GVMC GRAND VALLEY METROPOLITAN COUNCIL METROPOLITAN PLANNING ORGANIZATION

GVMC Legislative Committee

8:30 a.m. Friday December 16, 2011 – Metro Council Offices

AGENDA

1. **Call to Order by Chair**

2. **Approval of Minutes from the November 9, 2011 Committee meeting (attachment)**

3. **Issues Update – Phone conference with Summer Minnick, Director of State Affairs, Michigan Municipal League**

4. **State Transportation Financing – Recommendation Regarding GVMC Position on Funding Options**

   a. **Increase state vehicle registration fees by $10 / month**
   b. **Allow counties to ask voters for a countywide, $40-per-year vehicle registration fee**
   c. **Eliminate 19-cent-per-gallon gasoline tax and 15-cent-per-gallon diesel fuels tax and replace with state percentage tax assessed at the wholesale level**
   d. **Dedicate the portion of the 6 percent sales tax on the purchase of motor fuels to the Michigan Transportation Fund**
   e. **Eliminate 19-cent-per-gallon gasoline tax and 15-cent-per-gallon diesel fuels tax and ask voters to raise the state sales tax by 1% with the yield deposited in the Michigan Transportation Fund.**

5. **Other Issues**

GRAND VALLEY METROPOLITAN COUNCIL
LEGISLATIVE COMMITTEE MEETING

November 9, 2011

8:30 p.m.

GVMC Offices
678 Front Ave., Suite 200
Grand Rapids, MI 49504

MINUTES

1. Call To Order

Legislative Committee Chairman Rick Root called the meeting to order at 8:35 a.m.

2. Roll Call

Present:

Haris Alibasic	City of Grand Rapids
Alex Arends	Alpine Township
Jim Buck	City of Grandville
Chris Burns	City of Cedar Springs
Bill Cousins	Cascade Township
Daryl Delabbio	Kent County
Mike DeVries	Grand Rapids Township
Steve Grimm	Cannon Township
Carol Hennessey	Kent County
Don Hilton	Gaines Township
Denny Hoemke	Algoma Township
Bob Homan	Plainfield Township
Andy Johnston	Grand Rapids Area Chamber of Commerce
Dennis Kent	MDOT
Eli Lumpkins	City of Grand Rapids
Jon Rice	Kent County Road Commission
Roger Safford	MDOT
Don Stypula	Grand Valley Metro Council
Keith Van Beek	Ottawa County
Don Van Doeselaar	City of Hudsonville

3. **Approval of Minutes**

MOTION – To Approve the Minutes of the October, 2011 GVMC Legislative Committee. MOVE – Cousins. SUPPORT – Arends. MOTION CARRIED.

4. **Lansing Update**

Don Stypula reported not much is going on in Lansing. There is nothing solid on the timetable for PPT legislation. We continue to hear it will involve a phase out and be limited to industrial.

Don Stypula reported the Urban Cooperation bill will be enrolled shortly. The final version is not yet on line. He will forward it to all ASAP. It adds to the tools to encourage collaboration and service sharing.

Rick Root stated we must keep in mind it must still go through our local legislative bodies and millages must be put to a vote of the people. It is enabling legislation and does not attack home rule.

Don Stypula reported on federal transportation funding. A two year reauthorization is pending. MPO funding is coming up for mark up in committee today and will then go to the floor. Under the new bill, GVMC would become a tier two MPO, which would mean business as usual. We could petition to become tier one, but there is no advantage in doing so.

Rick Root added even this is just a stop gap authorization. We really need five year authorization to do long range planning.

Transportation Issues

Don Stypula reviewed possible transportation legislation to be introduced by the Governor after January. We need to review the issues to determine what GVMC can support.

