

Committee Report

Management Committee



Committee Meeting Date: Dec. 14, 2022

For the Metropolitan Council: Jan. 11, 2023

Business Item: 2022-281

Adopt Resolution No. 2022-22 (update to Resolution No. 2016-26)

Proposed Action

That the Metropolitan Council: (1) adopt the attached Resolution No. 2022-22 expressing the Council's findings and guiding policies with regard to expenditures that comply with the public purpose doctrine; and (2) direct the Regional Administrator to implement new and update existing procedures with reasonable parameters in accordance with Resolution No. 2022-22.

Summary of Management Committee Discussion/Questions

Executive Directors Charles Carlson and LisaBeth Barajas presented the business item and explained the need to update the resolution which articulates the Council's findings related to expenditures allowed under the public purpose doctrine. Specifically, this change would explicitly state that expenditures related to community and customer involvement provide a thing of value to the Council and constitute a public purpose. The action allows for expenditures of public funds to purchase incentives and gift cards to provide compensation for expertise when individuals participate in public involvement activities (including surveys and other research activities).

The item also directs the Regional Administrator to update policies and procedures, including asset management and appropriate controls related to these tools.

Carlson noted this does not include compensation for advisory committee members which is explicitly prohibited in state statute. Public Involvement Manager Michelle Fure also noted that use of incentives is a best practice in public involvement, including when government agencies are engaging experts and members of the community.

Several Council members expressed support and appreciation for this change, which helps encourage broader participation and better representation across demographic groups.

Chair Johnson asked if there is a guideline to calculate value for incentives and compensation. Ms. Fure further clarified that there are common practices related to the dollar amounts for gift cards and incentives, scaled according to the time and commitment individuals need to devote to an effort, and putting together some guidance for public involvement activity. Chair Johnson also encouraged support for child care when appropriate.

Motion by Pacheco, seconded by Barber. Motion carried.

Business Item

Management Committee



Committee Meeting Date: Dec. 14, 2022

For the Metropolitan Council: Dec. 28, 2022

Business Item: 2022-281

Adopt Resolution No. 2022-22 (update to Resolution No. 2016-26)

District(s), Member(s):	All
Policy/Legal Reference:	Resolution No. 2016-26 (adopted Oct. 26, 2016) FM 2-2 Finance and Asset Management Policy PIC 2-1 Customer Relations and Outreach Policy PIC 2-2 Accountability to the Public Policy Metropolitan Council Public Engagement Plan
Staff Prepared/Presented:	LisaBeth Barajas, Executive Director of Community Development, 651-602-1895 Charles Carlson, Executive Director of Metropolitan Transportation Services, 651-602-1761 Michelle Fure, Manager of Public Involvement, 651-602-1545
Division/Department:	All

Proposed Action

That the Metropolitan Council: (1) adopt the attached Resolution No. 2022-22 expressing the Council's findings and guiding policies with regard to expenditures that comply with the public purpose doctrine; and (2) direct the Regional Administrator to implement new and update existing procedures with reasonable parameters in accordance with Resolution No. 2022-22.

Background

The Metropolitan Council adopted resolutions in 1996 and 2016 that made findings on public purposes and authorized certain expenditures of public funds in accordance with its statutorily defined mission and the public purpose doctrine established by the Minnesota Supreme Court.

This proposed update provides an important clarification related to incentives for research efforts and other public involvement activities. Thrive MSP 2040 says "engaging a full cross-section of the community in decision-making" is one of the Council's equity commitments. This proposed action would allow research and public involvement teams to use standard tools to facilitate intentional inclusion of a full range of voices.

Engaging the community in decision-making requires intentional, specific efforts to facilitate community involvement. The Council's staff need to use a range of techniques to achieve cross-sectional participation that reflect our communities in public involvement and research efforts – including surveys, focus groups, and other data collection methods.

If this proposed action is adopted, Council staff will update procedures as necessary, including those related to the following items:

1. Allowing teams to use incentives to support research efforts, including reasonable stipends or service, product, or cash-value gift cards, as appropriate, for expertise and participation in surveys, focus groups, and related methods of assessment
2. Allowing teams to use incentives to support public involvement efforts, including reasonable stipends or service, product, or cash-value gift cards, as appropriate, to compensate community members in providing their expertise to support Council decision-making

These proposed changes to the public purpose resolution will not authorize the Council to use incentives to compensate members of its advisory committees because currently, under Minnesota Statutes section 473.127, Council advisory committee members “shall serve without compensation.”

The attachment shows in strikethrough/underline format the proposed changes to the current public purpose resolution (Council Resolution No. 2016-26).

Rationale

An updated resolution pertaining to expenditures of funds and the public purpose doctrine allows the Regional Administrator, to implement a new procedure specifically related to incentives for research and public involvement that ensures representative participation in research and public involvement activities and provides opportunities to compensate community members for their expertise in research and public involvement activities.

