



Executive Committee

**Thursday April 21, 2011 • 12 Noon
GVMC Offices – Riverview Center -- 678 Front Ave. NW**

Agenda

- 1. Approval of Minutes – March 17, 2011**
- 2. Finance – Report of the Finance Committee**
 - a. FY 2011 Six-Month Finance Report**
 - b. FY 2011 General Fund Budget Amendments**
- 3. Legislative Advocacy**
 - a. Report of the GVMC Legislative Committee**
 - b. Issues Update**
- 4. Transportation Department**
 - a. Amendments to the FY 2011-2014 Transportation Improvement Program**
- 5. Other Items**



Memorandum

To: GVMC Executive Committee
From: Donald J. Stypula, Executive Director
Date: April 17, 2011
Re: Agenda items for our April 21, 2011 Executive Committee meeting

Attached are the agenda and relevant documents for our next GVMC Executive Committee meeting, scheduled for **12 noon Thursday April 21, 2011 here the GVMC offices**. We'll start with the report from the Finance Committee, which includes the FY 2011 six-month finance report and an amendment to the FY 2011 GVMC general fund budget. We also have a report from the Legislative Committee and I am bringing some amendments to the Transportation Improvement Program for your consideration.

We'll start by reviewing and approving the attached minutes from our March 17, 2011 meeting.

FINANCE: FY 2011 SIX-MONTH FINANCE REPORT

The GVMC Finance Committee met on Friday April 15 to review and forward to the Executive Committee and Board the six-month finance report for FY 2011, which I have attached for your review. With the exception of interest earnings on fund balance – which are down – we are on-track with our projections for all departments.

Proposed Action: Review and forward to Metro Council the GVMC FY 2011 Six-Month Finance Report.

FINANCE: PROPOSED AMENDMENTS TO THE GVMC FY 2011 GENERAL FUND

The Finance Committee also reviewed and approved amendments to the FY 2011 general fund budget. I have attached a more detailed briefing memo, together with the recommended amendments to the current year budget for your review.

Proposed Action: Review, approve and forward to Metro Council the proposed amendments to the GVMC FY 2011 general fund budget.

FINANCE: UPDATE ON MDOT TRANSPORTATION COMMISSION AUDIT

We are still awaiting word from the MDOT Bureau of Transportation Planning on the timeframe for the Disputed Audit Resolution Team (DART) to meet and provide us with a final resolution on Phase I of the audit of GVMC operations from 1998-2004 conducted by the Office of Transportation Commission Audit. We still do not have a date and time for the DART to meet on that issue.

In addition, we have forwarded our initial response to Phase II of the Transportation Commission audit of GVMC operations from FY 2005-2008. REGIS prepared and we forwarded to MDOT a separate response letter from REGIS. Both of those initial responses are attached.

LEGISLATIVE ADVOCACY – REPORT OF THE LEGISLATIVE COMMITTEE

The GVMC Legislative Committee met on April 13 and engaged in an extensive discussion of Governor Snyder's reform and change agenda and tax policies. Following a presentation on and a discussion of the City of Grand Rapids' approach to the Governor's policies, Committee members directed me to draft a resolution of support for the Governor's efforts to reform and reinvent Michigan through tax policies, governmental reforms, and the creation of a more favorable business climate. The Committee will meet in a special session at **2 p.m. Wednesday April 27 here at the GVMC offices** to review and tweak the resolution and refer it with positive recommendation directly to the GVMC Board at the May 5 meeting.

At the Committee's request, I also alerted members to the report and recommendations developed by the Business Leaders for Michigan entitled The Michigan Turnaround Plan, upon which many of Governor Snyder's proposals to reinvent Michigan are based. The report is a 3 mb file that can be downloaded, viewed and printed by clicking or pasting the following link:

<http://www.michiganturnaroundplan.com/michiganturnaroundplan.php>

Much of the Governor's change agenda was developed in consultation with the Business Leaders for Michigan and the Ann Arbor-based Center for Michigan. Those basic concepts and tenets can be found in this report.

LEGISLATIVE ADVOCACY – PUBLIC / PRIVATE WORK GROUP ON THE PERSONAL PROPERTY TAX

As I noted to the Legislative Committee, we have received a request from the Grand Rapids Area Chamber of Commerce to empanel a sub-committee of GVMC members that will work with a group of business representatives selected by the Chamber on the issue of the personal property tax. The PPT will be debated in the Legislature later this year and I believe it would be worthy and wise to work with our local business interests on methods for replacing local revenues that would be lost if / when the PPT is eliminated. I am looking for a small group of problem solvers

with a mix of county, city and township representatives who are very familiar with the PPT and the complex process for assessing the tax. Our goal is to work with the Chamber representatives to find an easier to administer alternative levy that will preserve revenue streams for counties and locals.

TRANSPORTATION: AMENDMENT TO THE 2011-2014 TRANSPORTATION IMPROVEMENT PROGRAM

ITP The Rapid, the City of Grand Rapids, the Kent County Road Commission and the Michigan Department of Transportation are requesting amendments to the GVMC FY 2011-2014 Transportation Improvement Program (TIP) to fund various transportation improvement projects. I have attached a briefing memo prepared by GVMC Transportation Planner Darrell Robinson; together with supporting documents from the requesting agencies. The amendments have been reviewed and approved by the GVMC Technical and Policy Committees

Proposed Action: Review, endorse and forward to Metro Council the proposed amendment to the GVMC FY 2011-2014 TIP.

As always, we're looking forward to seeing you and having a fruitful discussion on Thursday. If you have any thoughts, comments, questions or suggestions you can reach me anytime on my cell phone at 616-450-5217, in the office at 776-7604, at home at 257-3372.

**Grand Valley Metro Council
Executive Committee Meeting**

Thursday, March 17, 2011
12:00 noon
Grand Valley Metro Council
678 Front Ave. NW, Suite 200
Grand Rapids, MI

MEETING NOTES

Present

Jim Buck	City of Grandville
Daryl Delabbio	Kent County
Cindy Fox	Cascade Township
George Heartwell	City of Grand Rapids
Don Hilton, Sr.	Gaines Township
Cy Moore	Council Treasurer
Rick Root	City of Kentwood
Alan Vanderberg	Ottawa County
Rob VerHeulen	City of Walker

Absent

Michael Young	City of Rockford
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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

1. Call to Order

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

2. Approval of Minutes

**MOTION – Approval of GVMC Executive Committee Minutes of February 2011.
MOVE – VerHeulen. SUPPORT - Root. MOTION CARRIED.**

3. Finance

a. GVMC MDOT Commission Audit

Don Stypula reported he met with the Director of MDOT and explained GVMC's situation. He advised GVMC has a legal responsibility to respond in a formal way, which it has. Secondly, he advised Don to have a conversation with Frank Raha who is the State Transportation Commission Advisor. Don sent him a chronological detail of what has transpired so far. Frank will talk with the Chair of the Transportation Commission, Jerry Young, who is sympathetic to our situation. This is a two pronged approach. He will begin an effort to take it to the next meeting of the Michigan Transportation Commission. Hopefully a more reasonable number can be determined. GVMC is meeting every benchmark and deadline. Hopefully there will be a resolution by the end of this month or next.

b. GVMC Financial Audit

Don contacted Vredevelde Haefner on the status of GVMC's financial audit. We are required to report on all expected liabilities, which would include the MDOT audit. Since we do not have a final determination on this, the financial audit is not yet ready to be released to the Department of Treasury of Federal Highway. Don asked them if GVMC would incur penalties for not making the filing deadline. They said no, only the loss of revenue sharing or school aid funding, and GVMC does not receive either of those. We will formally communicate a request for extension so that GVMC can file later when the audit is completed.

Rob VerHeulen asked what the expected liability is at this point and if they would accept installments.

Abed Itani reported for Phase I of the audit, the settlement offer is currently \$364,000. REGIS owes \$165,000 for overcharging on a grant. DART has said they will accept the same methodology for Phase II. He can't say for sure what that number is, but estimates \$120,000. MDOT will accept installments, but they will charge interest. He added that funds for the expected liability of Phase II have already been set aside.

George Heartwell stated GVMC should continue to build its fund balance for the future.

Rob VerHeulen stated he was concerned about the fund balance and asked the Finance committee to get its arms around this. If there are inadequate funds, there will be consequences that will have to be dealt with.

Cindy Fox added we should be thinking about how to communicate this to the public and members.

Al Vanderberg stated we should look at our MDOT contracts and make sure in the future we have language that limits the number of years they can go back.

Rob VerHeulen added that we also need verbiage on how long we must retain records.

4. GVMC Strategic Initiatives – Progress Report

Don Stypula reviewed the report on strategic initiatives. The items are being accomplished with existing staff and volunteers. He is confident we will meet our objectives.

5. Legislative Advocacy

Don Stypula reported the Governor will be at Grand Rapids City Hall at 9:00 a.m. on Monday and will talk about reforms and best practices. He is not backing off asking public corporations to change from defined benefits to defined contributions.

