

Agenda Item Number 4.

Report of the Executive Committee

Presenter: George Kloeppe

Action Recommended: None. Information Only

Meeting Notes:

Meeting of January 8, 2009

The LCOG Executive Committee was called to order at 5:30 on Thursday, January 8, by Board Chair Greg James in the LCOG Park Place Office in Eugene.

Members present were:

Willamalane P&R District Director Greg James
SD 19 Director Al King
Coburg Mayor Judy Volta
Lane ESD Director Sherry Duerst-Higgins
Lane County Commissioner Faye Stewart (by conference phone)
Oakridge Mayor Don Hampton (by conference phone)
Florence Mayor Phil Brubaker (by conference phone)

Staff members attending included Bob Swank, Byron Vanderpool, Kay Metzger, Jamon Kent, Ann Mortenson and George Kloeppe. The Committee considered:

February Board Meeting

Kloeppe proposed that Board meeting materials for Board members continue to be mailed in paper form, but that the remaining “meeting packets” be made available electronically on the agency’s website. Notice would be sent to approximately 80 people in the latter category with a link to the meeting agenda and background material. The Committee endorsed the proposal without formal vote.

Kloeppel noted that a meeting location had not been secured for the February 26 meeting. There followed some discussion about the reluctance of Board delegates to offer to host a meeting. Greg James indicated that Willamalane would be happy to host, if the facility is available. Kloeppel was asked to contact Bob Keefer at the district in this regard [the facility was not available].

Kloeppel distributed a preliminary listing of topics expected to come before the Board in February. He noted that the Board had agreed to spend an hour of that meeting in a planning session. In addition, the annual report of the Metropolitan Planning Organization was scheduled to be presented by Mayor Sid Leiken, the Mid-Year Financial Report was scheduled to be presented, S&DS advocacy “talking points” were to be distributed and discussed, and Board members’ information packets were to be distributed. Kloeppel noted that in the coming weeks, the agenda would undoubtedly be expanded, but that adequate time would be preserved for the planning session

Board of Directors’ Planning

The Committee discussed the planning session, scheduled for February 26. It was noted that the Board members should be encouraged to freely participate in the identification of significant regional issues. Also, the Board should be asked to identify any internal or organizational issues deserving further consideration. Kloeppel suggested that the key questions could be: “What are the most significant challenges facing local government” and “How can LCOG best help you over the next few years?”

The Committee reminded staff that “left-over” topics and regional issues should be brought forward for reconsideration, and that “economic dislocation” needed to be considered as a centerpiece regional issue. The Committee requested that the Director recruit a facilitator, not on the LCOG staff; but urged that it be made clear that the group did not need cute ice-breaking devices. The Committee asked staff to arrange the session in such a manner that all Board members be encouraged to participate (going around the table) and the discussion be directed toward what local governments and the COG can do together. Another suggestion involved identifying products and services to “justify” COG membership. The perceived cost of contract services from LCOG was noted as an issue. Additional suggestions involved the possible benefit of “re-packaging” LCOG services and taking more advantage of the perceived economies of “outsourcing.”

Kloepfel was asked to review with the Committee by email the possibilities for a facilitator.

Executive Director Biennial Performance Review

Greg James announced to the Committee that an Executive Director Performance Review should be conducted in early 2009, with results reported to, and discussed by, the Board at the June 25 meeting. He asked the Committee about the value of the “360 degree” Reviews conducted in 2005 and 2007. It was noted that participation had been significantly increased by using the “360 degree” technique. Asked about his tenure at LCOG, Kloepfel noted that he had been LCOG’s Executive Director for 27 years; he indicated that he had no specific retirement plans, but that it would be reasonable to assume that a leadership change would be needed within three years. It was suggested that something less extensive than the “360 degree” Review process utilized in 2007 might be appropriate—a “360 Lite.” Greg James indicated that he would contact Jeff de Franco (the consultant for the last two Reviews) and ask about a “360 Lite.” The Committee agreed to decide in February about the nature of the Review and whether to seek a performance self-assessment from Kloepfel.

