



Chicago Metropolitan Agency for Planning

Agenda Item No. 3.0

233 South Wacker Drive
Suite 800
Chicago, Illinois 60606

312 454 0400
www.cmap.illinois.gov

Chicago Metropolitan Agency for Planning (CMAA)

Board Meeting Minutes

January 13, 2016

Offices of the Chicago Metropolitan Agency for Planning (CMAA)
Cook County Conference Room
Suite 800, 233 S. Wacker Drive, Chicago, Illinois

Board Members

Present:

Gerald Bennett, CMAA Board Chair-representing southwest Cook County, Rita Athas-representing the City of Chicago, Frank Beal-representing the City of Chicago, Franco Coladipietro-representing DuPage County, Elliott Hartstein-representing Lake County, Andrew Madigan-representing the City of Chicago, John Noak-representing Will County, William Rodeghier-representing suburban Cook County, Carolyn Schofield-representing McHenry County, Peter Silvestri-representing Cook County (via tele-conference) Peter Skosey-representing the City of Chicago, Tom Weisner-representing Kane and Kendall Counties, and non-voting members Sean McCarthy-representing the Governor's Office and Leanne Redden-representing the MPO Policy Committee.

Members Absent:

Al Larson-representing northwest Cook County, Lisa Laws-representing the City of Chicago, and Rick Reinbold-representing South Cook County

Staff Present:

Joe Szabo, Angela Manning-Hardimon, Bob Dean, Tom Garritano, Tom Kotarac, Elizabeth Schuh, Kristin Ihnchak, and Sherry Kane

Others Present:

James Savio-Skikich LLC, Mike Albin-DMMC, Heather & Garland Armstrong-Access Living, Elaine Bottomley-WCGL, Leonard Cannata-WCMC, Bruce Carmitchel-IDOT, Bruce Christensen-Lake County Council, John Donovan-FHWA, Jackie Forbes-Kane/ Kendall Council of Mayors, Janell Jensen-McHenry Council of Mayors, Mike Klemens-WCGL, Patrick Knapp- Kane/Kendall Council of Mayors, Ed Paesel-SSMMA, Brian Pigeon-NWMC, Mark Pitstick-RTA, Dave Seglin-CDOT, Vicky Smith-SW Conference, Mike Walczak-NWMC, Tammy Wierciak-WCMC, and Barbara Zubek-Southwest Conference

1.0 Call to Order and Introductions

CMAP Board Chair Mayor Gerald Bennett called the meeting to order at 9:33 a.m., and asked Board members to introduce themselves.

2.0 Agenda Changes and Announcements

There were no agenda changes.

3.0 Approval of Minutes

A motion to approve the minutes of the November 18, 2015, meeting of the CMAP Board as presented was made by Peter Skosey and seconded by Frank Beal. All in favor, the motion carried.

4.0 Executive Director's Report

Executive Director Joe Szabo gave an update of the agency's financial situation reporting that the agreement that had been reached with IDOT and FHWA resulted in the agency having received highway moneys on a regular cycle and transit funding had also begun to come in. There are continued challenges, Szabo continued, because these total only 80% of our funding. The lack of a state budget continues to affect activities. We are not being reimbursed for any contract expenses and have paused a number that support the LTA program. New hires continue to be scrutinized as are travel and other expenses. Szabo also announced the Next Plan launch event is scheduled for Wednesday, February 24 (9:00 a.m. – Noon) here at CMAP. If necessary, March 2 is scheduled as an alternate date for the event. Registration is being taken on-line. Concluding his report, Szabo stated that the Local Technical Assistance (LTA) report had been included in the Board packet, and went on to say that staff-led projects will continue, but consultant-led projects may experience delays.