Rick Root questioned why the communities who are out of the revenue sharing formula should be concerned with the Governor's requirements for revenue sharing as they won't get any of it even if they do comply.

6. One-Kent Proposal Discussion

Jim Buck stated he had a conversation with Nyle Deams, who met with Don. Nyle has met with the Kent County Commission to discuss One-Kent. Many people shared their surprise on why they haven't heard of it before. There was no public involvement in the development of the concept.

Don Stypula said he wanted to get the Executive committee's opinion on the idea. Mike DeVries is pulling together a group of township supervisors on the 28th to discuss it. Several other groups have talked also. We would like to schedule a meeting between the Council and Nyle.

George Heartwell stated this hasn't been an inclusive process so far. He and Sandy Parrish met with the leaders of One-Kent and told them we wanted an open and inclusive process to have input and amend, not just to be educated on what they have come up with. He questioned why the conversation wasn't cast more widely.

Michael Young asked if any financial analysis had been done.

Many answered no.

George Heartwell stated he would like the Metro Council to keep its powder dry for now and not jump ahead of it. GVMC could be useful in the future to organize town hall meetings.

7. Other

8. Adjournment – 1:30 p.m.

MOTION – To Adjourn. MOVE – Heartwell. SUPPORT – Delabbio. MOTION CARRIED.

BALANCE SHEET

Grand Valley Metro Council

As of: 3/31/2011

Balances

Fund: 101 - General Fund

Assets

001.000	Checking	727,801.65
002.000	Savings/Investments	11,919.93
035.000	Dues Receivable	51,687.00
040.000	Accounts Receivable	333,577.92
123.000	PREPAID EXPENSE	3,930.61

Total Assets

1,128,917.11

Liabilities

202.000	Accounts Payable	255,447.90
231.100	Pension Plan	0.06
231.200	Flexible Benefits Plan	2,544.16
258.100	Local Withholding Tax	-74.06
258.200	State Withholding Tax	4,180.63
258.300	Federal Withholding Tax	478.20
258.400	Social Security Tax Payable	-7.75

Total Liabilities

262,569.14

Reserves/Balances

390.000	Fund Balance	721,936.92
398.000	Change in Fund Balance	144,411.05

Total Reserves/Balances

866,347.97

Total Liabilities & Balances

1,128,917.11

GVMC FY 10-11 Revenue\Expense Report - March 31, 2011

Activity	Prior YTD Expended FY 09-10	Total Budget FY 10-11	YTD Expended FY 10-11	% Unexpended FY 10-11
Revenues:				
Revenues	<u>\$856,137.04</u>	<u>\$2,119,482.00</u>	<u>\$1,107,640.33</u>	<u>47.74%</u>
Expenditures:				
GVMC Board	\$768.25	\$2,200.00	\$842.50	61.70%
Administration	\$157,340.91	\$317,453.00	\$151,387.62	52.31%
Pav Manage Vehicle	\$51,472.41	\$140,990.00	\$51,734.28	63.31%
Transportation	\$359,289.50	\$1,036,485.00	\$513,565.94	50.45%
Lower Grd Watershed	\$0.00	\$0.00	\$0.00	0.00%
Land Use	\$125,222.73	\$191,090.00	\$119,204.31	37.62%
Rogue River	\$0.00	\$500.00	\$0.00	0.00%
Special Services	<u>\$151,690.57</u>	<u>\$429,861.00</u>	<u>\$126,494.63</u>	<u>70.57%</u>
Total	<u>\$845,784.37</u>	<u>\$2,118,579.00</u>	<u>\$963,229.28</u>	<u>54.53%</u>
Net Rev. over Exp.	\$10,352.67	\$903.00	\$144,411.05	

GVMC FY 10-11 Revenue\Expense Report - March 31, 2011

Fund: General
 Depart: REVENUES

Acct No.	Activity Activity	Prior YTD Received FY 09-10	Total Budget FY 10-11	YTD Received FY 10-11	% Unexpended FY 10-11
Dues					
	GVMC	\$245,875.00	\$249,507.00	\$250,875.00	-0.55%
	Transportation	\$153,056.00	\$199,256.00	\$201,923.00	-1.34%
	Sub total	\$398,931.00	\$448,763.00	\$452,798.00	-0.90%
Transportation					
	PL 112	\$239,339.27	\$675,837.00	\$280,711.50	58.46%
	Section 5303	\$68,966.30	\$193,445.00	\$80,141.84	58.57%
	CMAQ	\$0.00	\$125,069.00	\$23,462.42	81.24%
	SPR	\$0.00	\$0.00	\$0.00	0.00%
	STP	\$29,073.12	\$185,000.00	\$34,574.26	81.31%
	Trans. Needs Assess. Fds	\$0.00	\$0.00	\$102,154.00	0.00%
	Michigan Transp. Fds	\$13,264.02	\$19,907.00	\$2,687.80	0.00%
	Westrain	\$0.00	\$0.00	\$0.00	0.00%
	Sub total	\$350,642.71	\$1,199,258.00	\$523,731.82	56.33%
Reimbursements					
	Contributions	\$0.00	\$7,000.00	\$0.00	0.00%
	Cont. - Rogue River	\$0.00	\$500.00	\$40.00	92.00%
	REGIS-Direct	\$0.00	\$6,000.00	\$0.00	100.00%
	Pave. Manage Survey	\$0.00	\$0.00	\$0.00	0.00%
	LGROW-Land Use Serv	\$0.00	\$0.00	\$0.00	0.00%
	Land Use Services	\$12,682.03	\$0.00	\$1,882.00	0.00%
	Local Participation Fee	\$0.00	\$0.00	\$11,966.21	0.00%
	Data Collection	\$0.00	\$0.00	\$0.00	0.00%
	Local Match-Transit Sty	\$0.00	\$0.00	\$0.00	0.00%
	Sales-Materials, Etc.	\$0.00	\$100.00	\$73.65	26.35%
	Water/Sewer	\$43,416.93	\$177,761.00	\$22,970.00	87.08%
	Events-Grow Comm.	\$0.00	\$0.00	\$0.00	0.00%
	Events-Regular	\$1,978.00	\$6,000.00	\$1,780.00	70.33%
	Sub total	\$58,076.96	\$197,361.00	\$38,711.86	80.39%
Grants					
	UCB - Lower Grand	\$0.00	\$0.00	\$0.00	0.00%
	DNR/DEQ	\$0.00	\$0.00	\$0.00	0.00%
	MDEQ-LGR Storm Educ	\$0.00	\$0.00	\$0.00	0.00%
	MDEQ-LGR-WS Init.	\$37,269.09	\$0.00	(\$513.39)	0.00%
	EPA-Haz Mater. & Petrol.	\$8,237.94	\$269,100.00	\$91,840.62	65.87%
	PAL - Land Use	\$0.00	\$0.00	\$0.00	0.00%
	Sub total	\$45,507.03	\$269,100.00	\$91,327.23	66.06%
Interest					
		\$2,979.34	\$5,000.00	\$1,071.42	78.57%
Total					
		\$856,137.04	\$2,119,482.00	\$1,107,640.33	47.74%

GVMC FY 10-11 Revenue\Expense Report - March 31, 2011

Fund: General
Depart: GVMC Board

Acct No.	Activity	Prior YTD	Total	YTD	%
		Expended FY 09-10	Budget FY 10-11	Expended FY 10-11	Unexpended FY 10-11
810.000	Meeting Exp	\$768.25	\$2,200.00	\$842.50	61.70%
	Total	\$768.25	\$2,200.00	\$842.50	61.70%

Fund: General
Depart: Administration

Acct No.	Activity	Prior YTD	Total	YTD	%
		Expended FY 09-10	Budget FY 10-11	Expended FY 10-11	Unexpended FY 10-11
702.000	Salaries	\$96,174.37	\$197,460.00	\$96,996.76	50.88%
712.100	Social Security Tax	\$5,897.80	\$12,243.00	\$6,279.09	48.71%
712.200	Medicare Tax	\$1,437.26	\$2,864.00	\$1,495.68	47.78%
712.300	State Unemployment Tax	\$609.37	\$610.00	\$676.29	-10.87%
712.500	Health/Dental Insurance	\$9,298.88	\$24,235.00	\$9,867.17	59.29%
712.600	Life/Long Term Disb. Ins.	\$1,366.54	\$2,631.00	\$1,519.84	42.23%
712.700	Parking	\$999.25	\$0.00	\$0.00	0.00%
712.800	Pension Plan Expense	\$9,324.41	\$17,775.00	\$9,404.29	47.09%
726.000	Office Supplies	\$961.45	\$2,000.00	\$647.39	67.63%
726.200	Postage	\$205.00	\$1,000.00	\$0.00	100.00%
801.100	Audit	\$2,600.00	\$3,100.00	\$2,410.00	22.26%
801.200	Legal Services	\$3,392.50	\$5,500.00	\$3,080.50	43.99%
801.400	Contractual Serv	\$7,279.75	\$0.00	\$79.75	0.00%
805.000	Adv/Legal Notice	\$0.00	\$1,000.00	\$703.80	29.62%
810.000	Meeting Exp	\$3,984.89	\$10,000.00	\$3,585.57	64.14%
815.000	Insurance	\$346.25	\$2,500.00	\$366.58	85.34%
820.000	Dues and Sub	\$765.00	\$1,750.00	\$445.00	74.57%
825.000	Professional Dev	\$465.22	\$5,000.00	\$125.00	97.50%
860.000	Mileage	\$2,922.80	\$7,300.00	\$3,319.54	54.53%
900.100	Printing	\$0.00	\$400.00	\$0.00	100.00%
920.100	Electricity	\$361.40	\$1,200.00	\$423.61	64.70%
920.200	Telephone	\$1,691.66	\$3,300.00	\$1,881.45	42.99%
930.000	Repairs and Maint	\$65.10	\$1,000.00	\$136.29	86.37%
940.100	Equipment Rent	\$554.17	\$1,200.00	\$564.12	52.99%
940.200	Rent	\$6,238.13	\$12,835.00	\$7,323.09	42.94%
955.000	Misc	\$399.71	\$550.00	\$56.81	89.67%
	Total	\$157,340.91	\$317,453.00	\$151,387.62	52.31%

