

**PROCEEDINGS OF THE
FINANCE COMMITTEE OF THE
GRAND FORKS/EAST GRAND FORKS
METROPOLITAN PLANNING ORGANIZATION
Wednesday, July 26th, 2023 – 3:30 P.M.
East Grand Forks City Hall Training Room**

CALL TO ORDER

Warren Strandell, Chairperson, called the July 26th, 2022, Finance Committee meeting to order at 3:30 p.m.

CALL OF ROLL

On a Call of Roll the following members were present: Ken Vein, Clarence Vetter, and Warren Strandell.

Staff present were: Stephanie Halford, GF/EGF MPO Executive Director; Teri Kouba, GF/EGF MPO Senior Planner; and Peggy McNelis, GF/EF MPO Office Manager.

DETERMINATION OF A QUORUM

Strandell declared a quorum was present.

MATTER OF 2024 MPO SALARY DISCUSSION

Halford reported that she will just give a quick overview because we do have representation from different organizations, so this is something that has recently been a discussion on the Grand Forks side and since we follow the Grand Forks salary plan, that is what the attachments are in here on what they are looking at right now, and Councilman Vein is probably more familiar with it. Vein said that he is getting more familiar with it.

Halford stated that, again, we follow their salary plan as well as the positions, so she highlighted halfway down the page of the staff report that the MPO Office Manager position follows the Human Resource Specialist position on the Grand Forks side and that position is on the pay scale of 17 and then the MPO Senior Planner position follows the Senior Planner position on the Grand Forks side and they are on the pay scale of 19, and then the MPO Executive Director position follows the City Planner on the Grand Forks side and they are on the pay scale of 24.

Halford commented that it isn't really apples to apples, but it is something for us to follow but we aren't exactly the same positions as we kind of wear a few more hats than our counterparts, but it give us something to kind of go off of and build upon.

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Halford stated that the Executive Director is allowed to approve the other position salaries in the organization, but of course she can't approve her own, so right now Grand Forks is having the discussion of this new salary plan, they have not approved it yet, but what she got from it, their timeline is looking for approval in September, but right now we are working on our work program and of course a big part of the work program is the budget so we have to start planning for that and she is hoping to have our work program approved in September and then approval through our federal partners as well so that is why we kind of have to work in parallel.

Halford said that she is really just wanting to keep you in the loop on what the other two positions are going to be moving to, and then looking for approval or any questions on the Executive Directors salary.

Halford stated that she would open up for any questions, but that was a quick overview of where we are at and what we follow; this is kind of where it has always been and what we've always done, we can definitely look at doing something different in the future, but this is what is in place right now.

Strandell said, then, there are different plans for different levels of employment. Halford responded that depending on your position is where you fall on the pay scale, and the ones we go along with are 17, 19, and 24, and those are shown on Pages 7 and 8. She explained that these are the two tables, the two different options that they are looking at, but she understands that the Mayor of Grand Forks is proposing approving Table A, and that is what she used to base the MPO salaries off of. She reiterated that, again, the plan hasn't been approved yet, but going off what the consultant is proposing the city should move towards, they looked at the region and what similar cities are paying their employees for these positions, and making recommendations where they should be moving, and one more recent example to look at is that we did try to hire a planner recently, and unfortunately he said no because of the pay, so we want to make sure and this was a good exercise to look at to kind of look back on the fact that not only do we want to retain that talent, but we also want to get new talent and salary is a big part of that.

Vein said, you're putting this together because you are trying to put the next budget together, right, in part, so we are trying to make sure that you have the right information in the budget as you are going forward, and you are making the assumption that we will be using the new pay plan versus the current pay plan because that is the direction we are trying to go, and then the new plan as Options A and B, and the mayor is proposing going with Option A, and he can't tell you what the difference is between them, but what you are trying to do is to just align yourselves with your positions with the proposed pay plan that the City of Grand Forks is anticipated to follow. Halford responded that that is exactly correct. Vein added that the positions here have been aligned with each one of these other three positions, correct. Halford responded that that is

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what we have been doing, what has been in place for a long time, she doesn't exactly agree with them 100%, but that is what we have in place right now. Vein stated, then that not only are you looking at the scale you are looking at where you are within the scale, so you would take, in following this process, you would be looking at, as you make your steps in here, your salary for the next year would move to this new amount, that is not the current but that is what you would propose based on what he would say is the best available data you have today. Halford responded that is correct. Vein said that you are still following a precedent when you align yourselves with each of these positions, and again, historically we have done that, and this would at least get us the numbers for the budget for the coming year, it can change between now and then; he would say, just from what he learned here recently, they are not far off from the current plan, but they are a little bit more, so from a budgetary perspective, it would be better for him to use the new plan, maybe the realistic one, but even if it didn't happen you would have enough in your budget to cover the actual costs. Halford responded that that is the way she is looking at it, and why we are going along in parallel because at least we are preparing for it, if it doesn't happen that way, at least the money is there, and we are prepared for that.

