

Regional Planning Commission of Greater Birmingham
Board Meeting Minutes
The Center for Regional Planning and Design
August 19, 2009

MEMBERS PRESENT

Honorable Valerie Abbott, City of Birmingham
Honorable Robbie Hayes, Shelby County
Mr. Tom Barnett, City of Birmingham
Mr. Ray Hamilton, Town of Vincent
Honorable Tom Henderson, Center Point
Mayor William Hereford, City of Pell City
Mr. Devon Laney, City of Birmingham
Ms. Eunice Rogers, City of Birmingham

MEMBERS REPRESENTED BY ALTERNATES

Honorable Delor Baumann, City of Hueytown
 Represented by Mr. Jim Byram
Honorable Waymon Pitts, Blount County
 Represented by Mr. Ray Hamilton
Mr. Chester Jolly, City of Warrior
 Represented by Honorable Tom Henderson
Mr. Reginald Holloway, Shelby County
 Represented by Honorable Robbie Hayes

MEMBERS ABSENT

Honorable Bettye Fine Collins, Jefferson County
Honorable Bruce Hamrick, Walker County Commission
Honorable Stan Batemon, St. Clair County
Honorable Theoangelo Perkins, Town of Harpersville
Honorable Tim Mims, Chilton County Commission
Honorable Bobby Humphryes, Jefferson County
Honorable Jim Carns, Jefferson County
Honorable Wayne Gross, Town of Parrish
Honorable Eddie Reed, City of Jemison
Honorable David Standridge, Blount County Commission
Mr. Tim Westhoven, City of Hoover

OTHERS PRESENT

Mr. Kevin Owens, City of Birmingham
Ms. Joselyn Harper, City of Birmingham
Mr. Charles Ball, Regional Planning Commission
Mr. Ray Morris, Regional Planning Commission
Mr. Brian O'Dell, Regional Planning Commission
Mr. Scott Tillman, Regional Planning Commission
Mr. Greg Wingo, Regional Planning Commission
Ms. Cissy Edwards Crowe, Regional Planning Commission

CALL TO ORDER AND ROLL CALL

Honorable Valerie Abbott called the meeting to order at 10:48 a.m. A quorum was declared by the Chairman. The following business was conducted.

MINUTES

The minutes from the June 15, 2009 stand as presented.

FINANCE COMMITTEE

Mr. Barnett, Finance Committee Chair reported that the liquidity is good and the line of credit is paid. The Alabama Department of Transportation is paying the Air Quality invoices on time.

Mr. O'Dell then presented the financial information for the period ending June 30, 2009.

Statement of Net Assets

1. The current ratio (current assets/current liabilities) for the period is 4.73 compared to May 2008 which was 3.45.
2. The quick ratio (current assets-unbilled receivables/current liabilities) is 2.14 compared to May 2008 which was 2.97.

The ratios have improved due to decrease in the Accounts Receivables and Accounts Payables. The financials are tracking better than the cash flow projection that was presented a few months ago. The long term debt continues to be reduced slowly. \

Cash and cash equivalents are \$296,807. Total Current Assets are \$923,605 (C), Unbilled Receivables are \$506,330 (D), Total Current Liabilities are \$195,360 (E). Accounts Receivable are \$120,468. Accounts Payables are \$47,707 (G). Deferred Revenues are \$92,559.

Budget Summary

Total Expenditures are under budget by \$488,015 (J), Salaries, Fringe and Indirect are under budget \$49,865 (K), Direct Costs are under budget \$479,683 (L) and Contracts are over budget \$41,533 (M). The FHWA PL expenditures are slightly over budget. In addition, the PL budget has not utilized all the funding available. All the Senior Services programs are over budget but additional budget dollars will be applied by the end of year with very low additional expenditures. As of June 30, 2009 this program no longer resides at RPC.

Dues

Dues for 2009 collected to date are \$595,730 (78 members paid) as compared to \$583,460 (80 members paid) for same period last year.