Fund: General
Depart: Pavement Management Vehicle

Acct No.	Activity	Prior YTD	Total	YTD	%
		Expended FY 09-10	Budget FY 10-11	Expended FY 10-11	Unexpended FY 10-11
738.000	Other Supplies	\$278.67	\$1,500.00	\$139.00	90.73%
738.500	Other-Software	\$0.00	\$1,000.00	\$0.00	100.00%
815.000	Insurance	\$0.00	\$9,300.00	\$0.00	100.00%
825.000	Professional Devel.	\$0.00	\$2,500.00	\$300.00	88.00%
850.000	Vehicle Storage	\$0.00	\$600.00	\$0.00	100.00%
881.000	Gas, Oil & Grease	\$316.11	\$3,000.00	\$188.14	93.73%
920.200	Telephone	\$2,054.07	\$4,100.00	\$2,112.23	48.48%
931.000	Vehicle Repair & Maint.	\$0.00	\$31,000.00	\$169.37	99.45%
994.000	Loan Repayment	\$43,003.43	\$84,860.00	\$46,307.37	45.43%
995.000	Interest	\$5,820.13	\$3,130.00	\$2,518.17	19.55%
	Total	\$51,472.41	\$140,990.00	\$51,734.28	63.31%

GVMC FY 10-11 Revenue\Expense Report - March 31, 2011

Fund: General
Depart: Transportation

Acct No.	Activity	Prior YTD	Total	YTD	%
		Expended FY 09-10	Budget FY 10-11	Expended FY 10-11	Unexpended FY 10-11
702.000	Salaries	\$206,382.87	\$477,035.00	\$210,862.58	55.80%
712.100	Social Security Tax	\$12,591.37	\$29,580.00	\$13,262.12	55.17%
712.200	Medicare Tax	\$3,075.14	\$6,925.00	\$3,101.70	55.21%
712.300	State Unemployment Tax	\$1,611.90	\$2,250.00	\$2,066.83	8.14%
712.500	Health/Dental Insurance	\$48,051.91	\$98,400.00	\$46,560.18	52.68%
712.600	Life/Long Term Disb. Ins.	\$3,589.74	\$6,410.00	\$3,632.51	43.33%
712.700	Parking	\$8.00	\$0.00	\$0.00	0.00%
712.800	Pension Plan Expense	\$19,221.16	\$40,800.00	\$19,990.12	51.00%
726.000	Office Supplies	\$2,147.25	\$8,000.00	\$2,403.55	69.96%
726.200	Postage	\$280.00	\$3,000.00	\$0.00	100.00%
801.100	Audit	\$5,750.00	\$6,250.00	\$5,000.00	20.00%
801.300	Professional Fees	\$0.00	\$1,000.00	\$0.00	100.00%
801.400	Contractual Serv	\$31,071.33	\$256,600.00	\$169,162.65	34.08%
805.000	Adv/Legal Notice	\$1,229.39	\$3,750.00	\$1,423.26	62.05%
810.000	Meeting Exp	\$1,566.06	\$8,000.00	\$1,781.48	77.73%
815.000	Insurance	\$649.64	\$3,500.00	\$769.84	78.00%
820.000	Dues and Sub	\$0.00	\$2,000.00	\$245.50	87.73%
825.000	Professional Dev	\$70.00	\$9,000.00	\$2,400.57	73.33%
860.000	Mileage	\$2,640.93	\$18,000.00	\$2,754.97	84.69%
900.100	Printing	\$0.00	\$1,000.00	\$458.95	54.11%
920.100	Electricity	\$855.37	\$2,000.00	\$1,036.19	48.19%
920.200	Telephone	\$2,699.12	\$5,600.00	\$2,705.81	51.68%
930.000	Repairs and Maint	\$99.20	\$2,500.00	\$437.40	82.50%
940.100	Equipment Rent	\$1,108.39	\$3,500.00	\$1,480.67	57.70%
940.200	Rent	\$14,590.73	\$31,385.00	\$17,832.36	43.18%
980.100	Office Equipment	\$0.00	\$10,000.00	\$4,196.70	58.03%
	Total	\$359,289.50	\$1,036,485.00	\$513,565.94	50.45%

GVMC FY 10-11 Revenue\Expense Report - March 31, 2011

Fund: General
 Depart: Land Use

Acct No.	Activitiy	Prior YTD	Total	YTD	%
		Expended	Budget	Expended	Unexpended
		FY 09-10	FY 10-11	FY 10-11	FY 10-11
702.000	Salaries	\$75,982.14	\$120,440.00	\$76,400.85	36.57%
712.100	Social Security Tax	\$4,694.51	\$7,470.00	\$4,732.62	36.64%
712.200	Medicare Tax	\$1,097.93	\$1,745.00	\$1,106.82	36.57%
712.300	State Unemployment Tax	\$427.31	\$500.00	\$521.99	-4.40%
712.500	Health/Dental Insurance	\$14,090.72	\$19,595.00	\$15,294.58	21.95%
712.600	Life/Long Term Disb. Ins.	\$1,257.62	\$1,640.00	\$1,257.62	23.32%
712.700	Parking	\$0.00	\$0.00	\$0.00	0.00%
712.800	Pension Plan Expense	\$6,920.22	\$10,845.00	\$6,901.11	36.37%
726.000	Office Supplies	\$368.93	\$750.00	\$120.02	84.00%
726.200	Postage	\$315.00	\$1,000.00	\$0.00	100.00%
801.400	Contractual Serv	\$8,542.35	\$0.00	\$1,279.75	0.00%
810.000	Meeting Exp	\$65.09	\$500.00	\$26.37	94.73%
810.010	Growing Com. Confer.	\$0.00	\$0.00	\$0.00	0.00%
815.000	Insurance	\$257.65	\$2,000.00	\$254.59	87.27%
820.000	Dues and Sub	\$693.00	\$1,000.00	\$195.00	80.50%
825.000	Professional Dev	\$0.00	\$0.00	\$0.00	0.00%
860.000	Mileage	\$433.27	\$1,500.00	\$314.95	79.00%
900.100	Printing	\$0.00	\$500.00	\$0.00	0.00%
920.100	Electricity	\$403.94	\$1,100.00	\$490.47	55.41%
920.200	Telephone	\$2,174.08	\$3,650.00	\$1,402.38	61.58%
930.000	Repairs and Maint	\$49.60	\$700.00	\$113.82	83.74%
940.100	Equipment Rental	\$554.16	\$1,300.00	\$352.55	72.88%
940.200	Rent	\$6,895.21	\$14,855.00	\$8,438.82	43.19%
	Total	\$125,222.73	\$191,090.00	\$119,204.31	37.62%

Fund: General
 Depart: Rogue River

Acct No.	Activitiy	Prior YTD	Total	YTD	%
		Expended	Budget	Expended	Unexpended
		FY 09-10	FY 10-11	FY 10-11	FY 10-11
810.000	Meeting Expense	\$0.00	\$0.00	\$0.00	0.00%
900.100	Printing	\$0.00	\$500.00	\$0.00	0.00%
	Total	\$0.00	\$500.00	\$0.00	0.00%

Fund: General
 Depart: SPECIAL SERVICES

Acct No.	Activitiy	Prior YTD	Total	YTD	%
		Expended	Budget	Expended	Unexpended
		FY 09-10	FY 10-11	FY 10-11	FY 10-11
801.022	Other-NPDES	\$71,458.94	\$177,761.00	\$45,145.97	74.60%
801.025	Oth.-Lower Grd-E.Coli	\$0.00	\$0.00	\$0.00	0.00%
801.048	Other-LGR Org Wtsd Init	\$60,460.45	\$0.00	\$0.00	0.00%
801.045	Other-LGR St Wat Educ	\$8,344.28	\$0.00	\$0.00	0.00%
801.056	Other-EPA Haz Mat & Pet	\$11,426.90	\$252,100.00	\$81,348.66	67.73%
810.000	Meeting Exp	\$0.00	\$0.00	\$0.00	0.00%
	Total	\$151,690.57	\$429,861.00	\$126,494.63	70.57%



MEMORANDUM

TO: Executive Committee, Grand Valley Metropolitan Council
FROM: Donald J. Stypula, Executive Director
DATE: April 15, 2011
RE: FY 2011 GVMC General Fund Budget Amendments

Attached for your review and consideration is a proposed amendment to the GVMC FY 2011 general fund budget that balances the current year budget and results in a modest level of revenues over expenses at the end of the fiscal year. These amendments were reviewed and approved by the GVMC Finance Committee on April 15.