Possible Orientation for Board Members

Kloepfel noted that LCOG regularly had “new” Board members, but that a special effort should be made to orient the members of the Board at the beginning of the calendar year, when new appointments were made by member jurisdictions. The Committee was asked how the staff could accomplish this most effectively. There was a reluctance to commit a 10-15 minute portion of Board meetings to this task; some interest was shown for having a pre-meeting session with the staff, with participation self-selected by Board members. The best way of orienting a new Board member, it was argued, would be for one-on-one sessions with the Director. It was agreed that packets would be made available to all Board members at the February meeting.

Public Official Training Session

Kloepfel reminded the members of the Committee that LCOG had facilitated every-other-year training sessions for elected and appointed public officials. The sessions were conducted by attorneys from the firm of LCOG’s Legal Counsel. He noted that the content had been substantial, but that attendance had been light in recent years. He sought the Committee’s opinion on a proposal to produce a video

that would serve the same purpose and be available on DVD for all member agencies. Committee members were receptive but asked staff to determine whether such video training tools were available from the LOC or other sources.

S&DS Legislative Talking Points

Kay Metzger, SDS Director, distributed wallet-size cards with potential “talking points” as aids to conversations with legislators. She asked for feedback with respect to tone and use of jargon. Several suggestions were offered, and Kay indicated that the card would be refined prior to the February Board meeting.

Mid-Year Financial Report

The Committee reviewed a 2nd Quarter Financial Report scheduled for presentation to the Board in February. It was noted that at the mid-year point revenues were running well in advance of expenditures. Kloepfel observed that approximately 49 percent of “personal services” (salary and benefits) authorization had been utilized in the first half of the year. He also call the attention of the Committee to the percentage numbers under revenue for both the federal and state governments, and explained that the State was requiring funds that had been credited to the federal government to now be assigned to the state. This change was contrary to the opinion of LCOG’s Auditor, but the position of the State prevailed. He indicated that the adjustment would be made at the time of the Revised Budget in the spring.

Information Item: Appreciation Dinner

Kloepfel reported that plans for the LCOG Appreciation Dinner on January 22 were in place and that reservations were coming in.

Meeting of February 12, 2009

The LCOG Executive Committee was called to order at 5:30 on Thursday, February 12, by Board Chair Greg James in the LCOG Park Place Office in Eugene. Members present were:

Willamalane P&R District Director Greg James
SD 19 Director Al King
Coburg Mayor Judy Volta
Lane ESD Director Sherry Duerst-Higgins

Eugene Councilor Chris Pryor
Oakridge Mayor Don Hampton
Florence Mayor Phil Brubaker (by conference phone)

Staff members attending included Bob Swank, Byron Vanderpool, Kay Metzger, Jamon Kent, Ann Mortenson and George Kloeppe. Also present were Jeff de Franco, Springfield School District and True North Consulting, and Stan Biles, consultant. The Committee considered:

February Board Meeting

Kloeppe distributed a draft of the agenda for the February 26 meeting of the Board of Directors. Noting that several of the items were to be covered by the Executive Committee, he noted that the Board should make every effort to allow at least an hour for the Planning Session, item 15. He observed that Bob Doppelt, UO, had expressed a strong desire to make a “climate change” report (item 14.a) but understood that time for discussion would be very limited. Similarly, the S&DS Financial Status Advocacy item (number 11.a) could appropriately take some time, but S&DS Director Kay Metzger is aware of the limitations. Kloeppe observed that, based upon the Committee’s recommendation, there could be a Member Dues item for the Board’s consideration.

Board Planning Session, Regional Issues

Kloeppe introduced Stan Biles who had been retained to serve as a facilitator for the Session. Kloeppe called the Committee’s attention to his pre-meeting memorandum in which it was suggested that the Focusing Question be:

What can the LCOG Board do to improve the well being of the region?

