

To The 2011 Vermont General Assembly

Report on the Plan for Merger and Timeline:

Chittenden County Metropolitan Planning Organization

&

Chittenden County Regional Planning Commission

In Response to Act 146, Section G11 (a) (b)

January 12, 2011

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I. Legislative Charge

Act 146, *An act relating to implementation of challenges for change* was enacted by the 2010 General Assembly of the State of Vermont and signed into law by the Governor of the State. Section G11(a)(b) requires the Chittenden County Metropolitan Planning Organization (CCMPO) and the Chittenden County Regional Planning Commission (CCRPC) to develop a plan for action steps and a timeline for the merger of the two organizations.

Act 146, An act relating to implementation of challenges for change.

* * * Study: Merger of Chittenden County Metropolitan Planning Organization
into the Chittenden County Regional Planning Commission * * *

Sec. G11. MERGER OF CHITTENDEN COUNTY METROPOLITAN PLANNING ORGANIZATION

(a) The boards of directors of the Chittenden County metropolitan planning organization and the Chittenden County regional planning commission shall collaboratively develop a plan for action steps and timeline for the merger of the organizations.

(b) On or before January 15, 2011, the executive directors of each organization shall jointly report the plan to the Senate committee on economic development, housing and general affairs and the House committee on commerce and economic development, House and Senate natural resources and energy committees, and House and Senate government operations committees.

II. Summary of Next Steps

A joint meeting of the boards of the CCRPC and CCMPO was held on November 3, 2010. This meeting was held after meeting with all of the municipalities of Chittenden County as directed by the two boards in their joint meeting of September 7, 2010.

At the November meeting the following motion was adopted unanimously:

To continue to follow the plan of action and schedule as outlined in the "Meeting the Challenge" report (dated 10/27/10 – noting that this is a living plan subject to potential revision) and specifically to develop a more detailed plan for potential consolidation of the CCRPC and CCMPO by drafting the necessary documents (bylaws, budget, unified planning work program, and other documents that may be needed) for:

- *review by the CCRPC and CCMPO boards in March, 2011;*
- *consideration and action by the municipalities between March and May, 2011; and,*
- *consideration and action by the CCRPC and CCMPO boards in May, 2011.*

The two boards of directors are working together with staff to prepare a plan for implementing a merger as early as Fiscal Year 2012. Note that any changes to the structure of the CCMPO will require approval of the municipalities and Governor pursuant to federal legislation.

Coordination with the Greater Burlington Industrial Corporation (GBIC) will continue with regards to our mutually supportive work programs.

III. Responsiveness and Action Steps

The CCMPO and CCRPC actually began the merger process some 8+ years ago by co-locating and sharing most services. The detail regarding historical activities related to merger, as well as the responsiveness plan and action steps, can be found in Appendix A - *CHITTENDEN COUNTY REGIONAL COOPERATION PROGRESS REPORT AND PLAN: "MEETING THE CHALLENGE"*.

On September 7th, the boards of the CCRPC and the CCMPO held a joint meeting to explore consolidation of the two organizations. The meeting was prompted by the Vermont General Assembly in its "Challenges for Change" legislation during the 2010 legislative session (Act 146) which directed the two boards to "*collaboratively develop a plan for action steps and timeline for the merger of the organizations*". The boards discussed the pros and cons of consolidation and then both boards voted separately in the affirmative to "consider the further investigation of full merger."

The boards acknowledged that there were potentially numerous benefits to formally merging our two organizations and asked the Executive Directors of the two organizations to meet with the local elected officials of each member municipality in Chittenden County to discuss the potential benefits. They include:

- Integrated land use and transportation planning;
- Improved municipal communication and accountability by consolidating appointments from 2 to 1 board;
- Combined municipal dues to enhance opportunities for leveraging federal and state funds;
- Commitment to flat municipal dues for at least the next 3 years to avoid ~\$7k per year increase (2-3% of \$240k);
- Increased time invested in services for municipalities instead of time currently spent on CCMPO/CCRPC coordination;
- Enhanced visibility and communication with the public and the media; and
- Optimization of organizational flexibility to manage future fiscal challenges and opportunities.