Page two of the amended budget lists new sources of revenue, including:

- \$75,000 State Planning and Research (SPR) grant from MDOT to perform planning work related to MDOT's U.S. 131 corridor study
- carryover of \$128,550 in revenue from FY 2010 to complete the Kent County Public Transportation Needs study
- \$8,712 in funds from the Lower Grand River Organization of Watersheds budget
- \$1,882 in funds carried over from the FY 2010 budget from the Fisher's Station planning and design project in the Division Avenue corridor

In addition, we have reduced our projected interest earnings from fund balance by \$3,000 to reflect the current market realities.

Page four of the amended budget, reflecting transportation-related expenditures, includes an additional \$143,550 in revenues from the following sources:

- \$15,000 in revenue from the State Planning and Research (SPR) grant for the U.S. 131 corridor study
- \$128,550 from the carryover of funds for the Kent County Public Transportation Needs Study

Page 5 of the amended budget includes adjustments to the salaries and fringes lines for the Land Use Department to reflect the additional revenue from the MDOT SPR grant (chart of accounts #702-712.800), together with the carryover of \$1,882 in funds from the Fisher's Station planning and design project (account #801.400).

GVMC FY 10-11 AMENDED BUDGET

Activitiy	Prior Year Actual FY 09-10	Six Months Actual FY 10-11	Approved Budget FY 10-11	Proposed Budget Amendment	Proposed Amended Bud FY 10-11
Revenues:					
Revenues	<u>\$1,843,910.20</u>	<u>\$1,107,640.33</u>	<u>\$2,119,482.00</u>	<u>\$211,144.00</u>	<u>\$2,330,626.00</u>
Expenditures:					
GVMC Board	\$1,678.88	\$842.50	\$2,200.00	\$0.00	\$2,200.00
Administration	\$339,329.70	\$151,387.62	\$317,453.00	\$0.00	\$317,453.00
Pav Manage Vehicle	\$130,263.49	\$51,734.28	\$140,990.00	\$0.00	\$140,990.00
Transportation	\$814,339.91	\$513,565.94	\$1,036,485.00	\$143,550.00	\$1,180,035.00
Lower Grd Watershed	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Land Use	\$313,565.96	\$119,204.31	\$191,090.00	\$61,625.00	\$252,715.00
Rogue River	\$122.97	\$0.00	\$500.00	\$0.00	\$500.00
Special Services	<u>\$338,547.37</u>	<u>\$126,494.63</u>	<u>\$429,861.00</u>	<u>\$0.00</u>	<u>\$429,861.00</u>
Total	<u>\$1,937,848.28</u>	<u>\$963,229.28</u>	<u>\$2,118,579.00</u>	<u>\$205,175.00</u>	<u>\$2,323,754.00</u>
Net Rev. over Exp.	(\$93,938.08)	\$144,411.05	\$903.00	\$5,969.00	\$6,872.00

GVMC FY 10-11 AMENDED BUDGET

Fund: General
 Depart: REVENUES

Acct No.	Activity	Prior Year Actual FY 09-10	Six Months Actual FY 10-11	Approved Budget FY 10-11	Proposed Budget Amendment	Proposed Amended Bud FY 10-11
Dues	GVMC	\$247,008.00	\$250,875.00	\$249,507.00	\$0.00	\$249,507.00
	<u>Transportation</u>	<u>\$152,246.00</u>	<u>\$201,923.00</u>	<u>\$199,256.00</u>	<u>\$0.00</u>	<u>\$199,256.00</u>
	Sub total	\$399,254.00	\$452,798.00	\$448,763.00	\$0.00	\$448,763.00
Transportation						
	PL 112	\$592,653.88	\$280,711.50	\$675,837.00	\$0.00	\$675,837.00
	Section 5303	\$151,294.45	\$80,141.84	\$193,445.00	\$0.00	\$193,445.00
	CMAQ	\$64,956.99	\$23,462.42	\$125,069.00	\$0.00	\$125,069.00
	SPR	\$0.00	\$0.00	\$0.00	\$75,000.00	\$75,000.00
	STP	\$130,471.26	\$34,574.26	\$185,000.00	\$0.00	\$185,000.00
	Trans. Needs Assess. Fds	\$47,846.00	\$102,154.00	\$0.00	\$128,550.00	\$128,550.00
	Michigan Transp. Fds	\$15,201.16	\$2,687.80	\$19,907.00	\$0.00	\$19,907.00
	<u>Westrain</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	Sub total	\$1,002,423.74	\$523,731.82	\$1,199,258.00	\$203,550.00	\$1,402,808.00
Reimbursements						
	Contributions	\$12,500.00	\$0.00	\$7,000.00	\$0.00	\$7,000.00
	Cont. - Rogue River	\$0.00	\$40.00	\$500.00	\$0.00	\$500.00
	REGIS-Direct	\$0.00	\$0.00	\$6,000.00	\$0.00	\$6,000.00
	Pave. Manage Survey	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	LGROW-Land Use Serv	\$0.00	\$0.00	\$0.00	\$8,712.00	\$8,712.00
	Land Use Services	\$10,800.00	\$1,882.00	\$0.00	\$1,882.00	\$1,882.00
	Local Participation Fee	\$7,104.00	\$11,966.21	\$0.00	\$0.00	\$0.00
	Data Collection	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Local Match-Transit Sty	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Sales-Materials, Etc.	\$150.03	\$73.65	\$100.00	\$0.00	\$100.00
	Water/Sewer	\$187,750.93	\$22,970.00	\$177,761.00	\$0.00	\$177,761.00
	Events-Grow Comm.	\$9,375.00	\$0.00	\$0.00	\$0.00	\$0.00
	<u>Events-Regular</u>	<u>\$4,020.00</u>	<u>\$1,780.00</u>	<u>\$6,000.00</u>	<u>\$0.00</u>	<u>\$6,000.00</u>
	Sub total	\$231,699.96	\$38,711.86	\$197,361.00	\$10,594.00	\$207,955.00
Grants						
	UCB - Lower Grand	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	DNR/DEQ	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	MDEQ-LGR Storm Educ	\$9,613.87	\$0.00	\$0.00	\$0.00	\$0.00
	MDEQ-LGR-WS Init.	\$135,131.11	(\$513.39)	\$0.00	\$0.00	\$0.00
	EPA-Haz Mater. & Petrol.	\$59,443.88	\$91,840.62	\$269,100.00	\$0.00	\$269,100.00
	<u>PAL - Land Use</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	Sub total	\$204,188.86	\$91,327.23	\$269,100.00	\$0.00	\$269,100.00
Interest		<u>\$6,343.64</u>	<u>\$1,071.42</u>	<u>\$5,000.00</u>	<u>(\$3,000.00)</u>	\$2,000.00
Total		\$1,843,910.20	\$1,107,640.33	\$2,119,482.00	\$211,144.00	\$2,330,626.00

GVMC FY 10-11 AMENDED BUDGET

Fund: General
Depart: GVMC Board

Acct No.	Activitiy	Prior Year Actual FY 09-10	Six Months Actual FY 10-11	Approved Budget FY 10-11	Proposed Budget Amendment	Proposed Amended Bud FY 10-11
810.000	Meeting Exp	\$1,678.88	\$842.50	\$2,200.00	\$0.00	\$2,200.00
	Total	\$1,678.88	\$842.50	\$2,200.00	\$0.00	\$2,200.00