All but \$10,000 of the \$27,000 is expected to be collected by the end of the fiscal year.

Revolving Loan Fund (RLF)

The cash and cash equivalents is \$36,632. The total receivables from loan recipients are \$1,381,714. The net assets held in trust are \$1,418,346. There is very little change from last month. TermaSteel is 3 months in arrears and continues to be a challenge to collect payments. This is being handled through the attorneys. This loan is in third position with personal guarantees.

PROGRAM BUDGET COMMITTEE

Mr. Hamilton presented the following information. The budget is on a conservation approach. Staff has been programmed into as much 100% dollars as possible allowing over \$106,000 for the unreserved balance.

FY 2009 RPC Budget

Fund/Grant Source Based Budget

Table 1, Revenues and Expenses by Fund Source, identifies 15 revenue/fund sources with the match requirements, including RPC dues and other sources of match.

1. The first column is a summation of all funding sources available to the RPC for FY 2010. These total \$10.8 million. This is up from the \$7.9 million included in the final FY 2009 budget, revised April 2009. The funding sources are predominantly the same in FY 2009 as in FY 2008, with the major difference being the transfer of the Senior Aides program and the addition of two Federal Transit Administration Programs.
2. Subsequent columns detail total expenses for salaries, fringe and indirect; direct costs and contracts. Total FY 2010 budgeted expenses are \$9.9 million, up from the \$6.0 million budgeted in FY 2009. Contract expenses will be more in FY 2010 due to the initiation of the U.S. 280 and U.S. 11/Bessemer transit corridor projects, though these contracts are paid through the grant by the Transit Authority. Fringe and indirect are also higher, by \$300,000, reflecting the transition of the Rideshare program to in-house administration and the addition of a coordinated human services transportation function consistent with the desires of local RPC governments.
3. The remaining columns represent the total amount of match used to leverage the revenue sources. Types of match include RPC dues, donated/in-kind match, and cash match provided by RPC partners and the State of Alabama.

RPC Dues

In summary, the 2010 budget programs RPC member government dues as follows:

Dues Available:	\$631,762
Dues Programmed for Match:	\$345,578
Dues Programmed for Debt Service:	<u>\$180,000</u>
Net Unreserved Fund Balance	\$106,184

The dues available for FY 2010 reflect the \$.02 per capita rate increase mandated by RPC bylaws. This increase brings the rate to \$.605 per capita.

A net unreserved fund balance will help soften the impact of potential funding challenges such as federal rescissions, particularly in regard to the multi-year federal transportation funding bill, SAFETEA-LU. In addition, dues will be needed when 100 percent federal funding for programs such as air quality planning is no longer available which will occur sometime during FY 2010

Indirect (Administrative) Expenses

Table 2, Indirect (Administrative) Expenses, documents the administrative expenses used to calculate the indirect rate. The FY 2010 budget has been prepared in accordance with actual expenses through June 30, 2009 projected for the remainder of FY 2009 as well as other anticipated costs during FY 2010.

The FY 2010 net administrative expenses of \$500,000 are \$17,500 higher than the FY 2009 budget. Adjustments have been made in the FY 2010 budget for organizational dues, conferences, building maintenance, technology services, office supplies, and postage and shipping as well as planning for the pay and classification plan update and examination of personnel evaluation procedures. It allows for merit increases.

Indirect (Administrative) and Fringe Cost Calculation

The indirect (administrative) and fringe cost rates are calculated in Table 3. This rate is important in that it is used on invoicing for reimbursement of administrative expenses. Both the indirect and fringe rates are percentages charged against staff salaries that are attributable directly to programs/funding sources (typically referred to as direct salaries). This percentage is charged against each program to generate two pools of funds. The first pool is used to cover fringe costs such as leave, health insurance, and retirement benefits. The second pool is used to cover indirect/administrative costs, which includes some staff salaries and overhead expenses. The FY 2010 budgeted fringe rate of 44.79% is consistent with the budgeted rate of 44.33% for FY 2009. The audited fringe rate for FY 2008 was 54.13%. The FY 2010 budgeted indirect rate of 71.58% is consistent with

the budgeted rate of 71.99% for FY 2009. The audited indirect rate for FY 2008 was 75.81%.

