

DATE: September 27, 2012
TO: Board Members unable to attend September 26 Regular MVTA Board Meeting/TWGs
FROM: MVTA
RE: Meeting Summary

Here is a meeting summary of the MVTA Sept. 26, 2012 regular meeting of the MVTA Board of Directors. Supplemental materials and meeting hand-outs are posted at http://www.mvta.com/MVTA_Board.html.

1. The meeting was called to order at 4:31 p.m. by Chair Gary Hansen. A quorum was present.
2. A revised Agenda was distributed and the revised Agenda and the Consent Agenda were then approved.
3. The Board was asked to approve an amendment to the contract with BWBR to complete the construction documents for the Eagan Bus Garage expansion. Motion by Dan Kealey and seconded by Clint Hooppaw to approve the contract amendment. Motion carried on a unanimous roll-call vote.
4. Purchases by the Executive Director were included in the Board packet.
5. Beverley Miller presented information regarding the need to approve a contract for Grading at Site Preparation at the Eagan Bus Garage. The bid documents are currently “on the street” and are due in early October. It was suggested that the Executive Director be given authority to award the bid as long as it does not exceed the cost estimate. Jim Strommen indicated that the Board can award this authority to the Director, but he strengthened the resolution to be adopted. The option would be to hold a special Board meeting to award the contract as the work needs to be completed yet this fall. Will Branning suggested that the award be done by both the Executive Director and the Board Chair and this provided some additional comfort to the Board. Motion by Will Branning and seconded by Wally Lyslo to authorize the Chair and the Executive Director to enter into a contract with the low bidder for grading and excavation at the Eagan Bus Garage site as long as the cost does not exceed the cost estimate of \$555,000. Motion carried on a unanimous roll-call vote.
6. Beverley Miller presented information requesting the Board enter into a contract with MP Nexlevel in an amount not to exceed \$30,000 to connect the Eagan Transit Station to our fiber network, given that MP is doing other work in the area for the City of Eagan, and they were selected as the vendor after a competitive procurement. Further, MP has done satisfactory work for the MVTA in the past. Motion by Clint Hooppaw and seconded by Dan Kealey. Motion carried on a unanimous roll-call vote.
7. Beverley Miller presented information requesting the Board to enter into a contract with TMI Coatings for repair and refurbishing of the Burnsville Transit Station Parking Deck Stair Tower in an amount not to exceed \$51,900. The Board questioned the last time work was done on the tower and Tom Bright noted it was power-washed and repainted in 2007. This time, the cleaning will be down to the structural steel and there will be multiple coats of paint applied including epoxy, enamel and polyurethane. This approach is expected to last at least 10 years.

Motion by Clint Hooppaw and seconded by Dan Kealey to approve the contract with TMI Coatings in an amount not to exceed \$51,900. Motion carried on a unanimous roll-call vote.