Fund: General
Depart: Administration

Acct No.	Activitiy	Prior Year Actual FY 09-10	Six Months Actual FY 10-11	Approved Budget FY 10-11	Proposed Budget Amendment	Proposed Amended Bud FY 10-11
702.000	Salaries	\$204,961.65	\$96,996.76	\$197,460.00	\$0.00	\$197,460.00
712.100	Social Security Tax	\$12,816.31	\$6,279.09	\$12,243.00	\$0.00	\$12,243.00
712.200	Medicare Tax	\$3,055.28	\$1,495.68	\$2,864.00	\$0.00	\$2,864.00
712.300	State Unemployment Tax	\$609.37	\$676.29	\$610.00	\$0.00	\$610.00
712.500	Health/Dental Insurance	\$17,153.17	\$9,867.17	\$24,235.00	\$0.00	\$24,235.00
712.600	Life/Long Term Disb. Ins.	\$2,342.64	\$1,519.84	\$2,631.00	\$0.00	\$2,631.00
712.700	Parking	\$1,421.50	\$0.00	\$0.00	\$0.00	\$0.00
712.800	Pension Plan Expense	\$19,681.60	\$9,404.29	\$17,775.00	\$0.00	\$17,775.00
726.000	Office Supplies	\$1,867.40	\$647.39	\$2,000.00	\$0.00	\$2,000.00
726.200	Postage	\$781.89	\$0.00	\$1,000.00	\$0.00	\$1,000.00
801.100	Audit	\$2,600.00	\$2,410.00	\$3,100.00	\$0.00	\$3,100.00
801.200	Legal Services	\$21,914.50	\$3,080.50	\$5,500.00	\$0.00	\$5,500.00
801.400	Contractual Serv	\$11,312.75	\$79.75	\$0.00	\$0.00	\$0.00
805.000	Adv/Legal Notice	\$1,040.15	\$703.80	\$1,000.00	\$0.00	\$1,000.00
810.000	Meeting Exp	\$8,520.53	\$3,585.57	\$10,000.00	\$0.00	\$10,000.00
815.000	Insurance	\$2,584.77	\$366.58	\$2,500.00	\$0.00	\$2,500.00
820.000	Dues and Sub	\$1,140.00	\$445.00	\$1,750.00	\$0.00	\$1,750.00
825.000	Professional Dev	\$1,594.65	\$125.00	\$5,000.00	\$0.00	\$5,000.00
860.000	Mileage	\$5,672.55	\$3,319.54	\$7,300.00	\$0.00	\$7,300.00
900.100	Printing	\$0.00	\$0.00	\$400.00	\$0.00	\$400.00
920.100	Electricity	\$783.49	\$423.61	\$1,200.00	\$0.00	\$1,200.00
920.200	Telephone	\$3,688.33	\$1,881.45	\$3,300.00	\$0.00	\$3,300.00
930.000	Repairs and Maint	\$1,252.44	\$136.29	\$1,000.00	\$0.00	\$1,000.00
940.100	Equipment Rent	\$1,111.55	\$564.12	\$1,200.00	\$0.00	\$1,200.00
940.200	Rent	\$10,874.76	\$7,323.09	\$12,835.00	\$0.00	\$12,835.00
955.000	Misc	\$548.42	\$56.81	\$550.00	\$0.00	\$550.00
	Total	\$339,329.70	\$151,387.62	\$317,453.00	\$0.00	\$317,453.00

Fund: General
Depart: Pavement Management Vehicle

Acct No.	Activitiy	Prior Year Actual FY 09-10	Six Months Actual FY 10-11	Approved Budget FY 10-11	Proposed Budget Amendment	Proposed Amended Bud FY 10-11
738.000	Other Supplies	\$287.43	\$139.00	\$1,500.00	\$0.00	\$1,500.00
738.500	Other-Software	\$0.00	\$0.00	\$1,000.00	\$0.00	\$1,000.00
815.000	Insurance	\$5,740.01	\$0.00	\$9,300.00	\$0.00	\$9,300.00
825.000	Professional Devel.	\$0.00	\$300.00	\$2,500.00	\$0.00	\$2,500.00
850.000	Vehicle Storage	\$0.00	\$0.00	\$600.00	\$0.00	\$600.00
881.000	Gas, Oil & Grease	\$967.15	\$188.14	\$3,000.00	\$0.00	\$3,000.00
920.200	Telephone	\$4,132.78	\$2,112.23	\$4,100.00	\$0.00	\$4,100.00
931.000	Vehicle Repair & Maint.	\$21,489.00	\$169.37	\$31,000.00	\$0.00	\$31,000.00
994.000	Loan Repayment	\$87,571.91	\$46,307.37	\$84,860.00	\$0.00	\$84,860.00
995.000	Interest	\$10,075.21	\$2,518.17	\$3,130.00	\$0.00	\$3,130.00
	Total	\$130,263.49	\$51,734.28	\$140,990.00	\$0.00	\$140,990.00

GVMC FY 10-11 AMENDED BUDGET

Fund: General
 Depart: Transportation

Acct No.	Activity	Prior Year Actual FY 09-10	Six Months Actual FY 10-11	Approved Budget FY 10-11	Proposed Budget Amendment	Proposed Amended Bud FY 10-11
702.000	Salaries	\$435,918.55	\$210,862.58	\$477,035.00	\$0.00	\$477,035.00
712.100	Social Security Tax	\$27,005.82	\$13,262.12	\$29,580.00	\$0.00	\$29,580.00
712.200	Medicare Tax	\$6,446.29	\$3,101.70	\$6,925.00	\$0.00	\$6,925.00
712.300	State Unemployment Tax	\$1,631.57	\$2,066.83	\$2,250.00	\$0.00	\$2,250.00
712.500	Health/Dental Insurance	\$83,703.02	\$46,560.18	\$98,400.00	\$0.00	\$98,400.00
712.600	Life/Long Term Disb. Ins.	\$6,153.84	\$3,632.51	\$6,410.00	\$0.00	\$6,410.00
712.700	Parking	\$13.00	\$0.00	\$0.00	\$0.00	\$0.00
712.800	Pension Plan Expense	\$40,429.16	\$19,990.12	\$40,800.00	\$0.00	\$40,800.00
726.000	Office Supplies	\$4,072.40	\$2,403.55	\$8,000.00	\$0.00	\$8,000.00
726.200	Postage	\$3,011.79	\$0.00	\$3,000.00	\$0.00	\$3,000.00
801.100	Audit	\$6,125.00	\$5,000.00	\$6,250.00	\$0.00	\$6,250.00
801.300	Professional Fees	\$0.00	\$0.00	\$1,000.00	\$0.00	\$1,000.00
801.400	Contractual Serv	\$143,465.28	\$169,162.65	\$256,600.00	\$143,550.00	\$400,150.00
805.000	Adv/Legal Notice	\$2,109.14	\$1,423.26	\$3,750.00	\$0.00	\$3,750.00
810.000	Meeting Exp	\$5,160.15	\$1,781.48	\$8,000.00	\$0.00	\$8,000.00
815.000	Insurance	\$4,282.02	\$769.84	\$3,500.00	\$0.00	\$3,500.00
820.000	Dues and Sub	\$0.00	\$245.50	\$2,000.00	\$0.00	\$2,000.00
825.000	Professional Dev	\$120.00	\$2,400.57	\$9,000.00	\$0.00	\$9,000.00
860.000	Mileage	\$5,569.03	\$2,754.97	\$18,000.00	\$0.00	\$18,000.00
900.100	Printing	\$0.00	\$458.95	\$1,000.00	\$0.00	\$1,000.00
920.100	Electricity	\$1,901.08	\$1,036.19	\$2,000.00	\$0.00	\$2,000.00
920.200	Telephone	\$5,348.87	\$2,705.81	\$5,600.00	\$0.00	\$5,600.00
930.000	Repairs and Maint	\$1,594.20	\$437.40	\$2,500.00	\$0.00	\$2,500.00
940.100	Equipment Rent	\$2,223.26	\$1,480.67	\$3,500.00	\$0.00	\$3,500.00
940.200	Rent	\$25,540.83	\$17,832.36	\$31,385.00	\$0.00	\$31,385.00
980.100	Office Equipment	\$2,515.61	\$4,196.70	\$10,000.00	\$0.00	\$10,000.00
	Total	\$814,339.91	\$513,565.94	\$1,036,485.00	\$143,550.00	\$1,180,035.00