He noted that the identification of “regional issues” was still an important part of the Board’s task, and reminded the Committee that the Board had previously agreed that a *regional issue* needed to involve multiple jurisdictions and multiple types of jurisdictions. As an attachment to Kloeppe’s February 5 memo, a sampling of topics for consideration was offered. The four categories of topics were: The economy, human services, infrastructure, and safety & security. Stan Biles indicated that the short time available for the planning work required that the Board be provided information in advance and that the Session itself move expeditiously. The Committee concluded that Kloeppe’s list was too expansive to serve as an effective catalyst for the Board’s consideration. It was decided that a

focus on the economy would be appropriate—particularly in light of the fact that the other three areas were or would be impacted by a good/bad economy and certainly by state and federal stimulus efforts. It was agreed that a report (Vanderpool) on the “stimulus package” should immediately precede the Planning Session at the Board meeting. It was agreed that the pre-meeting material should include an explicit outline of the Session, as planned, and should include enough catalyst information to prompt a healthy discussion by the Board. Stan Biles would work with Kloepfel to prepare the material—to be mailed on February 18.

Executive Director Biennial Performance Review

Greg James introduced Jeff de Franco who had facilitated biennial performance reviews in 2005 and 2007. De Franco outlined the “360 Degree” review process that had previously been employed—seeking input with different questions asked of different stakeholder groups, including staff, CEOs, Board members, and others. The Committee expressed the belief that a less extensive survey, perhaps involving only a single set of questions of a smaller sample might be appropriate. Kloepfel noted that the input would be informative, not only to his performance, but to the agency’s performance, and that such data would be useful when a leadership change was made in the future. It was decided that a single questionnaire would be used and that a subcommittee (James, Duerst-Higgins and Volta) would work with de Franco to structure the inquiry. Kloepfel suggested that the timing of the Review should allow the Committee to reach its conclusions and develop its report prior to the June 26 Board meeting. By motion (Pryor and King) the Chair was authorized to spend up to \$2,000 for De Franco’s services.

Advocacy, Tax Expenditure Reduction

Kloepfel called the Committee’s attention to previously distributed material from the Rogue Valley Council of Governments (Central Point, Oregon) seeking LCOG support for an advocacy position calling for a “minor and temporary” reduction in a “majority” of tax exemptions in the range of 5 to 10 percent. RVCOG, which had supported to concept, had projected that a 10 percent reduction in exemptions (excluding home mortgage, personal income tax and employer health care benefits) would yield approximately \$800 million in new revenue for the next biennium. The Committee considered the advocacy request that LCOG join in supporting the proposal advanced in RVCOG’s February 4 letter to the Governor. It was the Committee’s decision not to recommend that the Board advocate for the proposal.

FY 2009-10 Member Dues Schedule

Kloeppel noted that the Committee and the Board of Directors had adopted the rates for the member dues for FY 2009-10 in December 2008. The rates were based in part upon the CPI data available for the year ending in August. The Committee and the Board opted to apply a lower inflation factor than indicated by the CPI at that time. The dues request letters to member governments were sent by the staff. Recognizing the national and local inflation percentage has substantially lowered in the past six months and, further, that one large member jurisdiction has expressed concern over the 3 percent increase called for by the December action of the Board, Kloeppel recommended that the Committee consider reversing the rate increase for FY 2009-10, maintaining the rate that has been in place for the current fiscal year. It was noted that, if endorsed by the Committee and adopted by the Board, a Revised Dues Schedule could be provided to the membership. Some members would be asked to pay slightly more than in FY 1008-09 and some less, because of changes in population, student enrollment etc. But overall, the financial burden on local governments associated with LCOG membership would be reduced in recognition of the difficult economic circumstances facing many member governments. It was noted that the impact on LCOG would be in the \$7,000 range and that the budget for the coming year would apply the lower revenue amount. The Committee discussed Kloeppel's recommendation and determined that it should be recommended to the Board for approval at the February 26 meeting. Staff was requested to prepare a revised Dues Schedule and to place the issue on the Board agenda. Kloeppel thanked the Committee for considering the issue and asked that the "cost-of-living" factor be borne in mind as dues rates for future years are considered.

Lane Economic Committee Appointment Recommendations

The Committee reviewed a February 5 memorandum from Steve Dignam, sent on behalf of the Lane Economic Committee. The LEC had, pursuant to its Bylaws, prepared recommendations for five appointments to the body. It was noted that, with the Executive Committee's endorsement the formal appointments would be placed on the Board's Consent Agenda. Recommended were four reappointments of current members and the appointment of Jacqui Morgan, Assistant City Manager in Florence. By motion (Duerst-Higgins and Brubaker) the LEC's request was endorsed with a recommendation that the Board formalize the appointments on February 26.