5.0 Annual Financial Report for the Year Ended June 30, 2015

James Savio, partner of the accounting firm of Sikich LLC, thanked the Board for the invitation to present the annual financial report for the year ended June 30, 2015 and thanked members of the staff for assistance during the audit process. From the annual financial report and board communication, Savio highlighted the following. The independent auditor's report which, again, was unmodified; changes in accounting principles in the adoption of GASB statements 68 and 71 which addressed pension liabilities; the Management Discussion and Analysis (MDA), prepared by staff, which gives an overview of the agency's financial condition; the statement of net position, explaining the relationship to the GASB statements related to SERS and IMRF and the associated net pension liabilities; the statement of revenue, expenses and changes in net position; and the single audit report. Savio presented the summary of findings that shows an unmodified opinion, there were no material weaknesses, no significant deficiencies and no instances of non-compliance and no audit findings. Turning to the auditors' communication, Savio went on to say that there were no audit adjusting journal entries, no necessary adjustments were found, and no past adjustments either. He emphasized that the audit reflected a great job by the staff of CMAP.

A motion by Frank Beal was seconded by Elliott Hartstein to accept the annual financial report for the year ended June 30, 2015, as had been presented. All in favor, the motion carried.

6.0 Procurements and Contract Approvals

The following contract approvals were submitted for approval: to S.B. Friedman to provide an assessment of multijurisdictional transportation impacts of retail agglomerations in the amount of \$83,650; to Ratio Architects, Inc., to provide a comprehensive plan for the Village of Brookfield, at a base cost of \$99,880 and an option priced at \$4,670 for a total of \$104,550. Both contracts would likely see a delayed start due to fiscal constraints. A motion by Peter Skosey was seconded by Mayor Tom Weisner to approve the contract awards as had been presented. A question was raised regarding Ratio cost that was higher than the second placed proposal, with staff's explanation that the quality of Ratio's proposal raised them above the others, and that cost had been taken into consideration in the scoring. All in favor, the motion carried.

7.0 Committee Reports

A written summary of the working committees and the Citizens' Advisory Committee was provided. Elliott Hartstein, Chair of the Regional Coordinating Committee, reported that the committee had met earlier in the morning and had reviewed the draft state legislative agenda, which allowed for discussion and staff had been asked to provide additional detail in light of the state's budget situation and more specificity on the tax policy work and recommendations of the task force that was headed by Frank Beal. A second draft will be circulated to the committee before it is considered by the full Board. The committee also discussed the next comprehensive plan and its roll-out over the next three years and considered place-based approaches that some peer MPOs utilize to provide local detail on plan recommendations. Finally, Hartstein reported, staff gave an update on U.S. census data related to diversity across the region, increases in income in the region and commute times.

8.0 Unified Work Program (UWP)

Deputy Executive Director for Finance and Administration Angela Manning-Hardimon, gave a brief overview of the FY2017 UWP process, reporting that FY2017 funding allocation had not yet been received, so FY2016 federal funding level of \$16.7 million is being used, and that with matching funding of approximately \$4 million, for a total project cost of over \$21 million. Projects and proposals are due in January, Manning-Hardimon continued, then proposal presentation and selection will be completed in February. The UWP committee adopts the program in March, followed by committee approvals in April and June, with the final FY2017 document released on June 30, 2016.

9.0 Interim Products for Long-Range Plan

CMAQ staff Kristin Ihnchak reported that three major deliverables are planned for approval throughout the course of developing the next long-range plan at the joint meeting of the CMAQ Board and MPO Policy Committee in the coming three years, as well as the Transportation committee and appropriate coordinating committee, while the working committees will see these as they arise prior to any voting that occurs. Ihnchak continued that the first is an interim report on regional priorities due in fall 2016 which

will summarize our initial outreach activities – the launch event on February 24, followed by a series of workshops on regional opportunities and challenges, and then topical forums starting in late spring to dive into more detail on planning topics – along with a vision and broad priorities for the next plan. A second deliverable, an interim product on plan directions, is planned for 2017 through scenario planning activities in tandem with the development of the financial plan and criteria for evaluating regionally significant projects, all of which will be brought for approval in fall 2017. Finally, for adoption of the full plan, we will collect feedback on the draft over the summer of 2018, incorporating feedback from the public and stakeholders prior to asking for approval of the actual plan in October 2018. Staff was asked to take steps for including groups that often get overlooked, and the Board asked to be actively involved in outreach.