GVMC FY 10-11 AMENDED BUDGET

Fund: General
 Depart: Land Use

Acct No.	Activity	Prior Year Actual FY 09-10	Six Months Actual FY 10-11	Approved Budget FY 10-11	Proposed Budget Amendment	Proposed Amended Bud FY 10-11
702.000	Salaries	\$164,623.49	\$76,400.85	\$120,440.00	\$44,584.00	\$165,024.00
712.100	Social Security Tax	\$10,161.66	\$4,732.62	\$7,470.00	\$2,763.00	\$10,233.00
712.200	Medicare Tax	\$2,376.55	\$1,106.82	\$1,745.00	\$649.00	\$2,394.00
712.300	State Unemployment Tax	\$427.31	\$521.99	\$500.00	\$22.00	\$522.00
712.500	Health/Dental Insurance	\$24,155.52	\$15,294.58	\$19,595.00	\$7,105.00	\$26,700.00
712.600	Life/Long Term Disb. Ins.	\$2,155.92	\$1,257.62	\$1,640.00	\$610.00	\$2,250.00
712.700	Parking	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
712.800	Pension Plan Expense	\$14,981.30	\$6,901.11	\$10,845.00	\$4,010.00	\$14,855.00
726.000	Office Supplies	\$768.61	\$120.02	\$750.00	\$0.00	\$750.00
726.200	Postage	\$798.03	\$0.00	\$1,000.00	\$0.00	\$1,000.00
801.400	Contractual Serv	\$63,997.20	\$1,279.75	\$0.00	\$1,882.00	\$1,882.00
810.000	Meeting Exp	\$113.11	\$26.37	\$500.00	\$0.00	\$500.00
810.010	Growing Com. Confer.	\$7,169.20	\$0.00	\$0.00	\$0.00	\$0.00
815.000	Insurance	\$2,021.83	\$254.59	\$2,000.00	\$0.00	\$2,000.00
820.000	Dues and Sub	\$878.00	\$195.00	\$1,000.00	\$0.00	\$1,000.00
825.000	Professional Dev	\$35.00	\$0.00	\$0.00	\$0.00	\$0.00
860.000	Mileage	\$469.87	\$314.95	\$1,500.00	\$0.00	\$1,500.00
900.100	Printing	\$0.00	\$0.00	\$500.00	\$0.00	\$500.00
920.100	Electricity	\$898.13	\$490.47	\$1,100.00	\$0.00	\$1,100.00
920.200	Telephone	\$3,676.00	\$1,402.38	\$3,650.00	\$0.00	\$3,650.00
930.000	Repairs and Maint	\$546.13	\$113.82	\$700.00	\$0.00	\$700.00
940.100	Equipment Rental	\$1,243.11	\$352.55	\$1,300.00	\$0.00	\$1,300.00
940.200	Rent	\$12,069.99	\$8,438.82	\$14,855.00	\$0.00	\$14,855.00
	Total	\$313,565.96	\$119,204.31	\$191,090.00	\$61,625.00	\$252,715.00

Fund: General
 Depart: Rogue River

Acct No.	Activity	Prior Year Actual FY 09-10	Six Months Actual FY 10-11	Approved Budget FY 10-11	Proposed Budget Amendment	Proposed Amended Bud FY 10-11
810.000	Meeting Expense	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
900.100	Printing	\$122.97	\$0.00	\$500.00	\$0.00	\$500.00
	Total	\$122.97	\$0.00	\$500.00	\$0.00	\$500.00

Fund: General
 Depart: SPECIAL SERVICES

Acct No.	Activity	Prior Year Actual FY 09-10	Six Months Actual FY 10-11	Approved Budget FY 10-11	Proposed Budget Amendment	Proposed Amended Bud FY 10-11
801.022	Other-NPDES	\$187,751.18	\$45,145.97	\$177,761.00	\$0.00	\$177,761.00
801.048	Other-LGR Org Wtsd Init	\$131,025.01	\$0.00	\$0.00	\$0.00	\$0.00
801.045	Other-LGR St Wat Educ	\$8,344.28	\$0.00	\$0.00	\$0.00	\$0.00
801.056	Other-EPA Haz Mat & Pet	\$11,426.90	\$81,348.66	\$252,100.00	\$0.00	\$252,100.00
810.000	Meeting Exp	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Total	\$338,547.37	\$126,494.63	\$429,861.00	\$0.00	\$429,861.00



GRAND VALLEY METROPOLITAN COUNCIL

ALGOMA TOWNSHIP • ALLENDALE TOWNSHIP • ALPINE TOWNSHIP • BELDING • BYRON TOWNSHIP • CALEDONIA TOWNSHIP • CANNON TOWNSHIP • CASCADE TOWNSHIP • CEDAR SPRINGS • COOPERSVILLE
COURTLAND TOWNSHIP • EAST GRAND RAPIDS • GAINES TOWNSHIP • GEORGETOWN TOWNSHIP • GRAND RAPIDS • GRAND RAPIDS TOWNSHIP • GRANDVILLE • GREENVILLE • HASTINGS • HUDSONVILLE
IONIA • KENT COUNTY • KENTWOOD • LOWELL • MIDDLEVILLE • OTTAWA COUNTY • PLAINFIELD TOWNSHIP • ROCKFORD • SPARTA • SPARTA TOWNSHIP • TALLMADGE TOWNSHIP • WALKER • WAYLAND • WYOMING
GRAND VALLEY STATE UNIVERSITY

March 30, 2011

Jeanne Gould, Contract Administrator
Contract Services Division
Michigan Department of Transportation
P.O. Box 30050
Lansing, MI 48909

**RE: Audit Report No. 2011-67
Grand Valley Metro Council Response**

Dear Ms. Gould:

I am responding to your letter of February 2, 2011, concerning audit report 2011-67.

Concurrence: Grand Valley Metro Council (“GVMC”) concurs with the audit findings regarding charges to the following programs:

1. Surface Transportation Program-Urban (STP-U) grants for Pavement Management System under contract number 2003-0004, authorization 4, 15, 23, and 29, contract number 2006-0004, authorization 12, and 18.
2. Intelligent Transportation System (ITS) under contract number 2003-0004, authorization 27, and 28
3. Geographic Information System (GIS) contract number 2003-0004, authorization 22, contract number 2006-0004, authorization 5, and 19.
4. Congestion Management System contract number 2003-0004, authorization 24, contract number 2006-0004, authorization 4, 13, and 20.
5. Congestion Mitigation Air Quality (CMAQ), contract number 2003-0004, authorization 26, and contract number 2006-0004, authorization 8, 15, and 23, for the Ozone Action Program
6. Asset Management Program, contract number 2003-0004, authorization 19, and contract number 2006-0004, authorization 3, 11, and 22.

Disagreement Concerning Labor Costs: GVMC respectfully disagrees with the findings labeled “Unsupported Labor” found on Schedules A, E, and F, as applied to the REGIS Agency and Land Use Department Director and the Land Use Department employees under the following grants:

1. Regional Geographic information System (REGIS), contract 96-0721 and 99-0660. Please refer to the attached response from REGIS Agency.
2. Federal Highway Administration Section 112 grants, contract number 2003-0004 authorization 21, and contract number 2006-0004, authorization 1, 9, and 16, for FY 2005-2008.
3. Federal Transit Administration Section 5303 grants, contract number 2003-004, authorization 20, contract number 2006-0004, authorization 2, 10, and 17, for FY 2005-2008.

In connection with those grants in 2 and 3, our Land Use Planning Department helped develop GVMC's long-range transportation plans, population and employment projections, in addition, our Land Use Planning Department helped implement citizen-driven planning activities promoting urban "infill" policies vs. urban sprawl, transit friendly land uses, transit-oriented development policies, implemented a new Metropolitan Development Framework for the Grand Rapids region, maintaining planning software and tools that operates on geographic information systems, conducted workshops and special training sessions for planners and other local officials, and produced four annual Grand Rapids-based conferences that we used to unveil these products and train partners and stakeholders on their use.

As set forth in the audit report's Note 6, MDOT proposes to disallow the labor costs of the Land Use Department employees in connection with these projects. MDOT's reason for disallowance is not any substantive deficiency in the work described above, all of which MDOT supported. Rather the reason for the proposed disallowance is a record-keeping issue: At the time of MDOT's audit, GVMC's employee records (dating back to 1998) were not in Circular A-87 form specified by Office of Management and Budget. GVMC since then have taken the necessary steps to fully comply with Circular A-87.

GVMC is proposing to address the labor cost issues regarding the GVMC Land Use Department in a similar manner as in the ongoing Audit 2010-159. Immediately following this audit response, GVMC will seek to engage the Department to determine the best approach to a mutually satisfactory and reasonable outcome.

There is no question that these Land Use employees devoted thousands of hours to the MPO and MDOT projects during the years at issue. GVMC's staff attended numerous planning meetings with MDOT's own personnel concerning these projects.

Current and Future Records: GVMC truly values its close working relationship with MDOT. As a result of MDOT's recent Audit No 2010-159, GVMC has changed its employee record-

keeping procedures, to meet FHWA and MDOT's standards. Since January 2010 and continuing into the future, our employee records have been and will be prepared in Circular A-87 format.

We respectfully request that the Land Use Employee costs at issue be allowed.

A handwritten signature in black ink that reads "Donald J. Stypula". The signature is written in a cursive style with a horizontal line extending from the end.

