

## SAINT CLOUD AREA PLANNING ORGANIZATION POLICY BOARD

Thursday, June 13, 2019 – 5:00 p.m.  
Great River Regional Library, Saint Cloud

A regular meeting of the Saint Cloud Area Planning Organization Policy Board was held on Thursday, June 13, 2019 at 5 p.m. at the Great River Regional Library. Chair Jeff Westerlund presided with the following members present:

Council Member Jeff Goerger	Saint Cloud
Mayor Dave Kleis	Saint Cloud
Council Member Dottie Seamans	Sauk Rapids
Mayor Rick Schultz	Saint Joseph
Supervisor Jeff Westerlund	LeSauk Township
Commissioner A. Jake Bauerly	Benton County
Commissioner Joe Perske	Stearns County
Commissioner Raeanne Danielowski	Sherburne County
Ryan Daniel, Exec Director	Metro Bus
Brian Gibson, Exec Director	Saint Cloud APO
Dorothy Sweet	Saint Cloud APO
Vicki Johnson	Saint Cloud APO
Alex McKenzie	Saint Cloud APO
Matt Itterman	Conway, Deuth, and Schmiesing

The Meeting was called to order by Chair Jeff Westerlund. The Pledge of Allegiance was recited. Introductions were made.

### **APPROVAL OF AGENDA:**

***Mayor Schultz motioned to approved the Agenda, and Council Member Goerger seconded the motion. Motion carried.***

### **PUBLIC COMMENT PERIOD:**

No members of the public were present.

**CONSIDERATION OF CONSENT AGENDA ITEMS** (Approval of May 9, 2019 Policy Board Meeting minutes, Approval of Bills for May and June, and Approval of Draft FY 2020-2023 Transportation Improvement Program (TIP) Changes):

***Council Member Goerger motioned to approve the Consent Agenda Items, and Commissioner Bauerly seconded the motion. Motion carried.*** Mayor Schultz raised a concern about a Stearns County TIP project for which Mr. Gibson provided clarification.

### **CONSIDER 2018 FINANCIAL AUDIT RESULTS:**

Matt Itterman from the Auditing company Conway, Deuth, and Schmiesing (CDS) presented the audit results. Mr. Itterman thanked the APO for allowing their organization to conduct the audit. The APO audit was given a fair and clean opinion. He reviewed the Independent Auditor's Report which stated that

- Financial statements are the responsibility of the Organization's management
- CDS's responsibility is to express opinions on these financial statements based on their audit
- Audit was conducted in accordance with generally accepted auditing standards
- Financial statements are presented fairly in their opinion
- An Internal Control Letter was listed in the Financial Statements Booklet on pages 34-35

*Statement of Net Position:* The APO has a strong balance. The net change from 2017 was very small. The APO could operate for 7.5 months without income, whereas the standard is typically at 5 months, which is considered to be a very good position.

*Revenue:* The Consolidated Planning Grant provides the largest portion of income for the APO followed by Member Assessments and MnDOT. Operating revenues decreased \$108,100 (14.9%) in 2018 compared to 2017, due to a decrease in federal and local funding for consultant planning projects.

*Expenses:* Expenses increased by nearly \$32,000 over 2017, with salary and benefits responsible for \$25,000 of the increase.

In 2018, the APO was not allowed to spend past unused project funds because the funds were under audit. As a result, the APO paid for some projects with APO funds (projects in Saint Cloud and Benton County). Next year's UPWP will include those previously unused funds. Mr. Gibson said he is budgeting very closely as he does not wish to take more money from jurisdictions than we need.

*Compliance:* MN Legal Compliance and Government Auditing Standards were used. One item was noted, which is the same as last year, in which one financial institution refused to sign a Broker Acknowledgement Certification Form. As a result of this, the APO has been removing CD's upon their maturity from that financial institution. One deficiency was noted—Auditor Prepared Financial Statements. Due to small number of office employees and resources available to allow for the adequate preparation of the financial statements and related notes by the Organization, the auditing firm was requested to prepare them.