8. Jane Victorey noted that the Finance Committee met to discuss the 2013 Operating Budget and the 2013-2018 Capital Improvement Program (CIP). She then turned the presentation over to Finance Director Lois Spear. Lois walked the Board through the Draft Operating Budget for 2013, noting that revenues are expected to be \$21,393,414 and expenses are expected to be \$22,196,963. She explained that the budget includes a 13.8 percent increase in expenditures, primarily due to the start of Station-to-Station BRT Service on Cedar Avenue and the start of additional express service on I-35W. Both of these projects are funded by federally granted Congestion Mitigation Air Quality (CMAQ) funds. The proposed budget brings MVTA's fund balance to a total of 2.1 months of operating expenditures and there was concern about this being sufficient to cash flow projects that will be under way in 2013.
9. Will Branning suggested that, as in the past, the MVTA show a line indicating the "gap" in funding to maintain the regional standard of three months of reserves (Jane Victorey reminded Board members that the MVTA policy is four months). Motion by Will Branning and seconded by Dan Kealey to approve the draft budget based on the three-months of reserves and including a line identifying the "gap" in funding that needs to be filled. Motion carried on a unanimous roll-call vote.
10. Lois Spear then presented information on the 2013-2018 CIP. She noted that there are a number of buses to be replaced in this period, many of which are unfunded at this time. She also presented a spreadsheet identifying funding sources as they currently exist for the Capital projects.
11. The Finance Committee is also asking the MVTA Board to adopt a resolution requesting that the Metropolitan Council continue funding the regional match for TAB-approved CMAQ projects. This was standard practice, but the Met Council has recently indicated it will no longer fund the regional match unless the CMAQ project rates high in the new Regional Service Improvement Program (RSIP). The two programs are quite different and generally projects are scored differently under the separate programs. MVTA has been awarded CMAQ grants that may not necessarily score well in the RSIP program, but given that the grants were awarded by the Transportation Advisory Board (TAB) – the elected body – MVTA believes the Met Council should continue to fund the local match.
12. Motion by Will Branning and seconded by Wally Lyslo to approve the draft CIP for 2013-2018 in the amount of \$105.3 million and that the MVTA receive authorization for \$7.6 million in 2013 for replacement and expansion vehicles, vehicle overhauls and facilities support. Further, the motion included the Board's request to the Met Council that it continue to fund the local match for TAB-approved CMAQ grants. Motion carried on a unanimous roll-call vote.
13. Jane Victorey then invited Lori Peterson to the table to discuss personnel items included in the Finance Committee discussion. She thanked Lori for the time and effort put forth to provided the information she will be presenting.
14. Lori Peterson presented a market analysis regarding salaries for the Executive Director in comparison with MVTA-area City Managers and Public Works Directors, and then for all MVTA positions in comparison with our Peer agency group. It was noted that the MVTA staff

has fallen slightly behind the MVTA Cities with regard to Cost of Living adjustments (COLA). The first recommendation by the Finance Committee is to authorize a one percent increase effective Jan. 1, 2013 and another .5 percent increase to be effective July 1, 2013 after a review of the budget in May 2013. Motion by Jane Victorey and seconded by Dan Kealey to approve this recommendation. Motion carried on a unanimous roll-call vote.

15. The next recommendation from the Finance committee presented by Lori was to maintain the status quo regarding merit pay. Motion by Will Branning and seconded by Clint Hooppaw to approve the recommendation. Motion carried on a unanimous roll-call vote.
16. The final recommendation of the evening was to direct the MVTA Personnel consultant to conduct a thorough market review of three positions: Executive Director, Operations Manager and Finance Officer. Motion by Jane Victorey and seconded by Clint Hooppaw to approve the recommendation. Motion carried on a unanimous roll-call vote.
17. Beverley provided information about the upcoming STA meetings on Oct. 11 and Oct. 15 and indicated that there have been meetings to help develop the Legislative Agenda. STA has also had presentations by other groups to get a better understanding of what the legislature will be asked for. Thus far, there have been presentations by the Met Council and Transit for Livable Communities. A future presentation is expected from the League of Minnesota Cities.
18. Will Branning updated the Board on some testimony he gave to the Governor's Committee on Finance on behalf of STA. According to Branning, the information was well-received. A copy of the testimony prepared by James Clark of Messerli & Kramer (and marked up by Commissioner Branning) will be provided to Board members.
19. Dan Kealey reported that the City of Burnsville approved the Joint Powers Agreement. Bill Droste indicated the same for Rosemount and Gary Hansen indicated the same for Eagan. Savage, Dakota County and Scott County have all approved the JPA. Apple Valley had some questions about the Bond Board and the At-large position. It will be on the agenda again in early October.
20. Beverley Miller reported that Chair Hansen, Commissioner Branning, Robin Selvig and she attended the Thrive MSP meeting in Eagan on Sept. 20. Bill Droste suggested that Board members be sure to log on to the web-site to provide input into the process – currently it's a data collection period.
21. Motion by Will Branning and seconded by Wally Lyslo to adjourn the meeting at 6:15 p.m.

Next Board Meeting: Next meeting is Wednesday, Oct. 24 at 4:30 p.m. at the Burnsville Bus Garage.