Donald J. Stypula
Executive Director



REGIONAL GEOGRAPHIC INFORMATION SYSTEM AGENCY

AN AGENCY OF THE GRAND VALLEY METROPOLITAN COUNCIL

DHARMESH JAIN, PH.D., DIRECTOR

ADA TOWNSHIP • ALPINE TOWNSHIP • BYRON TOWNSHIP • CANNON TOWNSHIP • CASCADE CHARTER TOWNSHIP • CITY OF CEDAR SPRINGS • CITY OF EAST GRAND RAPIDS •
GAINES CHARTER TOWNSHIP • CITY OF GRAND RAPIDS • GRAND RAPIDS CHARTER TOWNSHIP • CITY OF GRANDVILLE • CITY OF HUDSONVILLE • INTERURBAN TRANSIT PARTNERSHIP • KENT COUNTY •
KENT COUNTY ROAD COMMISSION • CITY OF KENTWOOD • CITY OF LOWELL • PLAINFIELD CHARTER TOWNSHIP • CITY OF ROCKFORD • VILLAGE OF SPARTA • CITY OF WALKER • CITY OF WYOMING

March 28, 2011

Department of Transportation
Contract Services Division
Jean Gould, Contract Administrator
Murray D. Van Wagoner Building
PO Box 30050
Lansing, MI 48909

Re: Audit Report No. 2011-67 for the Department Job number 47039 under the Contract 96-0721 and 99-0660

Dear Jean,

I am writing in response to your letter dated February 2, 2011 to the Grand Valley Metropolitan Council regarding the State Transportation Commission Office of Commission Audit Auditor's Report 2011-67. Specifically I am writing to notify you that I do not concur with the finding identified in Auditor's Report 2011-67 for the Regional Geographic Information System (REGIS) under contracts 96-0721 and 99-0660. The Regional Geographic Information System (REGIS) was heralded by the media as one of the largest local government multi-participant geographic information system (GIS) projects ever. REGIS was recognized with an international award of *Exemplary Systems in Government* in 2007 for its unique cooperative model of sharing of services and costs at a regional level. There are over twenty participating/benefitting governmental organizations that direct and fund the self supporting activity of REGIS as well as numerous organizations that benefit directly and indirectly from the services provided by REGIS including the Michigan Department of Transportation. REGIS was established in 1997 as an independent organization of the Grand Valley Metropolitan Council (GVMC). As the REGIS Director, I am only addressing the above noted finding and I am asking that the amount reported as "Amount Due Department of \$165,500" be removed from reimbursements payable to your department due to the timeliness of the audit process and lack of all pertinent information, your Department's communication with subcontractor Analytical Surveys Inc. (ASI) and related payments, and viability of the Regional Geographic Information System and future allocation of REGIS operating costs.

The timeliness of the audit of activity occurring over ten years ago that identified the above noted finding makes it impossible for all of the facts of the contract to be known and considered. The noted contract involved the former GVMC Director and long since departed GVMC and MDOT staff. My understanding of the project is that the GVMC was acting as a pass through agent for a project partially funded by the MDOT.

Questions unanswered by the audit noted above include whether there were verbal approvals, written documents or other communications that should have been considered during the audit process. I believe that an audit performed over 10 years subsequent to the original contract and subcontractor performance cannot possibly consider all pertinent information. My review of written documentation indicates that a fully executed agreement with ASI occurred 1/15/99 following the 1/8/99 execution of the agreement with the Michigan Department of Transportation. The Minutes of the January 1999 REGIS Board meeting document that an MDOT official was aware of the selection of ASI for the grant funded project. In short I believe that the lack of timeliness in the audit process and the lack of consideration of all pertinent information resulted in a questionable finding at best.

During my review of the known written historical documentation associated with the above noted contract it is apparent that your department's staff was in communication with ASI, was aware of the contract amount, understood the contract deliverables and agreed to contract payments. The Department of Transportation Office of Commission Audits Auditor's Report 1999-249 provides a recommended decrease in the contract amount yet the contract between the GVMC and your department was not changed and payments from your department for project costs were consistent with the original contract agreement with ASI (your department received a copy of every ASI invoice). Per the Auditor's Report 1999-249, page 4, Additional Comments 3, "The results of this prenegotiation audit were discussed with the consultants on July 20, 1999." What was discussed at this time? Was there a verbal approval of the contract with the recommended changes not becoming mandatory changes? Given your department's level of involvement in this project, why was the agreement between your department and the GVMC not modified to reflect a reduced level of project reimbursement and why should the REGIS suffer today and into the future for the results of a questionable finding?

The REGIS is a cooperative functioning model of local units of government working together to provide efficient and cost effective services through shared resources. The governmental units participating in REGIS parallel our new governor's headline making suggestions for governmental cooperation and joint efforts to gain efficiency and cost effectiveness. The proposed finding that would shift over 10 year old costs to REGIS participants would be a significant financial burden to REGIS in a year when revenues have declined over 40% and membership has declined as a result of available funding. You should understand that the noted questionable finding was for actual service provided by the subcontractor at the agreed to price. There was no retainage or cash held in reserve associated with this contract. The reimbursement proposed by the noted finding would require additional charges to current and potential future REGIS membership, therefore, putting the sustainability of this cost and service sharing consortium at a serious risk.

As noted above I do not concur with the finding identified in Auditor's Report 2011-67 for the Regional Geographic Information System (REGIS) under contracts 96-0721 and 99-0660. I believe that the finding is questionable at best due to the reasons noted above.

The REGIS does not pay for questionable costs as matter of policy. I hope that this letter addresses your concerns regarding this matter so that we can spend our time and precious resources moving our organizations forward. If you have any questions or comments regarding this letter, I would be happy to meet with you and discuss any aspect or the finding in questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Dharmesh Jain". The signature is written in a cursive style with a large, stylized initial "D".

Dharmesh Jain, Ph.D.
Regional GIS Director



GRAND VALLEY METROPOLITAN COUNCIL

ALGOMA TOWNSHIP • ALLENDALE TOWNSHIP • ALPINE TOWNSHIP • BYRON TOWNSHIP • CALEDONIA TOWNSHIP • CANNON TOWNSHIP • CASCADE TOWNSHIP • CEDAR SPRINGS • COOPERSVILLE • COURTLAND TOWNSHIP • EAST GRAND RAPIDS • GAINES TOWNSHIP • GEORGETOWN TOWNSHIP • GRAND RAPIDS • GRAND RAPIDS TOWNSHIP • GRANDVILLE • GREENVILLE • HASTINGS • HUDSONVILLE • IONIA • JAMESTOWN TOWNSHIP • KENT COUNTY • KENTWOOD • MIDDLEVILLE • OTTAWA COUNTY • PLAINFIELD TOWNSHIP • ROCKFORD • SPARTA • SPARTA TOWNSHIP • TALLMADGE TOWNSHIP • WALKER • WAYLAND • WYOMING

MEMORANDUM

DATE: April 15, 2011
TO: Executive Committee
FROM: Darrell T. Robinson, Transportation Planner
RE: FY2011 TIP Changes

Due to several changes being requested by ITP The Rapid, KCRC, the City of Grand Rapids and MDOT to the FY2011-2014 TIP, staff is requesting approval of the following changes:

- ITP The Rapid is requesting to add a Specialized Services Operating Assistance grant to the FY2011 – 2014 TIP specifically to FY2012. The grant is for \$463,289, 100% State funded (please see attached).
- The KCRC is requesting to add two awarded High Risk Rural Road (HRRR) projects to FY2012 (please see attached). KCRC is also requesting to remove Byron Center Township from the Fred Meijer Kenowa Trail project. The Macatawa Area Coordinating Council (MACC) MPO will display the remainder of the awarded project in their TIP. Next, KCRC is requesting to move an FY2012 Local Bridge Fund project (68th Street Bridge over Plaster Creek) to FY2011. (Please see attached). Finally, KCRC is requesting to divide a current FY2011 trail project - Musketawa Trail to White Pine Trail Connector - into 3 phases with obligation to occur accordingly at 3 different times in FY2011 (see attached).
- The City of Grand Rapids is requesting to change the scope and remove one awarded FY2011 Safety project (please see attached).
- MDOT is requesting Administrative Modifications as well as Amendments to the FY2011-2014 TIP, specifically to FY2011 and FY2012. (Please see attached).

If you have any questions please do not hesitate to contact me at (616) 776-7609.



Interurban Transit Partnership

300 Ellsworth Avenue SW Grand Rapids, MI 49503-4005 616.456.7514 • Fax 616.774.1195

February 24, 2011

Mr. Darrell Robinson
Grand Valley Metro Council
678 Front Ave N.W. Suite 200
Grand Rapids MI 49504-5319

Dear Darrell,

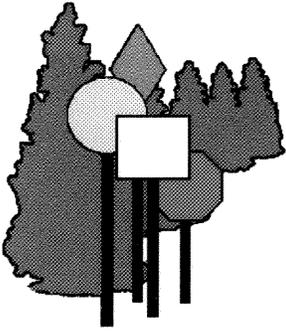
Each year the ITP applies for Specialized Services operating assistance from the Michigan Department of Transportation (MDOT) for primarily senior/disabled transportation in Kent County, which is beyond ITP's service area and/or hours of operation. The annual "Specialized Service" program is prepared by ITP in cooperation with the service provider agencies. ITP's role in this program is to provide coordination for the various providers to prevent any duplication of services and pass through the funding. It is anticipated that a continued total of \$463,289 will be reinstated and awarded to the ITP from MDOT for third party operating assistance with the six recipient agencies; ACSET, American Red Cross, network180, Goodwill Industries, Hope Network and Senior Neighbors for Specialized Services Operating Assistance Program for fiscal year 2012. The Specialized Services Subrecipients are reimbursed per mile up to the third party contract maximum. The Specialized Services Program is funded with 100% state funds, no federal funds apply. MDOT has requested these Specialized Services Operating Assistance funds of \$463,289 be placed in the TIP.

