

# **2012 MPO FINANCE COMMITTEE MINUTES**

**April 12, 2012**

**May 23, 2012**

**PROCEEDINGS OF THE  
FINANCE COMMITTEE OF THE  
GRAND FORKS/EAST GRAND FORKS  
METROPOLITAN PLANNING ORGANIZATION  
Thursday, April 12<sup>th</sup>, 2012 – 10:00 A.M.  
Grand Forks City Hall Conference Room A102**

**CALL TO ORDER**

Chairman, Warren Strandell called the April 12<sup>th</sup>, 2012, Finance Committee meeting to order at 9:50 A.M.

**CALL OF ROLL**

On a Call of Roll the following members were present: Warren Strandell and Steve Adams.

Staff present were: Earl Haugen, GF/EGF MPO Executive Director and Peggy McNelis, GF/EGF MPO Office Manager.

**DETERMINATION OF A QUORUM**

Strandell declared a quorum was present.

**MATTER OF APPROVAL OF CONTRACT WITH SRF CONSULTING GROUP TO UPDATE STREET/HIGHWAY ELEMENT OF LONG RANGE TRANSPORTATION PLAN**

Haugen reported that negotiations with SRF have concluded. He explained that when the Selection Committee interviewed those firms chosen for interviews, they did ask them what they were planning on doing with the Traffic Signal Coordination Plan, and SRF did not give us a full answer, however, as a Selection Committee they still ranked them as the number one choice to do the update.

Haugen stated that when the detailed cost estimate was opened, it was discovered that they were only planning on telling us whether or not our timing plans needed to be updated or not, but no updates to the plans themselves were planned, which is what the RFP required be done. He said that they then worked out an option whereby we will do the GIS in-house, and SRF will then do the timing plans for us in the event they do need to be updated.

Haugen reported that Jane Williams, Grand Forks City Traffic Engineer, looked the new proposal over and agreed with the new Scope-Of-Work. He added that an additional benefit with SRF doing a review and update of the signal coordination plans is that we will now have an additional consultant, along with the original consultant, Alliant Engineering, that will have the expertise to be able to update the system if necessary.

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Haugen commented that with this change, the Selection Committee, and staff recommend we approve execution of a contract with SRF Consulting to update the Street/Highway Element of our Long Range Transportation Plan.

Haugen reported that we are currently doing traffic counts, and the next big thing will be the vehicle intercept survey of the three bridges the first week of May.

***A MOTION WAS MADE BY ADAMS, SECONDED BY STRANDELL, TO APPROVE EXECUTION OF A CONTRACT WITH SRF CONSULTING TO PERFORM AND UPDATE TO THE STREET/HIGHWAY ELEMENT OF THE LONG RANGE TRANSPORTATION PLAN AT AS COST NOT TO EXCEED \$175,000.***

***Voting Aye: Adams and Strandell.***

***Voting Nay: None.***

**OTHER BUSINESS**

None.

**ADJOURNMENT**

***THE APRIL 12<sup>TH</sup>, 2012, MEETING OF THE MPO FINANCE COMMITTEE ADJOURNED AT 9:55 A.M.***

Respectfully submitted by,

Peggy McNelis,  
Office Manager

**PROCEEDINGS OF THE  
FINANCE COMMITTEE OF THE  
GRAND FORKS/EAST GRAND FORKS  
METROPOLITAN PLANNING ORGANIZATION**

Wednesday, May 23<sup>rd</sup>, 2012 – 12:00 Noon  
Grand Forks City Hall Conference Room A102

**CALL TO ORDER**

Chairman, Warren Strandell called the May 23<sup>rd</sup>, 2012, Finance Committee meeting to order at 12:00 P.M.

**CALL OF ROLL**

On a Call of Roll the following members were present: Warren Strandell, Steve Adams, and Gary Malm.

Staff present were: Earl Haugen, GF/EGF MPO Executive Director.

**DETERMINATION OF A QUORUM**

Strandell declared a quorum was present.

**APPROVAL OF THE APRIL 12<sup>TH</sup>, 2012, MINUTES OF THE MPO FINANCE COMMITTEE**

***A MOTION WAS MADE BY ADAMS, SECONDED BY MALM, TO APPROVE THE APRIL 12<sup>TH</sup>, 2012, MINUTES OF THE MPO FINANCE COMMITTEE, AS SUBMITTED.***

***Voting Aye: Adams, Malm, and Strandell.***

***Voting Nay: None.***

**MATTER OF REQUEST FROM KLJ FOR PAYMENT FOR ADDITIONAL WORK ON WASHINGTON STREET/UNDERPASS STUDY**

Haugen reported that KLJ has completed our Washington Street Corridor Study Underpass Report, and he does have copies of that report for review. He explained, however, that during the course of the study KLJ felt that they incurred additional costs, some of which they would like to receive compensation for.

Strandell asked if a request was made of KLJ to do more than was in the contract. Haugen responded that there were a couple of instances where they went above and beyond what was in the contract. He referred to a copy of a letter from KLJ, and pointed out that it lists the additional efforts made that were beyond the original scope of work, and went over each task briefly, explaining what caused a need for each.

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Haugen commented that part of the reason for some of the additional hours was due to KLJ falling behind schedule, so if things had been completed in a more timely manner the additional meetings might not have had to occur, which, of course would mean no additional costs would have been incurred.