Thrive Lens Analysis

This proposed action provides a critical element to respond to the equity commitment in Thrive MSP 2040 to “engage a full cross-section of the community in decision-making.” The Public Engagement Plan, implemented in 2015, identifies this priority and highlights engagement practices that more intentionally acknowledge the contributions of community members when providing expertise and lived experience to support Council programs, planning, and decision-making.

The proposed action also acknowledges that when using incentives, the Council acquires something of value in exchange for the incentives, specifically expertise and time commitments from community members.

Funding

No additional funding is required. The Communications department and relevant divisions will account for necessary expenditures in their annual budgets.





METROPOLITAN COUNCIL RESOLUTION NO. 2022-22

RESOLUTION AUTHORIZING EXPENDITURES OF PUBLIC FUNDS IN ACCORDANCE WITH THE PUBLIC PURPOSE DOCTRINE

WHEREAS, the Metropolitan Council is a public corporation and political subdivision of the State of Minnesota and is responsible for performing regional planning functions, funding a regional parks system, operating the regional wastewater treatment system, administering housing assistance programs, and operating the regional transit system; and

WHEREAS, the Minnesota Legislature has placed the Metropolitan Council under the “supervision and control” of the seventeen-member governing body and granted the Metropolitan Council, in Minnesota Statutes section 473.129, all powers which may be “necessary or convenient” to enable the Metropolitan Council to perform and carry out the duties and responsibilities now existing or which may be imposed upon it by law; and

WHEREAS, the “public purpose doctrine” permits a governmental entity to expend public funds only if the primary purpose of the expenditure is public and the expenditure directly relates to the governmental purposes for which the entity was created; and

WHEREAS, Minnesota Statutes section 473.127 authorizes the Metropolitan Council to reimburse members of its advisory committees for their reasonable expenses as determined by the Metropolitan Council and Minnesota Statutes section 473.129, subdivision 10, authorizes the Metropolitan Council to “provide a program for health and wellness services for council employees and provide necessary staff, funds, equipment, and facilities”; and

WHEREAS, the governing body of the Metropolitan Council has determined it is necessary or convenient for the fulfillment of the Metropolitan Council’s statutory responsibilities for the governing body to authorize discretionary expenditures of public funds for certain employee training and development activities and other public purposes related to the performance of the Metropolitan Council’s statutory duties and responsibilities; and

WHEREAS, in 2016, the Metropolitan Council adopted Resolution No. 2016-26 authorizing expenditure of public funds for certain public purposes, having previously approved Resolution Nos. 96-16 and 96-53 in 1996; and

WHEREAS, Minnesota Statutes section 473.125 identifies the Regional Administrator as the “principal administrative officer” for the Metropolitan Council and requires the Regional Administrator to ensure all policy decisions of the Metropolitan Council are carried out and recommend to the Metropolitan Council for adoption measures deemed necessary for efficient administration of the Metropolitan Council.

***NOW, THEREFORE, BE IT RESOLVED:** the governing body of the Metropolitan Council makes the following public purpose findings and determinations:*

3. It is in the public interest to recruit, select and develop an effective, skilled, productive and responsive workforce to operate and maintain the regional transit and wastewater systems, administer housing programs, development grant programs and parks funding, perform the regional planning functions, and to execute other Council functions as determined or permitted by law.
4. Training and development programs for Metropolitan Council employees serve a public purpose when those training and development programs are directly related to the performance of the employees' job-related duties or are directly related to the governmental functions for which the Metropolitan Council is responsible and which may become job-related duties of the employee.
5. Payment of certification and licensure fees for employees serves a public purpose when those certifications and licensures are job requirements, directly related to the performance of employees' job-related duties, reasonably deemed necessary by management in order for the employees to perform job duties and are directly related to the governmental functions for which the Metropolitan Council is responsible.
6. Payment of employee work-related expenses, including travel, lodging, non-social event attendance fees and meal expenses, serves a public purpose when those expenses are reasonably incurred by Metropolitan Council employees in connection with their actual work assignments or official duties and those expenses are directly related to the performance of the governmental functions for which the Metropolitan Council is responsible.
7. Appropriate employee health, wellness, and safety programs serve a public purpose because they result in healthier and more productive employees and reduce certain costs to the Metropolitan Council, taxpayers, and rate and fare payers of the metropolitan area, including various costs associated with workers compensation and disability benefits claims, insurance premiums, and lost time from employee absences.
8. Public expenditures for appropriate employee recognition programs, pursuant to Metropolitan Council Resolution No. 98-19 (adopted July 23, 1998), serve a public purpose because formally recognizing employees who make significant contributions and demonstrate their commitment during performance of their duties results in better retention, higher morale, and increased productivity among all Metropolitan Council employees and therefore permit the Metropolitan Council to fulfill its statutory responsibilities in an efficient and cost-effective manner.
9. Public expenditures for food and refreshments associated with official Metropolitan Council functions serve a public purpose when the provision of food and refreshments is an integral part of a Metropolitan Council function and the provision of food or refreshment is necessary to ensure meaningful participation by the participants.
10. Public expenditures for appropriate community and customer ~~engagement-involvement~~, public education, research, and similar activities serve a public purpose when those expenditures are necessary or convenient for the Metropolitan Council to advance the efficiency of its regional systems, promote the availability and use of regional services, promote regional planning activities, and engage the public in decision-making processes through public hearings and other public involvement efforts. Expenditures to ensure representative participation in community and customer involvement are recognized as purchasing expertise and knowledge that constitutes something of value to the Metropolitan Council.
11. Public expenditures for memberships in organizations serve a public purpose when the purposes of the organizations are directly related to the functions and purposes for which the Metropolitan Council was created and the Metropolitan Council reasonably expects it will directly and demonstrably benefit from the memberships.



