

**Grand Valley Metro Council
Executive Committee Meeting**

Thursday, June 18, 2009
12:00 pm

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

MEETING NOTES

Present

Jim Buck
Daryl Delabbio
Eric DeLong
Cindy Fox
Don Hilton, Sr.
Carol Sheets
Alan Vanderberg

City of Grandville
Kent County
City of Grand Rapids
Cascade Township
Gaines Township
City of Wyoming
Ottawa County

Absent

Jim Miedema
Cy Moore
Rick Root

Jamestown Township
Council Treasurer
City of Kentwood

Other

Andy Bowman
Leon Branderhorst
Jim Brown
Bob Homan
Abed Itani
Gayle McCrath
Don Stypula
Michael Young

Grand Valley Metro Council
Grand Valley Metro Council
Mika Meyers Beckett & Jones
Plainfield Township
Grand Valley Metro Council
Grand Valley Metro Council
Grand Valley Metro Council
City of Rockford

1. Call to Order

The meeting was called to order at 12:15 pm by Chair Jim Buck.

2. Legislative

Don Stypula reported the reauthorization of SafeTea-Lou has been postponed for two years. They will do a continuing resolution on the current law as they have in years past. We should not notice a difference. Don will have more details on this today which he will forward to everyone this afternoon.

The state budget is moving forward. Departments are being cut across the board, nothing is sacred. There will be a \$90 million cut to revenue sharing. The Senate is united on the cuts, while the House is broken into two camps. \$110 per student will be cut from school aid. The Speaker of the House is proposing all taxation be reconsidered by a vote of the people. One on One meetings would be most effective in discussing revenue sharing with legislators.

3. Office Space

Most of the carpet should be in the new office space by today. We have located good deals on several pieces of furniture. Tuesday, July 7th is the target move date. Phones and computers should already be done at that time. GVMC should be open for business again on July 13. The new building will have a room available for rent which seats 100 people. Don will e-mail maps and directions to everyone.

4. Approval of Minutes

**MOTION - To Approve the May 2009, GVMC Executive Committee Minutes.
MOVE – Vanderberg. SUPPORT – Fox. MOTION CARRIED.**

5. Transportation

Amendments to the FY 2008-2011 TIP

The City of Grand Rapids, ACSET, Senior Neighbors, Hope Network, American Red Cross of Greater Grand Rapids, the united Methodist Community House, the KCRC and the City of Lowell are requesting to amend the FY 2008-2011 TIP.

- ❖ The City of Grand Rapids is requesting an amendment to an FY2009 project: “Signal Optimization”, job number 102425 to split the project into two phases, “A” phase and “C” phase, no additional funding is requested. The City is also requesting an amendment to the TIP to switch a current ARRA funded project with a project located in FY2011 with no additional funding requested.
- ❖ ACSET, Senior Neighbors, Hope Network, American Red Cross of Greater Grand Rapids and the United Methodist Community House are all requesting to have their FY 2010 Section 5310 capital requests added to the TIP.

- ❖ KCRC is requesting an amendment to the TIP to add a High Priority Project (HPP): M-6, Non-motorized trail, phase 3. This FY2009 project has \$418,608 Federal funds with \$1,148,392 local match provided by the Kent County Parks Department with the total being \$1,567,000.
- ❖ The City of Lowell is requesting to add two American Recovery and Reinvestment Act (ARRA) funded projects to the TIP. The first is an FY2009 project: Bowes Road from South Hudson to Valley Vista, resurfacing, \$78,000, 100% ARRA. The second is an FY2010 project: Bowes Road from Valley Vista to 1950 feet west, reconstruction and sidewalks \$341,600 STP – SU, \$155,900 local share and \$42,000 ARRA funded for a total of \$539,500.

MOTION – To Approve the Requested Amendments to the FY 2008-2011 TIP and Move Them to the July GVMC Board Agenda. MOVE – Hilton. SUPORT – Sheets. MOTION CARRIED.