Vetter asked if each step, moving from I to J, after you complete a step do you move up to another step. Halford responded that how it was set up is you find what your current salary is on the scale your position is assigned, rounding up to the closest number, and move up two steps. Vetter asked, after this year, how do you move to the next step on the scale. Halford responded that what she heard is that you move up one step each year, which is another good thing to help when we are looking at budgets and the work program, that we know that the scale moves that way. Vetter asked if this was representing a 4% increase, a 3% increase, a 6% increase, or what. Vein responded that the base is 2.5% per step, and then there is the cost of living on top of that, but then they looked at averages because there are some positions, like the dispatchers, who were way underpaid and will get 20% increased to bring them to market, while others would get less, but there is an average as well. Vetter said, though, that your salary represents a 3%, 4%, 8% increase. Halford responded that she isn't quite sure, and it is a work in progress.

Vetter asked what Stephanie's current salary is. Halford responded that it is just over \$124,000, so it was rounded up and then moved up. She added that for each of the staff's positions, she moved them up one more as well, so she moved them up two, but then she felt that we are such a unique entity, and can't really be compared to just City Planning, we are kind of a very unique niche so she felt it was appropriate for us to move up one more. Vetter asked how that compares to the MPO Directors in Bismarck/Mandan and Fargo/Moorhead. Halford responded that they weren't willing to share that information with her. Vein said it is obviously available. Halford said that you can kind of figure it out, but it isn't clear, but it definitely falls in the range.

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Halford stated that she just wanted to be transparent across the board with all of the positions we have and also share that we didn't get the employee we offered the position to. Vein asked if she was still searching for an employee. Halford responded that she will readvertise the position again. Vetter said that he understood he was from the East Coast, correct. Halford responded that he was. Vetter asked if he realized that the cost of living is considerably lower here than there. Halford responded that she tried to tell him that, and she thought he would know that because he has done a lot of traveling, has lived in quite a few places, and she let him know that this new salary plan was coming out and that the salary would increase after the first of the year, but she offered him what Teri is currently at, \$77,000.00, and he still declined as he was more looking for \$85,000. Vein asked where he was from. Halford responded that he is currently in Massachusetts right now. Vein wondered why he would want to come to North Dakota. Halford stated that he has lived in Alaska and a few other places, so he wasn't afraid of the weather. She said that she told him it gets quite cold here, but he said he has lived in Alaska and a few other places, and he has traveled around the world which was appealing that he had such a broad view on things, and he was just coming out of school so he was kind of biting at the bit a little bit, and he had a Harvard background, and a very colorful promising background, so he would have made a good fit, but he turned it down. She added that she is thinking that maybe we need to go after an intern and maybe groom them or just a planner and focus on that instead of trying to get a Senior planner.

Vetter asked if she was looking for approval of this. Halford responded she was, or any kind of recommendation you might have. Vetter said that if Grand Forks goes with Table B or Amended Table A or B, would that change it, if we approve your proposal right now, going to Grade 24, Step I, and Grand Forks accepts a different table, would this follow then with that recommendation. Halford responded that she could either adjust it to fall in that same column as the top one or she can bring it back, so it will depend on your motion, if you want to do that or you can have a motion that if they end up going with a different table she would just go with the same grade and step at whatever amount it shows. She added that it would be just for hers, she would try to do as close as she can to what the other two positions would be.

Vein asked if we are approving the salary recommendation or are we just computing the number to go into the budget. Halford responded that we have always gone along with the city, another way to look at it is you could just approve what it is right now and move on and we can just go from there or we can tie it to whatever the city ends up doing. Vein stated that he is trying to think of what the city, again the City Council approves the plan, we don't approve any salaries, and then people move within the plan, to whatever that is, so they aren't dictating anybody's salary here, they approve the plan. Halford responded that you are dictating her salary, the other two positions she can approve herself, but she can't approve hers so that would need to be approved. She added that this is just a reference as to where the information came from for those

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numbers for the three positions, it is because we are following the City of Grand Forks. Vein said that you are also following their step increases, the new steps, according to their policy, correct. Halford responded that was correct. McNelis added that under the current salary plan, when the MPO employees get their PFP scores they are sent to the City of Grand Forks Human Resources Office and they plug the numbers into their matrix and give us our increases as well.