Based on these findings, the Metropolitan Council authorizes its Regional Administrator to establish administrative procedures and policies that are consistent with these findings and the following guiding policies:

1. **Employee Training and Development Programs.** The Metropolitan Council may pay reasonable registration fees and travel expenses for conferences, seminars, workshops and may pay tuition assistance for job-related courses. The Council may pay tuition assistance for retraining which is based on an organizational change plan and a formal development plan. The Council will not provide tuition assistance for degree program courses, except for courses directly related to current job requirements or a retraining plan.
2. **Expenses Related to Work Assignments.** The Metropolitan Council may pay reasonable and necessary expenses related to the performance of official Metropolitan Council activities including expenses associated with travel, lodging, meals, non-social event attendance, and appropriate incidental expenses related to the performance of official work activities.
3. **Employee Safety, Health and Wellness Programs.** The Metropolitan Council may pay reasonable and necessary expenses related to appropriate employee safety, health, and wellness programs when the benefit of those programs is clearly demonstrated and the programs are not primarily of a social or recreational nature.
4. **Employee Recognition Programs.** The Metropolitan Council may pay reasonable expenses related to employee recognition and appreciation programs, including service awards to recognize employee performance, length of service, and retirement.
5. **Food and Nonalcoholic Refreshment.** The Metropolitan Council may pay reasonable food and nonalcoholic refreshment expenses when:
 - a. the cost of a meal or refreshment is part of a structured agenda of a conference, workshop, seminar or meeting that directly relates to the official business of the Metropolitan Council; or
 - b. refreshments are part of a Metropolitan Council-hosted event, meeting, conference or workshop and the majority of the participants are not Metropolitan Council employees; or
 - c. the cost of refreshments or meals are part of a formal meeting that consists primarily of Metropolitan Council employees when the refreshments or meals are an integral part of the formal meeting and are necessary to sustain the flow of the meeting and to retain the captive audience; or
 - d. refreshments or meals are provided in connection with official meetings of the Metropolitan Council or official meetings of Metropolitan Council committees, task forces, work groups or advisory committees, provided the provision of refreshments or meals is necessary to sustain the flow of the meeting. Official meetings include meetings of subcommittees, task forces, work groups or advisory committees authorized by the Metropolitan Council.

All meetings shall be scheduled to minimize inclusion of meals.

6. **Community Outreach.** The Metropolitan Council may pay reasonable expenses for community engagement involvement and outreach activities including fees for reserving space; limited refreshment costs; event-specific transit passes; reasonable stipends; reasonable service, product, or cash-value gift cards; materials; and other reasonable costs to enable a member of the public to participate in community involvement and outreach activities. Expenditures for employee open houses, block parties and picnics are prohibited.

7. **Memberships in Organizations.** The Metropolitan Council may pay for memberships in organizations which provide industry- or trade-related information, training, and access to expertise that directly and demonstrably relate to the performance of the governmental functions for which the Metropolitan Council is responsible and where the membership is expected to enhance Council Members' or employees' ability to perform their job-related duties. The Metropolitan Council may not pay for:

- a. memberships in organizations whose purposes do not materially or directly relate to the Metropolitan Council's governmental functions and responsibilities; or
 - b. memberships and membership expenses referenced in Minnesota Statutes section 471.96 that are expressly authorized for certain governmental entities, not including the Council; or
 - c. memberships that primarily benefit individual employees.
8. **Advisory Committee Expense Reimbursements.** Unless permitted by law, members of Metropolitan Council advisory committees shall serve without compensation, but they may be reimbursed for their reasonable expenses as determined by the Metropolitan Council. Reasonable expenses are actual costs advisory committee members incur and request reimbursement for in connection with their attendance at Council advisory committee meetings or in connection with their participation in authorized advisory committee functions and may include travel costs, parking fees and, in appropriate cases, dependent care costs.

This resolution supersedes and rescinds Metropolitan Council Resolution No. 2016-26 (adopted October 26, 2016).

Adopted this _____ day of, _____ 2022.

Charles A. Zelle, Chair

Bridget Toskey, Recording Secretary