Specialized Services Operating Assistance	\$463,289 100% State Funding
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If you have any question or require additional information please call me at 774-1183.

Sincerely,

Janice Hoekstra
Grants Officer



Board of County Road Commissioners
of the County of Kent

1500 Scribner Ave., N.W. Grand Rapids, MI 49504-3299
(616) 242-6900 Fax # (616) 242-6980

March 28, 2011

Chairman
John W. Weiss
Vice-Chairman
David M. Groenleer
Commissioner
Patrick G. Malone
Commissioner
Mark E. Rambo
Commissioner
William N. Stellin
Jon F. Rice, P.E.
Managing Director
Steven A. Warren
Deputy Director
John L. Strauss
Director of Finance

Mr. Darrell Robinson
Grand Valley Metro Council
678 Front Ave., NW, Suite 200
Grand Rapids, MI 49504

Re: 2011 – 2014 TIP Amendment

Dear Darrell:

Kent County Road Commission (KCRC) hereby requests the following revisions to the 2011 – 2014 Transportation Improvement Plan:

1. Please delete the portion of the Fred Meijer Kenowa Trail within Kent County. Byron Township has withdrawn their interest in this Transportation Enhancement project.
2. Move the 68th Street Bridge over Plaster Creek (Local Bridge Fund project) from 2012 to 2011. Local Bridge Funds for the Grand Region are available for 2011 and must be obligated or funds will be lost. Our project can be obligated this fiscal year. Please revise TIP to show project length = 0.07 mile and type of work and description to read "bridge replacement".
3. We were recently notified of funding for two High Risk Rural Road (HRRR) projects for fiscal year 2012. Please add these two projects to the TIP:
 - 13 Mile at Tefft Avenue – vertical curve modification, \$270,000 Federal, \$30,000 Local, \$300,000 total.
 - Lessiter Avenue – from Dream Isle Drive to 10 Mile Road – widen shoulder, clear zone and surface treatment, \$99,000 Federal, \$11,000 Local, \$110,000 total.

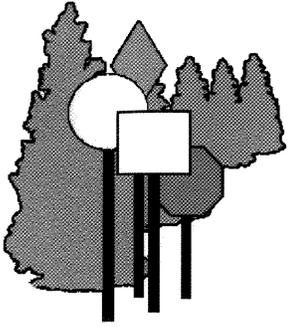
Please call me at (616) 242-6914 if you have any questions or need any additional information.

Sincerely,

Wayne A. Harrall, P.E.
Director of Engineering

WAH:kll

C: Jon Rice
Steve Warren



Board of County Road Commissioners
of the County of Kent

1500 Scribner Ave., N.W.
(616) 242-6900

Grand Rapids, MI 49504-3299
Fax # (616) 242-6980

April 5, 2011

Mr. Darrell Robinson
Grand Valley Metro Council
678 Front Ave., NW, Suite 200
Grand Rapids, MI 49504

Chairman
John W. Weiss
Vice-Chairman
David M. Groenleer
Commissioner
Patrick G. Malone
Commissioner
Mark E. Rambo
Commissioner
William N. Stellin
Jon F. Rice, P.E.
Managing Director
Steven A. Warren
Deputy Director
John L. Strauss
Director of Finance

Re: 2011 – 2014 TIP Amendment

Dear Darrell:

Kent County Road Commission (KCRC) hereby requests the following 2011 West Michigan Regional Trail Network Connection project be divided into phases in order to facilitate obligation of funds and construction of Phase 1.

Musketawa Trail to White Pine Trail Connector – Phase 1

Location : 8th Avenue to Peach Ridge Avenue
Length = 4.54 Miles
Federal HPP Funds = \$1,280,000
Total Cost = \$1,600,000

Musketawa Trail to White Pine Trail Connector – Phase 2

Location : Alpine Avenue to North Park Street
Length = 1.87 Miles
Federal HPP Funds = \$540,000
Total Cost = \$675,000

Musketawa Trail to White Pine Trail Connector – Phase 3

Location : Peach Ridge Avenue to Walker Avenue
Length = 1.12 Miles
Federal HPP Funds = \$100,000
Total Cost = \$560,000

Please call me at (616) 242-6914 if you have any questions or need any additional information.

Sincerely,

Wayne A. Harrall, P.E.
Director of Engineering

WAH:kll

MEMORANDUM

CITY OF GRAND RAPIDS

DATE: 3/30/11

TO: Darrell Robinson
Grand Valley Metro Council

FROM: Chris Zull

SUBJECT: TIP adjustments for FY11 Safety Projects

Darrell,

The City of Grand Rapids has applied for and received two safety projects for FY11. They are guardrail improvements on Alger Street over the C&O Railroad and on Market Street at the Conrail Bridge. These projects were funded as follows for a total of \$47,000:

Alger Street at C&O Railroad	\$30,000
Market Street at Conrail Bridge	\$17,000

As a result of other construction projects the grant for guardrail work at the Market Street location is no longer necessary.

These projects are currently known in the FY11 TIP as Market Avenue at Alger Street and Market Avenue for \$47,000. Grand Rapids would like to request that the TIP be updated to include only the Alger Street at C&O Railroad project for a total of \$30,000.



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
 LANSING

RICK SNYDER
 GOVERNOR

KIRK T. STEUDLE
 DIRECTOR

DATE: March 30, 2011

TO: Abed Itani, Transportation Director
 Grand Valley Metro Council

FROM: Dennis Kent, Region Transportation Planner
 MDOT/Grand Region

SUBJECT: **FY 2011-14 TIP Amendment #3 / FY 2011/12 MDOT Projects/GPA's**

MDOT is requesting amendments and administrative modifications to the GVMC FY 2011-14 MPO Transportation Improvement Program (TIP) for the following FY 2011 and 2012 projects and General Program Accounts (GPA):

FY 2011 – Trunkline Project Amendment

JN	Route	Location	Work Description	Phase	Total Cost Est.
112375	US-131	CSX/Grand Elk RR (Near Franklin Street)	Railroad Force Account work, to support bridge rehabilitation construction activities	Construct	\$50,000

FY 2012 – Trunkline Project Modifications (in the TIP)

JN	Route	Location	Work Description	Phase	Total Cost Est.
102914	US-131	@ Post Road	Carpool lot Resurface (move from FY '11 to FY '12)	Construct	\$41,000
110036	M-11	@ Clyde Park Avenue	Intersection Reconstruction (move from FY '13 to FY '12)	Construct	\$600,000

FY 2012 – Trunkline Project Amendments

JN	Route	Location	Work Description	Phase	Total Cost Est.
N/A	GPA	Areawide	Traffic/Safety GPA	Construct	\$2,000,000
N/A	GPA	Areawide	Railroad Safety GPA	Construct	\$10,000
N/A	GPA	Areawide	Trunkline Project Development/Scoping GPA	EPE	\$400,000
N/A	GPA	Areawide	Trunkline Pre-Construction GPA	PE/ROW	\$2,000,000
N/A	GPA	Areawide	CPM – Trunkline Road GPA	Construct	\$3,000,000
N/A	GPA	Areawide	CPM – Trunkline Bridge GPA	Construct	\$500,000

P.2-MDOT

FY 2012 – Trunkline Project Amendments

JN	Route	Location	Work Description	Phase	Total Cost Est.
90168	M-37	@ Peach Ridge Ave.	Carpool Lot Crack Seal	Construct	\$6,000
102915	M-6	@ M-37	Carpool Lot Crack Seal	Construct	\$6,000
90208	US-131	Over CSX RR/ Pleasant Street	Deep Overlay and Railing Replacement.	Construct	\$3,000,000
106267	I-96	Under Leonard St.	Sub-Structure Repair	Construct	\$850,000
107233	US-131/ I-296	Over 6 th Street	Sub-Structure Repair and Railing Replacement	Construct	\$350,000
109753	M-121	Over Rush Creek	Deep Overlay and Beam Repair	Construct	\$800,000
110034	M-57	Myers Lake Ave. to Wabasis Ave.	Commercial Vehicle Scale / SES Type 2	Construct	\$100,000
106327	ITS	Areawide	Phase II GVMC Deployment – Various Locations in Kent County	PE	\$700,000
105715	M-44Con	Airway St. to M-44	Pavement Rehabilitation/Minor Sidewalk Modifications	ROW	\$25,000
108914	M-44	Ramsdell Dr. to E. Kent Co. Line	Major Rehabilitation	PE	\$450,000

Please amend and modify the GVMC FY 2011-14 MPO TIP to include these projects and GPA's. Feel free to contact me at 616/451-3091 if you have any questions.

Thank you for your consideration.

cc GVMC MPO Committees
V. Weerstra, MDOT
E. Kind, MDOT

D. Robinson, GVMC
D. McBurrows, MDOT
R. Lenze, MDOT