Financial Reporting and Cash Flow

Financial reporting has been consistent with the fund source based budget and is being provided monthly to the Finance Committee and the RPC Board. The monthly Statement of Net Assets tracks the ability of total current assets (cash and receivables) to meet total current liabilities.

Personnel

Five additional employee/contract positions have been budgeted for FY 2010; a Coordinated Human Service Planner/Mobility Coordinator (CHS) who will be responsible for oversight of the Section 5310 elderly and disabled paratransit services (ClasTran) currently being managed by ALDOT; and four other positions currently under third-party contract that will be assigned to the Rideshare program. This is reflective of management's recommendation to bring the Rideshare program in house, upon contract expiration, rather than continued contracting with a consulting firm. With the exception of the CHS planner, these positions have a neutral effect on the total staffing as the existing consultant has four employees currently co-located at RPC which are paid through the Rideshare grant.

Supporting Information

Supporting tables and documentation are included in **Table 4** (U.S. Department of Transportation Funded Programs) and **Table 5** (Community Planning Programs).

The following supporting information is included for each funding source:

- Assigned staff member.
- Number of months programmed for each assigned staff member.
- Project manager.
- Total salaries, fringe and indirect expenses.
- Direct and contract expenses.
- Federal and local share available and programmed.
- Notes with budget assumptions.

Mr. Hamilton moved and Commissioner Hayes seconded to adopt the FY2010 RPC Budget as presented. Motion passed on a voice vote.

FY2009 Heart of Alabama Rural Planning Organization (HARPO) Planning Work Program

Ms. Edwards-Crowe presented the HARPO work program. RPC is under contract with the Alabama Department of Transportation to perform transportation consultation in the RPC rural counties of Blount, St. Clair, Chilton and Walker. The RPC staff will continue to host public meetings and provide mapping services. Tracking projects in the Statewide Transportation Improvement Program (STIP) will continue to be reported.

Mr. Hamilton moved and Ms. Rogers seconded to adopt the resolution as presented. Motion passed on a voice vote.

Receivables Lending Program for Incubator Tenants

The Innovation Depot Entrepreneurial Center will be retiring one its most vital and successful programs – the Receivables Lending Program. Our staff proposes that RPC take on the program in order to sustain the much needed lending as we are already a strong public lender. In doing so, RPC would make the program available for application to all incubator tenants in the region who undergo adequate business counseling.

The existing receivables lending program provides incubator tenants with quick, low-cost loans that meet the immediate receivables needs that traditional lending sources cannot. The program provides up to \$20,000 financing of receivables collateralized by the pledge of the receivables which can be no older than thirty (30) days at the time of closing and personal guarantee(s) of the borrower's owner(s) or principal(s). Loans are made at no more than 80 percent of the value of the receivables pledged. Loans are due when the pledged receivable is remitted to the loan recipient. Interest rates on receivables loans may be charged up to prime + 3 points. Terms vary.

First time borrowers are limited to loan amounts of up to \$5,000. Only one receivables loan may be outstanding to a borrower at any given time. Once full payment of the loaned amount and any accrued interest is made, borrowers may initiate another receivables loan.

After a probationary period of six (6) months after the first receivables loan is made, a borrower may apply for a loan for up to \$10,000 to meet cash flow needs for small equipment or working capital. If equipment or machinery is to be purchased with the financing, the equipment or machinery will serve as collateral for the loan. If the loan finances working capital, collateral must be sought on a case by case basis. All other terms and rates apply. **All borrowers** are required to provide personal guarantees for loans. Any default of any loan disqualifies companies from future financing through RPC's RLF programs.