10.0 Federal Legislative Framework and Agenda

Deputy Executive Director for Policy and Programming, Tom Kotarac, reported that a long-term transportation bill passed overwhelmingly by Congress (359-65 in the House, 83-16 in the Senate) supported by almost all of the Illinois delegation. The Fixing America's Surface Transportation Act or the FAST Act, is paid for with \$70 billion in general fund transfers to the Highway Trust Fund, there were no new user fees related to transportation used to offset the five years of spending guaranteed in the bill. Kotarac detailed what funding levels will be under the new bill for Illinois state wide: a 10% increase in funding for highways and transit statewide over the next five years. The bill is also the first truly multimodal federal transportation bill because Congress included an Amtrak reauthorization and rail safety legislation in addition to the traditional highway and transit titles in these bills. Kotarac highlighted provisions dealing with positive train control and rail tank car safety upgrades. The most significant provisions in the bill deal with the new FHWA freight program, which is the first new federal formula program in decades. The freight program will provide \$10.7 billion nationwide for freight projects over 5 years in two different types of programs, one of which is a competitive grant program at about \$900 million annually as well as a formula-based program that will provide Illinois with \$45 million in freight funding annually. It is expected that within the next few months, the competitive program will likely be open for proposals by DOT with \$800 million available this year to a host of stakeholders. CMAP is interested in playing a central role in ensuring the Northeastern Illinois region is successful in this upcoming grant competition. Congress also passed an appropriations bill that includes another TIGER round at \$500 million which should be available concurrently with the new freight program.

When queried about the freight program and the CREATE project, Executive Director Joe Szabo reported that CMAP is working aggressively with IDOT, CDOT and the County and have begun spreading the conversation to the rail industry and laying out next steps for projects, and cost allocations. It was suggested that Congressman Lipinski be invited to help promote the effort.

Kotarac moved on to the presentation of the Federal Agenda, a document that is approved each year aligning with the core principles and recommendations of GO TO 2040, which has now been updated to remind our federal partners of the parts we need to continue to

work on that did not get approved along with the FAST Act, first and foremost user fees for transportation and getting off reliance on the General Fund. Second is performance-based funding approach based on goals, targets and performance and we want to make sure the federal program continues to evolve. Third is direct allocation to the region. CMAP and its implementers have proven that it can program funding in a transparent, data-driven way. Part 2, Kotarac continued, is the implementation of the freight provisions. The coming months will dictate how the law is interpreted, for instance, “freight/rail projects need to have a significant, direct impact on the highway network” and we should be engaged in that discussion and engaging the congressional delegation to make sure the DOT recommendations are crafted to meet our needs. Finally, the State will have to come up with a freight plan that is fiscally constrained, likely to have projects and we need to make sure those projects are here. A motion by Frank Beal was seconded by Mayor Tom Weisner to accept the Federal Agenda as presented. All in favor, the motion carried.

11.0 Alternative Long-Term Funding Options

Deputy Executive Director for Policy and Programming Tom Kotarac reported that in 2005, the agency's enabling legislation contained a non-binding provision committing the state to funding CMAP. Two years after CATS and NIPC merged, in 2007 additional legislation was passed that created the Comprehensive Regional Planning Fund. Kotarac said that staff recently began thinking of a state-focused strategy to address three big issues: a) that we actually could shut down; b) that not paying CMAP and other MPOs could actually put in jeopardy \$2 billion in annual federal highway and transit funding which would be devastating to the state; c) what is out there for CMAP to comprehensively plan, which right now 90% is highway trust fund or state road fund which restricts our planning activities toward transportation. We would ask that the Comprehensive Regional Planning Fund be reinstated at \$5 million, to be given out by the state regardless of whether there is an annual budget and that the pass-through funds go directly to the MPOs, which would satisfy the federal guidelines. If it's a state-focused proposal, this will solve the problem, has precedence and state-wide appeal since the original CRPF was not solely intended for CMAP, rather distributed for all the state MPOs. This is familiar to the General Assembly, it's an aggressive ask for continuing appropriations, and in light of jeopardizing federal funding, feel like it's a way the state can do it.