Haugen referred to the staff report, and pointed out that in the second paragraph it states that the Finance Committee has the authorization to approve expenditures up to an amount of \$5,000. He stated that individually each of KLJ's requests do not exceed that \$5,000 threshold, therefore, you, as the Finance Committee can decide whether or not you want to keep this at the Finance Committee level, and approve each request individually; or, because the total of all of the requests together exceeds \$20,000, you can forward a recommendation to the MPO Executive Policy Board and let them review it at their next meeting. He added that there is also the option of having KLJ attend a meeting if anyone would like clarification on any of these requests.

Haugen stated that he did meet with KLJ a couple of times to try to flesh out more justifications for these requests, and what you have before you is a result of those meetings. He said that the first thing you need to decide is whether or not you want to deal with these requests individually, or send them on to the MPO executive Policy Board for them to review.

Strandell asked if the contract was for \$21,000. Haugen responded that the contract was for \$145,000, and this \$21,000 is for monies for additional work performed beyond what was in the original scope of work. He added that this \$21,000 is actually less than 25% of what they state they actually incurred in out of pocket expenses for this project.

Haugen reported that most of the other costs they incurred have to do with what is on display here today, the continuous flow intersection concept for DeMers and Washington.

Strandell asked if we have done work with this company before. Haugen responded that they have done a couple of other projects for us, but they never requested additional funds.

Adams asked if there was \$21,000 in the budget to cover these additional costs. Haugen responded there was funding available if approved.

Malm commented that he looked at these requests and he doesn't understand how they got their numbers as they have a cost, a fixed fee, and added on to those; and he can't believe the indirect costs and fixed fee override the labor costs. Adams responded that that is typical, though. Malm agreed, but added that he never understood it. Adams stated that this is something that most people have to do, and not everyone understands how much it costs to run the office. Haugen added that the MPO now does direct/indirect costs as well.

Adams asked, if we were to choose to lump this all together and forward it on, with a recommendation, to the MPO Executive Policy Board, would it be worth the effort. He stated that he believes we can separate the issues and make individual decisions without having to involve the whole board. Strandell and Malm agreed.

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Haugen stated that the first two items, the additional meetings, he would not support 100% compensation, but would instead maybe support 50% of the costs as, again, one of the reasons for having to have the additional meetings was due to their delay in getting materials completed.

Haugen commented that the third request involves issues with turning movement counts. He explained what transpired, and stated that he feels this request is justified.

Haugen reported that the fourth request is for a traffic project that was based on incorrect data. He explained what transpired, and stated that because of this he wouldn't support any compensation for this request.

Haugen said that the fifth request is for detailed concept drawings and video representing how a continuous flow intersection could work. He pointed out that in the staff report he summarized that KLJ is assuming the majority of the risk of introducing this concept to North Dakota, the NDDOT, and the MPO; and because of that risk they did a considerable amount of additional work, and because they are only asking for a small portion of their costs, he would support compensating them for this request. He added that the sixth request is kind of tied into this fifth request as it required us to hold individual meetings with firestation and Xcel Energy because of the continuous flow concept, so we can kind of tie these two together. He said that he feels these two requests have some merit.

Discussion ensued.

Adams commented that there are a couple of options we can go with: They are asking for \$21,305.27, so if we go with 50% of that total it would allow them \$10,652.63; while Earl's suggestion would allow them \$12,784.22. He stated that either option would be fine with him. Malm stated that this is common occurrence with KLJ. Adams said that if we thought there was no merit to what they have given us he would agree, but he thinks that some of this is legitimate. Malm agreed, but added that they have a tendency to low-ball their bids, get the job, then come in for more monies. Adams responded that that is pretty common, it is just part of the game, we gave them a perimeter of \$150,000, and they shot us a number within that range, then went over that number, but he feels there is some merit with what they are asking for, so in the scheme of things he would suggest that we approve 50% of their request.

Malm commented that it bothers him that we don't even get to look at the bids until we approve the hiring of a consultant, so we don't even know how much the other firms bid. Haugen stated that most everyone bids from \$100 to \$500 under the budgeted amount. He then explained how the selection process works.

Strandell asked where the study monies come from. Haugen responded that, if you will recall from our audit, we had roughly about \$100,000 in consolidated planning funds, and the bulk of the monies come from that.

Haugen asked that if you are going to place a 50% blanket on this, he would ask that you go the other route and fund one or the other of the last two requests so you are actually considering each

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request individually rather than a blanket 50%; this will mesh better with your decision to exercise your approval amount threshold.

***A MOTION WAS MADE BY ADAMS, SECONDED BY MALM, TO AMEND THEIR PREVIOUS MOTION TO APPROVE WE PAY \$4,005.60 OF THE FIRST TWO REQUESTS; \$3,150.56 OF THE THIRD REQUEST; \$0.00 OF THE FOURTH REQUEST; \$0.00 OF THE FIFTH REQUEST; AND \$3,251.25 OF THE SIXTH REQUEST; FOR A TOTAL OF \$10,407.41.***

Strandell commented that he isn't comfortable with this as he feels it is setting a precedent. Malm added that we also then get something we didn't ask for, and the cost increases. Adams stated, however, that at the same time he thinks that what they did provide, over and above, is something that we would not have known would be the solution we were really looking for if they hadn't given it to us.

***Voting Aye: Adams and Malm.  
Voting Nay: Strandell.***

Discussion ensued.

**OTHER BUSINESS**

None.

**ADJOURNMENT**

***A MOTION WAS MADE BY ADAMS, SECONDED BY MALM, TO ADJOURN THE MAY 23<sup>RD</sup>, 2012, MEETING OF THE MPO FINANCE COMMITTEE AT 12:40 P.M.***

***Voting Aye: Adams, Malm, and Strandell  
Voting Nay: None.***

Respectfully submitted by,

Peggy McNelis,  
Office Manager