In addition, the Innovation Depot has agreed to assist the RPC with underwriting and collections services and if other incubators wish to participate in the program, the same would be expected. However, this program requires a quick turnaround time as many companies utilize the program to meet immediate cash flow requirements, such as payroll, thus under this program it would be necessary for the Executive Director to be empowered to authorize loans as is the model at Innovation Depot.

As with other RLF loans, these loans will be reported to the Finance Committee and the full Board of Directors on a monthly basis. Since the State of Alabama has continued to postpone the bond issue that would recapitalize our main RLF fund, this would provide

us the opportunity to grow our fund with the few remaining dollars that we have at our disposal.

Mr. Hamilton moved and Ms. Rogers seconded to accept the proposal and empower the Executive Director to authorize loans. Motion passed on a voice vote with Mr. Devon Laney abstaining.

TIGER Grant Application for the In-Town Transit Partnership

The following resolution was presented. This resolution will accompany the grant application to the Federal Transit Administration for the In-Town Transit Partnership. The grant request is \$65 million of stimulus funds available. This grant does not obligate the RPC financially.

WHEREAS, the Regional Planning Commission of Greater Birmingham acknowledges that the In-Town Transit Partnership is a public transportation project in which transit service options around Downtown Birmingham and the University of Alabama at Birmingham, as well as adjacent neighborhoods, were identified under the Federal Transit Administration's New Starts process through work coordinated by the Regional Planning Commission of Greater Birmingham, with a grant managed by the Birmingham-Jefferson County Transit Authority;

WHEREAS, the Regional Planning Commission of Greater Birmingham recognizes that governmental agencies, including the City of Birmingham and the University of Alabama at Birmingham, area stakeholders, and the general public worked together to determine the preferred transit service option and to assess the environmental benefits and impact of the recommended improvements, and;

WHEREAS, the Regional Planning Commission of Greater Birmingham supports a long-range vision, developed in the Regional Transit Alternatives Analysis completed in 2004 through work coordinated by the Regional Planning Commission of Greater Birmingham with a grant managed by the Birmingham-Jefferson County Transit Authority, and;

WHEREAS, the long-range vision for regional transit services includes expanded local bus service, express buses, bus rapid transit, a downtown transit system that begins at Five Points South and accessing the Birmingham-Jefferson Convention Complex, transit supportive infrastructure, high-occupancy vehicle lanes, park-and-ride lots, and other transportation improvements for six major corridors in the Birmingham Region, and;

WHEREAS, the Regional Planning Commission of Greater Birmingham acknowledges that a downtown transit service, with neighborhood connector routes, serves as the backbone of a regional system that provides a collection and distribution function for transit riders, and provides access to activity centers and key destinations in

the City Center, UAB/Hospital District and Five Points South; provides direct connections to Central Station, the planned intermodal center; provides direct access to government facilities, financial centers, the region's hospitals, health care and medical centers; offers direct connections between arts, conferencing, sporting and entertainment venues; access to redevelopment areas along 18th Street as identified in the UAB and City Center Master Plans; and access to social services and educational opportunities, and;

WHEREAS, the Regional Planning Commission of Greater Birmingham recognizes that the proposed Bus Rapid Transit system would have dedicated lanes for transit, signal treatments to improve transit reliability, enhanced station stops to improve transit reliability, enhanced station stops to provide more amenities to passengers waiting at the stops, access to and through the City Center for proposed future regional bus rapid transit or rail services, and neighborhood connector routes to provide access between the in-town neighborhoods, the City Center and the Central Station Intermodal Center, and;