The boards of the CCRPC and CCMPO, however, recognized that this potential change deserved careful consideration of the issues and details that must be addressed prior to merger. The purpose of the municipal outreach meetings with the officials was to gauge their response to the concept of a merger of the two organizations. The following conceptual framework for merger was presented to elected officials (see page 3). A commitment was made to the municipalities that the CCMPO and CCRPC would return with further details regarding organizational governance and operations should there be consensus among the municipalities and their respective board representatives that a merger of the two organizations was in the best interest of the organizations and would enhance the services provided by the two organizations to the municipalities. Many more specifics will need to be developed before official action can be recommended for their consideration.

Outreach meetings were conducted in September and October 2010 with all 19 municipalities of Chittenden County and the Chittenden County Transit Authority (CCTA) (see Appendix B for a list of meetings conducted). The municipalities were provided with the following conceptual framework which was designed to portray how a full merger could be implemented.

	Current	Full Merger
Board Governance	<ul style="list-style-type: none"> • 2 Boards <u>CCRPC</u> – 19 municipalities, 5 at large including Transportation (CCMPO), Agriculture, Socio/Econ/Housing, Environmental, Business; <ul style="list-style-type: none"> ○ 1 vote per town & per at large (except for Town Plan adoption) <u>CCMPO</u> – 18 municipalities (excluding Buels Gore), Vermont Agency of Transportation (VTrans), and non-voting members including the Federal Highway Administration (FHWA), Federal Transit Authority (FTA), CCRPC, CCTA, rail industry, Burlington International Airport; <ul style="list-style-type: none"> ○ weighted municipal voting including VTrans • 2 Executive Committees • 2 Nominating Committees • CCMPO Standing Committees – Finance, Transportation Advisory Committee (TAC), Unified Planning Work Program (UPWP), Metropolitan Transportation Plan (MTP), Public Transportation, Regional Initiatives • CCRPC Committees - multiple project/steering and ad hoc committees 	<ul style="list-style-type: none"> • 1 Board with new name and branding • Merged membership (including VTrans and other current at large representatives) • New bylaws maintaining current rules for voting depending on area of planning responsibility consistent with statutes 1 Executive Committee • 1 Board Development/Nominating Committee • 1 Finance Committee • 1 Transportation Advisory Committee • 1 Planning Advisory Committee (PAC) (with focus on MTP, regional plan and municipal plan review) • 1 UPWP Committee • 1 Public Transportation Committee • Other single purpose committees—only as needed (Single purpose committees will be disbanded when their work is completed)
Budget & Work Program	<ul style="list-style-type: none"> • CCMPO Budget <ul style="list-style-type: none"> ○ One VTrans contract ○ Municipal Dues (\$120,000) 100% used for match • CCRPC Budget <ul style="list-style-type: none"> ○ About 20 contracts ○ Municipal Dues (\$123,000) 50% used for match • Duplicate invoicing and payments • 2 separate audits • 2 Human Resources management systems • CCMPO – Unified Planning Work Program (UPWP) • CCRPC – Work Program <ul style="list-style-type: none"> ○ Coordinated with GBIC work program 	<ul style="list-style-type: none"> • Single combined budget • Accounting per each contract • Pool municipal dues to match unobligated CCMPO federal funds and/or other resources • Commitment to hold municipal dues flat for next 3 fiscal years at a minimum. • Single invoicing and payments • Single audit • Single Human Resources management system • Unified project management system • Single Unified Planning Work Program <ul style="list-style-type: none"> ○ Coordinated with GBIC work program
Operations	<ul style="list-style-type: none"> • CCMPO <ul style="list-style-type: none"> ○ 1 full time equivalent (FTE) Executive Director ○ 1.5 FTE administrative staff ○ 7 FTE planners/engineers • CCRPC <ul style="list-style-type: none"> ○ 1 FTE Executive Director ○ 1.5 FTE administrative staff ○ 6 FTE planners • Separate policies for Procurement, Financial Administration and Personnel • Two accounting systems 	<ul style="list-style-type: none"> • Unified staff <ul style="list-style-type: none"> ○ 1 FTE Executive Director ○ 1 FTE Assistant / MPO Director ○ 3 FTE administrative staff ○ 13 FTE planners / engineers • Unified policies for Procurement, Financial Administration, and Personnel • One accounting system

Subsequent to the discussions with municipal elected officials, a follow-up joint board meeting was held on November 3, 2010. At that meeting the following motion was adopted unanimously:

To continue to follow the plan of action and schedule as outlined in the "Meeting the Challenge" report (dated 10/27/10) and specifically to develop a more detailed plan for potential consolidation of the CCRPC and CCMPO by drafting the necessary documents (bylaws, budget, unified planning work program, and other documents that may be needed) for:

- *Review by the CCRPC and CCMPO boards in March, 2011;*
- *Consideration and action by the municipalities between March and May, 2011; and,*
- *Consideration and action by the CCRPC and CCMPO boards in May, 2011.*

The two boards of directors are working together with staff support to implement a merger for Fiscal Year 2012 if possible. Coordination with the Greater Burlington Industrial Corporation (GBIC) will continue with regards to our mutually supportive work programs.

IV. Budget Implications

The following bullets highlight budget savings to date and expected additional savings if the organizations are merged. These financial considerations were shared with the municipalities during the September and October discussions.

A. Cost Cutting

- CCRPC and CCMPO are co-located and recently relocated to reduce office rental costs by \$40,000 annually;
- CCRPC has reduced expenses by over \$64,000 or 8% of their total budget in last two years;
- CCMPO's overhead expenses have increased less than 1% since FY09;
- CCRPC eliminated a Deputy Director position in FY10;
- First Year Direct cost savings expected from merger:
 - \$8,000 Audit
 - \$4,000 CCTV board meeting recording;
- Longer-term cost savings:
 - Reduced staff through attrition assuming no increase in work program needs
 - Reduced printing/postage;
- Productivity increase expected by reducing overhead work and increasing direct program services - \$10,000 estimated; and
- Potential longer-term revenue opportunity by combining municipal match/assessments will provide more opportunities for leveraging federal and state grants as CCRPC only uses about 50% for matching purposes currently.

B. Municipal Assessments

- Combined municipal assessment increases have averaged \$7,000 per year;
- CCRPC municipal assessments have increased from \$111,000 in FY2008 to \$124,000 in FY2011 = 12% increase or about 3.5% per year;
- CCMPO municipal assessments have increased from \$107,000 in FY2008 to \$116,000 in FY2011 = 8% increase or about 2.8% per year;

- CCMPO’s municipal assessment of \$116,000 is used to assist in meeting the 10% local match requirement. For this year’s budget of \$2.9 million, \$290,000 in local match will be generated from a variety of qualifying organizations – including the municipalities;
- Combined municipal portions of our budgets are \$240,000; and
- With consolidation/merger the organizations commit to no dues increase for at least three years – for combined savings to municipalities of \$7,000 per year.

V. Governing Authorities

A. Statutory Authority of the CCRPC

The legal basis and powers for this Regional Planning Commission stem from and are as stipulated in 24 V.S.A. Chapter 117, Section 4301 et seq., as amended, and such other laws as may be enacted by the General Assembly of the State of Vermont.

The State calls upon each RPC to fulfill the following duties:

- Promote the mutual cooperation of the RPC’s member municipalities and cooperate with neighboring states, regions, counties, and municipalities;
- Assist and advise municipalities in the preparation of plans, studies, and bylaws regarding the appropriate development and use of the region’s physical and human resources;
- Prepare a regional plan;
- Review proposed State capital expenditures for compatibility with the RPC’s regional plan and assist municipalities in assessing compatibility with municipal plans;
- Appear before District Environmental Commissions to aid in *Act-250* reviews of proposed developments and appear before the Public Service Board to aid in *Section-248* reviews of proposed utilities; and
- Confirm municipal planning programs and approve municipal plans.

B. Statutory Authority of the CCMPO

Metropolitan Planning

Statewide and metropolitan transportation planning processes are governed by Federal law (23 USC 134 and 135). Applicable state and local laws are required if Federal highway or transit funds are used for transportation investments. Federal planning regulations are codified in 23 CFR 450. Metropolitan transportation planning is the process of examining travel and transportation issues and needs in metropolitan areas. It includes a demographic analysis of the community in question, as well as an examination of travel patterns and trends. The planning process includes an analysis of alternatives to meet projected future demands, and for providing a safe and efficient transportation system that meets mobility while not creating adverse impacts to the environment. In metropolitan areas over 50,000 population, the responsibility for transportation planning lies with designated Metropolitan Planning Organizations (MPO).

Title 23 U.S.C. § 134 (d)(1)(A):

(d) Designation of metropolitan planning organizations.

