.

6. Budget Amendments

Don Stypula explained the following budget amendments:

- Advertising and Legal – Due to publication and notification of Wyoming becoming a member. Don added that he anticipates within the next month or two Ada, Belding, and Lowell will become members.
- Depreciation – In the past depreciation was not budgeted for.
- Westrain – Promotional pass through.
- Lower Grand Watershed Council – Expecting \$50,000 in total from UCB. Adding \$20,000 to the budget this year.
- Contractual Services – Approximately \$100,000 in contractual services approved by the Board, but budgeted for in previous year.
- Office Equipment - \$250 for deductible on laptop.
- UCB – GVMC refunded the \$50,000 which was intended to support a natural resources position. UCB will reprogram for lower grand watershed and return to GVMC after a report on prior activities is filed.
- NPDES – Pass through on storm water phase II.
- Lower Grand E-coli – Grant for \$264,000 to do E-coli survey. The amendment reflects the costs for this year.
- Reimbursements – Adding \$5,000 & \$5,000 pass through from a PAL land use grant from Kellogg Foundation. Subtracting \$6,260 for local transportation match.
- UCB – Take our \$25,000 from UCB which was originally granted, but now withdrawn.

Cy Moore pointed out that after the proposed budget amendment, GVMC will be left with about \$380,000 in fund balance, a large portion of which is receivables. Because there is a delay in payments from the State, we may need to request a line of credit to pay the bills. We could end up with not enough money to pay the bills.

Leon Branderhorst stated that as of late, the State has been quite punctual in its payments. However, in the past it has not been.

Abed Itani added that there were steps that could be taken to expedite the process.

Rob VerHeulen stated requesting a line of credit would be disturbing. The situation here goes beyond a simple budget amendment.

Abed Itani reported that in fiscal years 2001, 02, & 03 the fund balance went up, which accounts for a large portion of the amendment. He stated it was also possible to tell consultants they won't be paid until MDOT pays GVMC. This would give us some wiggle room.

Cy Moore stated it was important to apply for a line of credit from a position of strength rather than weakness.

Don Hilton stated GVMC can consider the line of credit issue when it considers the budget.

MOTION – To Move the Item of the Budget Adjustment to the GVMC Board Meeting Agenda. MOVE – Moore. SUPPORT – Delabbio. MOTION CARRIED.

7. Budget Priorities

Don Stypula reported the Board has approved the Transportation Budget which includes a 5 cent increase in the dues.

Land Use Planning does not have designated funding. Funding will have to be quickly determined or no money will be included in the budget for land use. The budget will have the line item zeroed out for land use if no additional funding can be found.

Cy Moore asked what the dues increase was for? If we only use that money for transportation, then we are out of the land use business. Metro Council was formed for land use issues. I would like to see some fund balance drawn upon. If land use is cut, then GVMC is just an MPO.

Don Stypula stated the first question he gets from potential funders is are there local match dollars. Under the current constraints, we have no money to use for land use.

Andy Bowman stated that originally, part of the administration dues were used to fund land use, just as it is for finance and human resources.

Don Stypula replied he didn't disagree. But with today's constraints and inflation, he couldn't afford to devote any funds to land use.

Al Vanderberg stated we have learned something new here today. The situation of the fund balance was not divulged at previous meetings. We should look anew at options. I would rather have the Board consider cuts. As far as a line of credit goes, if it is truly just a timing issue, I would view that differently.

Abed Itani stated the first thing you need to look at is if Metro Council is willing to fund land use planning.

Cy Moore stated he is not willing to cut off land use on September 1 as long as we have a fund balance left. We have to consider other options.

8. Amendment to the Policies and Procedures Handbook

Don Stypula described the proposed amendment to the Policies and Procedures Handbook regarding handling of social security numbers.

MOTION – To Move the Amendment of the Policies and Procedures Handbook to the GVMC Board Agenda. MOVE – Vanderberg. SUPPORT – Beelen. MOTION CARRIED.

9. Contracts for Grants – Lower Grand River Watershed Activities

Don Stypula explained the contracts with Fishbeck. He stated he selected Fishbeck based on qualification criteria.

Daryl Delabbio asked whether the qualifications of other firms were reviewed.

Don Stypula stated that Fishbeck has an excellent reputation and experience in this area, and based upon this, he selected them for the contract.

Daryl Delabbio stated that was not right. There needs to be RFPs and a bidding and review process. This sends the wrong message.

Don Hilton added that he was glad this was brought up as he was very concerned about this and felt it was inappropriate.

Al Vanderberg stated that this sends a mixed message. Claiming we are lacking funds and then awarding contracts without competitive bids does not look good.

Rob VerHeulen read aloud the scope of services Fishbeck was agreeing to in the contract. He asked if there was a way any of this could be accomplished by staff in-house, as most of it is within their realms of capability. There is no way we should be paying someone else to perform these duties when we are looking at eliminating our own staff. I have no doubt Andy Bowman can do every one of these items we are paying Fishbeck for.

He also asked if we get rid of the GVMC land use department, who will fulfill the proposed work on these plans that Andy and Priscilla are scheduled to do. We can't be cutting land use from the budget, while also budgeting them in to do work in the next fiscal year. The two are mutually exclusive. If we approve this contract, who will administer it. Why can't we reduce the amount of the contract with Fishbeck? What if we get to Sept. 30, and then have no land use department. We really need to think about this. This is huge. Can we change the mix in the contract so that we can keep our land use team in tact? Our team lends value to the process.

Al Vanderberg stated realigning the responsibilities between Fishbeck and GVMC staff is a better option than cutting land use. When we voted on the transportation budget last month, we weren't voting to cut land use.

Don Stypula stated he would go back to Fishbeck and ask them to change the mix.

Daryl Delabbio stated that when an RFP is crafted, it needs to be done so that staff will do everything they can, and only what they are not qualified for will be contracted. He added that it was unreasonable to be paying Fishbeck to do things like calling together meetings. That is what GVMC is supposed to be doing.

Leon Branderhorst stated Fishbeck has already started billing for its services.

Daryl Delabbio replied that it is inappropriate to approve services before the Board approves the contract, and inappropriate to select a contract without going through an RFP and bidding process. There are parameters for carrying out these types of processes that must be followed.

Al Vanderberg stated the process must be followed, and contracts must be bid out.

Cy Moore was concerned that the two contracts be recorded accurately as they will be carried out over two years.

MOTION – To Move the Fishbeck E-coli Contract to the GVMC Board Agenda. MOVE – VerHeulen. SUPPORT – Moore. MOTION CARRIED.

MOTION – To Move the Fishbeck Lower Grand River Watershed Council Contract to the GVMC Board Agenda. MOVE – Delabbio. SUPPORT – Beelen. MOTION CARRIED.

10. Adjournment – 1:30 p.m.