Vetter asked if this was a whole new system for Grand Forks, have they used a grade and step system before. McNelis responded that years ago, when she first started with the MPO, prior to the PFP system, they did use a grade and step system. Vein asked what year that was. McNelis responded that she started in 1993. Vein said that he was trying to remember that because when he was with the City, which was in 1993 also, he remembered that they had that plan. Vetter said, then, that they did away with that and now they are coming back to it. McNelis explained that the City had the grade/step system, then they followed UND and implemented the PFP system, and are now going back to a grade/step system. Vein stated that he looks at it this way, if you are here long enough everything will go in a circle, you are going to do one and if it isn't good enough you will change it to another one and then eventually you come back to the one you started out with.

Vein reported that he was told that that the current plan, the problem with the current plan is that it really works well to get people to the mid-point, but once you get to the mid-point, when you have the salary range it is really hard, it is probably most difficult with the senior leaders in the organization especially as they compare to their counterparts. He said that the new plan will allow that to better align all of the positions instead of keeping you mostly at the mid-point of the plan, so that was how it was explained to him, and again he worked under a similar plan to this new plan, and he can't tell you why they changed, but he knows that for whatever reason it was going to be better. Halford commented that with everything, you get to a point and you are either sick of it or we need a change, and then you go back to the old one.

McNelis stated that one thing is that the current plan tends to pit people against each other, they watch what each other are getting for PFP scores and see how one person got a 4.5 and they only got a 3.2. Halford added that it also doesn't give you much of an increase either, even if you get a higher PFP score than someone else, if you get a 5 and they get a 3, the difference is not very much. McNelis said that that is because most of the money goes toward getting people to the mid-point and then the remaining money is used for everyone else, so it wasn't a moral builder. Halford agreed, adding that that is what the consultant said in the report they laid out, that the current plan was killing the moral and a change is needed. McNelis said that no plan is perfect, but this one seems better than the current plan.

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Halford stated that we are just such a small group, and she thinks that this will be a good change, and hopefully the City approves it and we can try it out for a few years and see where it goes. She added that we are still trying to figure out our stuff here, and we have some policies and such that we need to relook at and she thinks one of the things is whether or not we continue to go down this route, the MPO positions versus the City of Grand Forks positions we are compared to. She explained that she thinks they need to be looked at as she knows that the City Planner position, which is the position she is attached to, will be changing when Meredith Richards, Community Development Director retires, as it is her understanding that the City Planner and Community Development Director positions will be combined, so does it make sense for her to be compared to that, and then the MPO Office Manager position is attached to the Human Resource Specialist position, and she doesn't think those positions are very similar. Vein said that he thinks we can debate the plan, but the question is whether we follow the plan that the City does, and it isn't going to be our debate, and what you have done is aligned yourselves to what is projected to be that plan, but we won't know that for sure until after the August 7th City Council meeting as preliminary approval of the plan will be sought at that time. He added final approval isn't until September, and when they do theirs, once they give preliminary approval they can never increase it but they can decrease it, so for some of us, just to be on the safe side we would rather have a preliminary high enough number so if we need to we can reduce it but he would hate to have missed something and have to come back and try to figure out how to absorb that increase in the budget.

MOVED BY VETTER, SECONDED BY VEIN, TO APPROVE MPO STAFF RECOMMENDATION TO FOLLOW THE CITY OF GRAND FORKS' NEW SALARY PLAN AND TO PLACE THE EXECUTIVE DIRECTOR AT GRADE 24, STEP I, SUBJECT TO ANY CHANGES MADE TO THE PLAN AND TO CITY COUNCIL APPROVAL.

Vein said that we do have to realize that this plan is not adopted yet, so it can change, and we need to be clear on that. McNelis stated that worse case scenario would be that they don't approve this plan and keep the current plan. Halford asked if Mr. Vein had any kind of crystal ball as to how the council might vote on this plan. Vein responded that he thinks it will be very close, it isn't clear cut at all, and, in fact he hasn't actually really put a lot to it, it is really really close if it happens. Halford asked if he thinks it is between the two scales, or do you think it could not pass at all. Vein responded that he thinks it may not pass at all. He said that they haven't really talked about the different scales, it's if it passes at all, the philosophy of the plan.