(1) In general. To carry out the transportation planning process required by this section, a metropolitan planning organization shall be designated for each urbanized area with a population of more than 50,000 individuals.

(A) by agreement between the Governor and units of general purpose local government that together represent at least 75 percent of the affected population (including the largest incorporated city (based on population) as named by the Bureau of the Census); As provided for in federal law, once an MPO is designated, that designation shall remain in effect until the MPO is re-designated as provided for under Title 23 U.S.C. § 134 (d)(5):

Title 23 U.S.C. § 134 (d)(5):

(5) Redesignation Procedures. A metropolitan planning organization may be redesignated by agreement between the Governor and units of general purpose local government that together represent at least 75 percent of the existing planning area population (including the largest incorporated city (based on population) as named by the Bureau of the Census) as appropriate to carry out this section.

The Federal Regulations governing the implementation of Title 23 U.S.C. § 134 (d)(5) go on to outline the following in 23 C.F.R. § 450.310(k)(1)(2):

(k) Redesignation of an MPO (in accordance with the provisions of this section) is required whenever the existing MPO proposes to make:

- (1)** A substantial change in the proportion of voting members on the existing MPO representing the largest incorporated city, other units of general purpose local government served by the MPO, and the State(s); or
- (2)** A substantial change in the decision-making authority or responsibility of the MPO, or in decision-making procedures established under MPO by-laws.

VI. General Background

A. Formation of the CCRPC

On March 1, 1966, 15 municipalities voted to establish CCRPC and adopted CCRPC's charter (Appendix C) and bylaws on May 2, 1966. CCRPC amended its bylaws in 1972 to expand membership beyond one representative appointed by each of the County's 18 municipalities to include five at-large Commissioners, each representing a special subject area (Agriculture, Business/Industry, Conservation/Environment, Socio-Economic/Housing, and Transportation). In 2001, Buels Gore (the County's 19th municipality) officially joined CCRPC.

B. Formation of the CCMPO

Appendix D, CCMPO Formational Memorandum, April 20, 1983, outlines the establishment of the MPO planning function in the census-designated Urbanized Area of Chittenden County (there were nine communities included in the Urbanized Area as of the formation of the CCMPO in 1983) as the federally designated Metropolitan Planning Organization for the Chittenden County Urbanized Area as allowed for in Title 23 U.S.C. § 134 (d)(1)(A).

On June 3, 1993, the nine rural communities of Chittenden County formed a Rural Planning Organization (RPO) to carry out a continuous, comprehensive, and cooperative transportation planning process for the rural communities of Chittenden County (see Appendix E).

As allowed for in federal statute, the CCMPO was expanded to include the nine rural communities of Chittenden County on January 28, 1998 by a vote of the CCMPO – once that action was taken, all 18 municipalities (now members of the CCMPO) voted to amend the bylaws of the CCMPO to include all 18 municipalities (See Appendix E). Since its formation the CCMPO has operated as the principal transportation planning organization for the region as prescribed under Title 23 U.S.C. § 134 (Metropolitan Planning).

C. Operational Functioning of the CCRPC and CCMPO

1. Operational Functioning of the CCRPC

CCRPC is governed by a 24 member board of directors called Commissioners. The 19 municipal members are appointed to two-year terms by their respective municipal legislative bodies. The five at-large representatives (representing Agriculture; Industrial/Business; Socio-Economic-Housing; Conservation/Environmental; Transportation) are appointed by the CCRPC. The Transportation seat is held by the CCMPO Vice Chair and Industrial/Business seat is held by the person recommended by GBIC.

The Commission develops and approves an annual Work Program and budget to guide the operations of the CCRPC. In FY 2011, the Work Program consists of 44 projects with a budget of \$1,250,000. Approximately, 26% of this funding is provided by the State through the Agency of Commerce. Ten percent is provided by municipalities and the remaining 64% is the implementation of a variety of State and Federal programs for the benefit of our municipalities and the State. Staff and committees, as needed, assist the Commission with implementing these programs. The percentages of our work program by topic area are: 33% municipal/regional planning, 37% transportation planning and byways, 13% emergency management planning and preparedness, 10% energy implementation, and 7% brownfields/natural resources. Approximately 25% is consultant work.