*Required Communications:*

- Qualitative Aspects of Accounting Practices: Estimates of depreciation, pensions, and indirect costs were provided. Financial statement disclosures were neutral, consistent, and clear.
- Difficulties Encountered in Performing the Audit: None
- Corrected and Uncorrected Misstatements: All adjustments or recommendations were made.
- Disagreements with Management: None
- Management Representations: APO will send letter to Auditor
- Management Consultations with Other Independent Accountants: No such consultations.

***Commissioner Perske motioned to accept and approve the 2018 Audit Results, and Council Member Seamans seconded the motion. Motion carried.***

## **REPORT ON 2045 REGIONAL TRAFFIC MODEL RESULTS AND PRELIMINARY PROJECT LIST:**

Mr. Gibson said we are on the home stretch of working on the MTP and are working closely with the TAC to develop a list of roadway expansion projects for the region. SRF Consulting Group has been modeling the network impacts of regional growth with and without the projects. The APO developed and maintains the computer model used to forecast traffic. The next steps in this process are to compare estimated project costs against expected future revenues for each jurisdiction to ensure the project list meets fiscal constraint requirements. The current project list does not include reconstruction projects if capacity will not be added to the roadway. However, we are working with TAC to also develop a list of non-capacity-expanding reconstruction projects to be included in the MTP.

Executive Director Gibson did a PowerPoint presentation covering several aspects of the preliminary modeling and project list:

- Existing Congestion: The 2015 network shows 55 lane miles as Over Capacity.
- Residential Growth—Existing to 2045: Residential development growing by 18% from 2015 to 2045.

- Commercial Growth-Existing to 2045: Commercial development growing by 68% and growth exceeds residential levels which results in trip patterns shifting away from existing markets due to high growth in other areas.
- Year 2045 with No Build Congestion: 2015 Network shows Lane Miles of 55 Over Capacity, and 2045 with Existing and Committed Improvements shows 328 Lane Miles Over Capacity.
- The APO worked with TAC to develop 24 capacity projects which were included in the model run and shown as the preliminary 2045 MTP scenario.
- Year 2045 Ring Road Scenario with and without No Build, and with and without the Ring Road showed the following Over Capacity Lane Miles: Existing: 55; 2045 with No Build: 328 Over Capacity; Year 2045 MTP with Ring Road: 235 Over Capacity Lane Miles.
- A separate scenario including a ring road showed that a ring road would help with congestion, but would still have an increase in Over Capacity Lane Miles. Most of the Ring Road segments do NOT fit within fiscal constraint, and we don't know where the money would come for that.
- Next Steps include: developing more detailed project cost estimates, determining final fiscal constraint, finalizing the project list, and doing a final model run to show the impacts of the final projects.

Discussion also included the Sartell projects, Benton County 29, 40<sup>th</sup> Street South in Saint Cloud, future growth with the Airport, and whether the model takes into account traffic coming from Cold Spring, Albany area into Sartell and Saint Cloud.

#### **CONSIDER EXTENSION OF RTCC PHASE 1 MNDOT GRANT AGREEMENT AND CONSULTANT CONTRACT:**

Mr. Gibson reported that the \$65,000 grant the APO received from MnDOT Office of Transit to conduct the Phase 1 planning for a Regional Transportation Coordination Council had a deadline of June 30, 2019. However, the APO staff and WSB & Associates are still working to complete all the required tasks of the planning phase. As a result of this, it has been recommended that the deadline for completion of Phase 1 be extended to August 30, 2019, with no increase in the budget. At the present time, we have commitments from Sherburne and Benton Counties, which leaves Stearns and Mille Lacs uncommitted. ***Mayor Kleis motioned to extend the RTCC Phase 1 deadline to August 30, 2019, and Metro Bus Executive Director Ryan Daniel seconded the motion. Motion carried.***

#### **OTHER BUSINESS:**

Commissioner Perske commented that he read in the paper that the APO approved the River Crossing. Mr. Gibson responded that he is including in next year's Budget/UPWP \$300,000 to study this. Mr. Glaesman said that we need to update the plans for the proposed bridge, and that the Saint Cloud City Council will be doing a resolution for this.

APO Vacant Staff Position: In response to a question from a Board member, Mr. Gibson proposed that for the time being we leave the position unfilled.

#### **ADJOURNMENT:**

Mayor Kleis motioned and Commissioner Bauerly seconded to adjourn the meeting. Motion carried. The meeting was adjourned at 6:02 p.m.