Important to note is CMAP's improved efficiency, which should be presented as an argument to support the funding. Equally important are the accomplishments of CMAP in a short period of time and a model to others. Kotarac concluded that the recommendation would be folded into the State Legislative Agenda and Framework and brought back next month for approval by the Board.

Deputy Executive Director of Planning Bob Dean reported that the State component is a priority for solving our funding problems, but staff also recommends developing a backup plan in the event the legislative approach doesn't work. Dean reviewed the material that had been provided in the Board packet that included: comparing CMAP's overall budget to that of 11 other MPOs; budget source comparisons, i.e., federal and state

transportation funding, local dues, fees-for-service and other grants; comparisons to other Illinois MPOs; historical funding levels; and, conclusions, stating that continued financial problems are due in large part to overreliance on the state and that most peer agencies were more diversified than we are in terms of funding.

A fairly lengthy discussion followed related to: degree of reliance on state funding, which is 20% of CMAP's budget; the source of contributions and how those amounts were determined; and the degree to which the agency should pursue external grants. Board members noted that external grants were beneficial to support the agency, but also could divert CMAP from its mission or cause the agency to compete with other grant seekers.

Dean went on to say that the state legislative solution is the top priority, but should that not succeed a backup plan that does not require legislation would be prudent. Three elements of this backup plan would include an increase in local contributions, an increase of fee-for-service arrangements and external grants. Dean explained the structure for each element, suggesting that the discussion would guide the development of a full proposal in the coming months. Dean also presented supporting arguments for each of the elements and concluded that our current funding situation is not sustainable, that the top priority is a legislative solution, and that a backup plan is recommended to be implemented by July 1 if a legislative solution is not successful. Board members weighed in on the various elements, suggesting that an approach like FUND 2040 is the best option presented. Other suggestions included: continued work on the elements during the upcoming budget years; using caution with local municipalities for additional contributions; continuing the fee-for-service with the LTA program; exploring fee-for-service for data or modeling outside transportation and municipal agencies (i.e., private sector); and finally, with recent talk of a capital plan, approaching the General Assembly for funding.

Finally, a motion by Frank Beal was seconded by Mayor John Noak to move forward with developing a more robust backup plan that has some numbers and ideas in case the legislative solutions do not materialize. All in favor the motion carried.

12.0 Other Business

Peter Skosey announced that MPC would host former U.S. DOT Secretary (former Congressman) Ray LaHood, who will be talking about his new book "Seeking Bipartisanship" at its think and drink series on March 3, from 5:00-7:00 p.m. Jeanette Sadik-Khan will be featured on March 29, Skosey also reported.

13.0 Public Comment

Garland Armstrong-Access Living, asked that the CMAP Board do what it could to see if the state could help with the railroad crossing at street level in Elmwood Park.

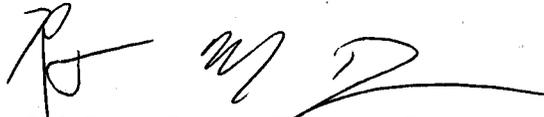
14.0 Next Meeting

The CMAP Board is scheduled to meet next on February 10, 2016.

15.0 Adjournment

A motion by Mayor John Noak was seconded by President Franco Coladipietro to adjourn the regular meeting at 11:10 a.m. All in favor, the motion carried.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Bob Dean', with a long horizontal flourish extending to the right.

Bob Dean, Deputy Executive Director
for Planning

01-29-2016

/stk

Approved as presented by unanimous vote, February 10, 2016