The Board of Directors meets in public session on the fourth Monday of each month. All scheduled Board of Directors meetings are open to the public and are aired on local access TV (CCTV). The CCRPC encourages public participation in the regional planning process.

2. Operational Functioning of the CCMPO

While the CCRPC provided operational staff functions to the CCMPO during its initial years (1983-1997) the CCMPO hired its own Executive Director and staff in 1997. Since that time, the CCMPO has had its own professional transportation planning staff and contracted with private sector firms for transportation planning services. The CCMPO continues to contract with the CCRPC for transportation-land use planning services.

In its role as the MPO, the CCMPO administers approximately \$30 to \$40 million annually in federal transportation projects in consultation with the State and the local transit authority; evaluates and approves proposed transportation improvement projects; provides a forum for interagency cooperation and public input into funding decisions; sponsors and conducts studies, assists the region's municipalities with planning activities, and develops and updates various transportation planning documents (see list of required documents on page 8).

The CCMPO is governed by a Board of Directors, which consists of a representative appointed by each of the 18 participating municipalities and one representative from the Vermont Agency of Transportation (VTrans). The board also includes, as ex-officio (non-voting) members, representatives from the Chittenden County Regional Planning Commission (CCRPC), the Chittenden County Transportation Authority (CCTA), Burlington International Airport, Vermont Transportation Authority (VTA), the rail industry and the Federal Highway Administration (FHWA). Representatives of interests related to freight movement, land use planning, and other special interests within the community also participate directly in the CCMPO process through various committees. All of these municipalities, agencies and interests work together in a comprehensive, continuing, and cooperative process to meet the region's critical transportation needs.

The Transportation Advisory Committee (TAC) aids the Board of Directors with technical recommendations on action items to be considered by the board. The TAC is comprised of planners and engineers from member municipalities and agencies, as well as appointed representatives of the region's public interest groups. As warranted, the TAC will appoint special subcommittees to focus on specific topics or projects. The board and TAC are supported by the CCMPO professional staff, located in Winooski.

The CCMPO prepares and updates a number of federally mandated documents that detail the investments and planning activities that will address regional transportation. The major planning documents include:

- **Metropolitan Transportation Plan (MTP):** Updated every five years, the MTP sets out a vision for the development of the region's transportation infrastructure over the next 20 years. It includes goals and objectives, analyses of regional trends, and planned improvement projects throughout the county in all modes of transportation.
- **Transportation Improvement Program (TIP):** Updated annually, the TIP is a four-year financial plan for transportation improvement projects and activities. To be eligible for federal funding, proposed projects must be approved by the CCMPO board for inclusion in the TIP.
- **Unified Planning Work Program (UPWP):** Updated annually, the UPWP describes the transportation planning activities of the CCMPO staff, its member municipalities and other transportation and planning agencies conducting work in the region and budgets the available federal, state, and local metropolitan transportation planning funds from all sources. The fiscal year 2011 budget totals just over \$3 million, the fiscal year 2010 budget finished at \$2.4 million with 61% of funding (\$1.46 million) allocated to consultants, 24% of funding allocated to staffing (\$576,000) and 15% allocated to administration (\$360,000).

All scheduled Board of Directors, TAC and subcommittee meetings are open to the public (Board meetings are aired on local access TV (CCTV)). The CCMPO welcomes and encourages public participation in and input to the metropolitan transportation planning process. The Board of Directors meets in public session on the third Wednesday of each month. The TAC also meets monthly, usually on the first Tuesday. All regular CCMPO meetings include an opportunity for public comments on pertinent issues. In addition, public hearings on specific items, such as amendments to the TIP, are held as needed throughout the year.

The Appendices which follow provide additional background and historical information.

Appendix A

CHITTENDEN COUNTY REGIONAL COOPERATION PROGRESS REPORT AND PLAN: “MEETING THE CHALLENGE”

Appendix B

CCMPO-CCRPC Merger Discussions with Elected Officials

Fall 2010 Schedule

Appendix C

CCRPC Charter

ADOPTED by the Commission May 2, 1966

AMENDED by the Commission May 26, 1997

AMENDED by the Commission September 28, 1998

Appendix D

CCMPO Formational Memorandum of Understanding
April 20, 1983

Appendix E

CCRPO Formational Memorandum of Understanding
June 3, 1993

Appendix F

CCMPO Expansion to Include CCRPO: Special Meeting Minutes

January 28, 1998