Transportation Funding Options

- Increase state vehicle registration fees by $10 / month
- Allow counties to ask voters for a countywide, $40-per-year vehicle registration fee
- Eliminate 19-cent-per-gallon gasoline tax and 15-cent-per-gallon diesel fuels tax and replace with state percentage tax assessed at the wholesale level
- Dedicate the portion of the 6 percent sales tax on the purchase of motor fuels to the Michigan Transportation Fund
- Eliminate 19-cent-per-gallon gasoline tax and 15-cent-per-gallon diesel fuels tax and ask voters to raise the state sales tax by 1% with the yield deposited in the Michigan Transportation Fund.
- Allow county commissions to eliminate County Road Commissions and create County Public Works Departments
- Amend state funding distribution formulas under Act 51 of 1951 to favor high-traffic and commercial corridors
- Amend Act 51 to eliminate funding to individual cities and villages receiving less than $50,000 in state transportation funds
- Require local road agencies to comply with 2011 P.A. 152 ("hard-cap" / 80/20 employee insurance provisions)
- Allow local transportation agencies covered by P.A. 51 to open construction and maintenance contracts to competitive bidding from the public and private sectors.

Jon Rice of the Kent County Road Commission outlined the following concerns with the proposed legislation:

HB 5125/26

Kent County Road Commission concerns that need
to be considered by Grand Valley Metro Council

Unnecessary consolidation initiate. No audit has been performed on any Road Commission to determine if cost saving can be realized by restructuring under County.

Existing language in Bill allows for takeover by resolution of a County Board. Road Commissions were established by vote of County electorate. Two Road Commissions that have been dissolved, Wayne and Macomb, were done by vote of County electorate.

Long range planning and project selection and commitment by Road Commission works because Road Commission Board serves six-year terms and understands project planning timelines. County Board Commissioners serve two-year terms that introduce flux into project planning process.

Road Commission operates general free of County Board politics as independent agencies.

County of Kent has ongoing issues and concerns with Grand Valley Metro Council (GVMC). Kent County Road Commission (KCRC) is independent of these issues under current structure.

REGIS – most likely KCRC would go the route as County of Kent for GIS program. Loss of revenue to GVMC/REGIS and KCRC participation.

Interagency co-operation and Mutual Aid programs would be determined by County of Kent, not by KCRC.

Townships are presently KCRC's primary customer! Under County, County Board could become our primary customer.

HB 5125/26 are not tie barred to any funding increase! County could takeover Road Commission with reduced funding and need to contribute General Fund money to roads outside of incorporated cities – reducing funds of existing or future programs impacting cities.

Jon Rice said he felt MAC didn't have a full analysis of the bill when its Legislative Committee approved it. The MAC Board has not yet voted to support it.

Rick Root stated the relationships with the cities and the county road commissions are good. With this change, major arterial roads would be affected. All local governments have a dog in this hunt.

Daryl Delabbio reported he was very, very concerned with government intrusion on local government funding on a broad perspective, all in the name of efficiency, but not taking into consideration the effective delivery of services. He would encourage his commission to oppose the bills or talking any action they enable regarding road commissions as they are only a win for the State and loss on so many levels for all locals.

Jon Rice reported he checked on the possibility of increasing the registration fee and was told it would create additional issues as fleets now would pick and choose the best place to register, as some already do out of state.

Don Stypula said he would set up a meeting with legislators either on a Monday or Friday for breakfast. We can have our messaging and alternatives in place.

Steve Grimm said GVMC should also go to Lansing and testify at the committee level.

Haris Alibasic said the Governor appreciates those who offer solutions. We should try to go directly to the Governor's office. We need to work with the Governor to tease out options. GVMC should consider the whole approach to transportation funding. We can be a positive force.

Andy Johnston said the legislation is focused on efficiencies, which is just a distraction. The focus should be on that we need more money, they are too afraid to tackle that.

Alex Arends asked if Dick Postumus would be a good liaison.

Andy Johnston said Dick is very involved and would be a good person to talk to.

Keith Van Beek added he is concerned that this is just a way to attack the general funds of counties. GVMC needs to work with its partners on this.

Roger Safford said he appreciated being a part of the conversation today and for our partnership. Someone from MDOT's policy office could help explain the proposals. There is some misinformation out there. The Governor has said he wants to invest in transportation. He would recommend we talk with either someone from the Governor's office or someone from MDOT policy office

5. Other

6. Adjourn – 9:55 a.m.