Transportation FY 2010 Budget and Unified Work Program

Abed Itani reviewed the FY2010 Transportation budget and the Unified Work Program. There will be no increases this year and no cost of living increase. The new census will be conducted in 2010 and if there is an increase in population, we will have an increase in funds. The total plan is for \$1.55 million, which is \$100,000 less than last year. The indirect rate on salary and fringes will be reduced from last year as savings are expected from the new location and elimination of parking. Each year we try to save a little which is kept in an account at MDOT for a safety net. At this time we have over \$1 million in the account. In the FY2010 budget we expect the same number of staff at this year.

MOTION – To Approve the FY 2010 Transportation Budget and Unified Work Program and Move it to the July GVMC Board Agenda. MOVE – Sheets. SUPPORT – DeLong. MOTION CARRIED.

6. Grand Valley Metro Council / REGIS Memo of Understanding

Don Stypula reported when the last version of the MOU was reviewed by the GVMC Board it was requested the proposed changes be approved by the Executive Committee before their final approval by the GVMC Board. Questions were presented regarding how the MOU would interface with the GVMC Bylaws.

Jim Brown of Mika Meyers discussed the MOU and recommended changes. Jim indicated in doing the revisions, the intent was to add wording to avoid future controversy and to clarify that this document would not and could not depart from the governing bylaws or other foundation documents of GVMC or REGIS. The intent was not to depart from the scope of the original documents. Nowhere in the documents is it specified that REGIS is allowed to have an Executive Director. However, it also doesn't say it can't. It does specify that that person as well as all REGIS employees are employees of the Metro Council. It is unusual to have the REGIS Board select the REGIS Director, but GVMC

still has the authority to overrule any action taken by REGIS, and the REGIS Director would still be an employee of the Metro Council.

Item 5 discusses the potential departure from GVMC policies & procedures. The revised wording adds that these agreements must be in writing as the GVMC Bylaws state all agencies must go by GVMC policies and procedures unless they are exempt.

Don Hilton asked Jim Brown to address item 3e. It concerns how salaries and benefits can be established by the REGIS board for the REGIS director rather than by the GVMC policies and procedures.

Jim Brown stated there is nothing in the foundation documents that says GVMC has to approve these issues. Although it does have authority to overrule as submission of minutes to GVMC is required so that consideration of REGIS actions can take place. The REGIS board is not allowed to go over their approved budget. In addition to the REGIS budget, budget amendments must be approved by the GVMC Board.

Al Vanderberg questioned the cost allocation paragraph. Previous versions have stated an independent third party would conduct a study on appropriate methodology of cost allocations. This version says "GVMC and REGIS will engage and pay for an independent accounting firm or other independent professional to review and comment on proposed cost allocations and the methodology therefore that GVMC and REGIS have tentatively decided upon. It is expected that such review and comment by an independent third party would be undertaken at least every five years, or more frequently if both parties agree. Any changes in such cost allocation or the methodology thereof would be implemented only if both GVMC and REGIS agree".

It may be better to have the statement read "GVMC and REGIS will engage and pay for an independent accounting firm or other independent professional to review and propose a cost allocation methodology for GVMC and REGIS. It is expected that such review and comment by an independent third party will be undertaken no more than every five years. Any changes in such cost allocation or the methodology thereof would be implemented only if both GVMC and REGIS agree".

Al Vanderberg indicated that the study was to be done early and used in the budgeting process and that more appropriately should be done yearly. It is important that it is to be done by an independent third party to repair the trust between GVMC and REGIS.

Bob Homan asked if the wording meant that this would be subjecting to binding arbitration.

Al Vanderberg stated no, but determining the correct allocation is more a science than an art and it needs to be correct. We want to avoid a situation where shortfalls in one line item, such as LGROW, would be covered by REGIS.

Abed Itani stated that GVMC has extensive experience in allocations per federal regulations and different departments could not pay for each other.

Don Stypula stated he would get together with Dharmesh Jain and do an RFQ for service providers with GVMC and REGIS each paying half.

MOTION – To Approve the GVMC / REGIS MOU with Suggested Changes to the Paragraph Regarding Allocations and Move it to the GVMC July Board Meeting Agenda. MOVE – Sheets. SUPPORT – Vanderberg. MOTION CARRIED.

7. Executive Director Evaluation

The staff was excused while the Executive Committee considered the annual review of the Executive Director.

8. Adjournment – 1:30