Voting Aye: Vein, Vetter, and Strandell.

Voting Nay: None.

Abstain: None.

Absent: None.

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Halford said she has one clarifying question, what is the next step if it doesn't pass at all. Vetter responded that you could come back here and we can decide if we want to give you a ???.

McNelis suggested that we would probably just stay with the current plan and still do the PFPs and market increases, however she doesn't think they have done any of that as they are banking on this new plan passing. Halford agreed that that is true, that we wouldn't need to come back, we would just continue doing what we have been doing. Vein said that he thinks the difference would be, this is just budget, the actual rates don't go into effect until the first of the year, so even if we approved the dollar amount, it wouldn't necessarily mean you adopted the salary plan, because if the current plan is less than the new plan, again, we are covered because we adopted the dollar amount in the new plan, and he thinks that would sit with the city itself. McNelis said that approving this today just allows for her to determine, if the new plan is approved, what the estimated inflated rates will be for budgeting purposes. Vein said that that is what he was thinking, budget versus actual, giving the increases because we need to get the budget done. Halford agreed, adding that it is something that happens closer to the end of the year, but both Minnesota and North Dakota, and especially Minnesota, really want to see our work programs in September, and while they will still accept it later getting it done in a timely guarantees funding and it means there would be no gap in funding.

Vein asked when the rest of the budget process goes through the Executive Policy Board and get final approval. Halford responded that at the last Technical Advisory Committee and MPO Executive Policy Board meetings she brought up the fact that we are starting to look at the work program for 2024, and that they should reach out to her if there are any projects they want us to look at, studies that they want us to look at for the next couple of years, because she wants to change the work program format a little bit, right now we have a work program for 2023 and 2024, and she wants to do one for 2024 and 2025 so we always have a year in front of us so we aren't spending a full year and then all of a sudden we start a new work program, which coming from the staff side is always nice, we know what to prepare for and what we are going to get involved with conversation wise with studies and things like that, so she started asking the question as to what kind of projects they want to see, and we are seeing funding that we haven't seen for a long time, so having something like what we have in our Street and Highway Plan, an illustrative type of list, so in the event extra funding becomes available we have something in our back pocket in the work program that we can pull from and we know what kind of direction you want us to go, so we will be talking about it, to answer your question, next month for sure, we will be talking about the draft and then hopefully getting final approval in September.

Vein commented that the mayor's budget this year is the highest it has been, but the big increases are all capital projects, a major swing in capital projects and then we started talking about the 42nd Street Underpass, and 47th Avenue Interchange, and he doesn't think there has been much discussion about any bridge, any inner-city bridge, he doesn't know if there is anything in our

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work program for that. He said that he is assuming that some of that will follow through our Budget. Halford stated that with the bridge, that is really just conversation and looking at what the next steps are, and they are looking at grant funding but nothing has been applied for. Vein said that we have to do some environmental work and a number of other things first, but if we don't do those it is never going to go there. He added that they are doing the environmental study on the 47th Avenue Interchange, the city has budgeted for that but they haven't budgeted anything for the bridge. He said that he thinks a lot of that has to do with the consultant that we hired and the study that is being done. Halford stated that she doesn't think that East Grand Forks has budgeted anything either. Vetter responded that they haven't. Vetter said that they haven't heard from the consultant yet either, which concerns him. Halford agreed that it has been pretty quiet for the last couple of weeks. She stated that she knows that Tom Ford, Grand Forks County, was reaching out to them to try to get them to give an update at their County Commission meeting, but she hasn't heard anything further on whether or not that is going to happen. Vein said, though, that they are under contract to do work, correct. Halford responded that they are and added that they are currently working on it. She said that it is supposed to be completed by the end of the year, it was a pretty quick turnaround. She stated that it is really just to look at what the next steps and to give us ideas on where we should be heading.

OTHER BUSINESS

None.

ADJOURNMENT

STRANDELL DECLARED THE JULY 26TH, 2023 MEETING OF THE MPO FINANCE COMMITTEE ADJOURNED AT 4:05 P.M.

Respectfully submitted,

Peggy McNelis
Office Manager