WHEREAS, the Regional Planning Commission of Greater Birmingham is aware that the U.S. Department of Transportation has issued a Notice of Funding Availability for Supplemental Discretionary Capital Investments in Surface Transportation Infrastructure under the American Recovery and Reinvestment Act called "Grants for Transportation Investment Generating Economic Recovery", or "TIGER Discretionary Grants", and funds provided by TIGER Discretionary Grants will be awarded on a competitive basis to projects that have significant impact on the Nation, a metropolitan area, or a region, and;

WHEREAS, the Regional Planning Commission of Greater Birmingham recognizes that public transportation projects eligible under chapter 53 of title 49, United States Code, including investments in projects participating in the New Starts or Small Starts programs, are eligible for U.S. DOT TIGER Discretionary Grants, and the Birmingham In-Town Transit Partnership Project is a justified project under the federal Small Starts Program and has received approval for a Categorical Exclusion under the National Environmental and Policy Act, and;

WHEREAS, the Regional Planning Commission, on behalf of the Birmingham Metropolitan Planning Organization, the organization designated by the Governor as being responsible, together with the State, for carrying out the provisions of Title 23, United States Code (Highways), Section 134 (transportation planning in certain urban areas), as provided in Section 104(f)(3) (apportionment of funds); and capable of meeting the requirements of Title 49, United States Code (Transit), Section 3(a)(2), and 3(e)(1) (Federal financial assistance), Section 4(e) (long-range program), and Sections 5(g)(1) and 5 (L)(urban mass transit program); and Title 42, United States Code (Air Quality), Section 174, understands that it is an eligible applicant for a U.S. DOT TIGER Discretionary Grant, and is desirous of making such application for funding, and;

WHEREAS, the Regional Planning Commission of Greater Birmingham recognizes that the Birmingham Region could receive significant capital funding, at 100% of project costs, from the U.S. DOT TIGER Discretionary Grant;

NOW, THEREFORE, BE IT RESOLVED, that the Regional Planning Commission of Greater Birmingham, on behalf of the Birmingham Metropolitan Planning Organization, is submitting an application to the U.S Department of Transportation under the U.S. DOT TIGER Discretionary Grant Program for the In-Town Transit Partnership Bus Rapid Transit System.

BE IT FURTHER RESOLVED, that the Regional Planning Commission of Greater Birmingham declares its ownership of the In-Town Transit Partnership Bus Rapid Transit System, and warrants that it will take all necessary steps to make certain that the system is implemented as planned, operated efficiently, and maintained in a state of good repair.

BE IT FURTHER RESOLVED, that the Regional Planning Commission of Greater Birmingham will negotiate an inter-local agreement with the Birmingham-Jefferson County Transit Authority to establish the Regional Planning Commission of Greater Birmingham as a sub-recipient, to the Birmingham-Jefferson County Transit Authority, in order that it may receive U.S. DOT TIGER Discretionary Funds under the American Recovery and Reinvestment Act and/or the Federal Transit Administration's Section 5309 Rail and Fixed Guideway Modernization Grant Program.

BE IT FURTHER RESOLVED, that the Regional Planning Commission of Greater Birmingham will negotiate an inter-local agreement with the Birmingham-Jefferson County Transit Authority to operate, at a minimum, with funds provided by other organizations, the neighborhood connector routes of the In-Town Transit Partnership Bus Rapid Transit System that provide access among the in-town neighborhoods, the City Center and the Central Station Intermodal Center.

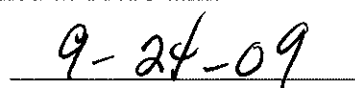
Mr. Hamilton moved and Mr. Barnett seconded to adopt the resolution as presented. Motion passed on a voice vote.

OTHER

Mr. Ball expressed his gratitude to Mr. Owens and Councilor Abbott for their successful efforts in obtaining 100% of RPC's dues request from the City of Birmingham. Councilor Abbott stated that Mr. William Parker played a significant role in securing the funding.

There being no further business, the meeting adjourned at 11:18 a.m.


Honorable Bettye Fine Collins, Secretary


Date