Supporting Agency Staff in Time of Economic Uncertainty

Kloepfel noted that the anxiety level among staff—particularly staff of the Senior and Disabled Services division—was high. He indicated that management was well aware of the need to provide good information regarding budgets and to demonstrate that it was doing everything possible to maintain staff members' employment. He acknowledged Kay Metzger's work in communicating with her division staff as circumstances within the federal and state governments' decision processes change.

Appreciation Dinner De-Brief

Comments were sought and offered regarding the January 22 LCOG Appreciation Dinner. It was the Committee's general feeling that the event had gone well. The somewhat unique menu choice was well-received; the timing was about right; and the awards were well presented. Greg James offered his apologies for having to miss the Dinner, and thanked Chris Pryor for filling in as master of ceremonies.

S&DS Budget Status Report

S&DS Director Kay Metzger presented a status report on the budget issues confronting senior and disabled services. She noted that the Governor's Proposed Budget (GPB) for the coming biennium would result, statewide, in a loss of in-home care to some 6,590 clients, would cause at least 2,500 clients to lose all access to long-term care services, would cause approximately 1,700 clients to lose the medical care under OHP, and would cost the state \$39.4 million in federal matching funds. She indicated that in Lane County an estimated 335 clients would be impacted, stressing that many would also lose benefits that they now receive through Medicaid, such as medical coverage, home delivered meals, and transportation to medical appointments. She noted the economic impact of the GPB in this area could be expected to be the loss of an equivalent of 83 full-time positions. She stressed that the estimated impact on Lane County's economy due to the loss of income would be approximately \$145,000 per month, or \$1.7 million per year. The GPB would result in an estimated 442 people in Lane County losing their Medicaid coverage—373 of them currently living in group settings.

Metzger noted that these data apply to the new biennium budget of the State. However, she pointed out that declining revenue projections in the current biennium are likely to result in mandatory reductions in service, locally and statewide—before the end of June.

She noted that the federal economic stimulus legislation would adjust the state-federal matching requirements for Medicaid (\$87 billion nationwide) and potentially yield over \$800 million in General Fund relief to Oregon over the biennium. However, that advantage is at some risk within the legislative process and it is not certain that the additional money would be retained within the Department of Human Services to maintain (or cushion to loss of) services to Medicaid clients.

Metzger called the attention of the Committee to a Legislative Forum on March 7, and stressed the need for effective communication with members of the Legislature. She distributed several pieces of written background information for the Committee's review, including four "Key Points" regarding the impact of the Governor's service reduction proposals.

Economic Stimulus—State and Federal

Government Services Director Byron Vanderpool reported to the Committee on what was known of the impacts of the American Recovery and Reinvestment Act of 2009. He distributed a fact sheet from Speaker Pelosi's office and highlighted significant elements of the House and Senate versions. Some of particular relevance to this region included the Medicaid match adjustment, noted above, a \$100 million for Home Delivered Meals, \$150 billion for infrastructure, including \$49.6 for transportation infrastructure, and \$7 billion for "broadband expansion." He noted the varying timelines for commitment of the funds and the several paths through which the funds are expected to come. Vanderpool reported—as rough estimates—the likely impact in Oregon, including some \$280 million for K-12 education, \$320 million for surface transportation (roads, bridges, etc.) with the Central Lane MPO expected to receive something in excess of \$5.8 million. LTD would receive approximately \$6 million from the stimulus legislation. Vanderpool explained that all of the amounts and timelines were subject to adjustment, but that it was clear that quick commitment of funds and the creation of jobs were paramount. He indicated that LCOG had been working with member jurisdictions for several months in preparation for the stimulus package—with the COG's primary focus in the areas of Medicaid, transportation and economic development. In addition, he noted, the COG would be working with partners in these areas, as well as developing projects in alternative energy, weatherization, communications and public safety. The Committee discussed Vanderpool's report and asked questions.

LCOG Budget Process

Kloeppel reminded the Committee that at its March meeting it would be asked to appoint one citizen-member to a three-year term on the six-member Budget Committee and three Board members to one-year terms.

New LCOG Member

Kloeppel reported that the River Road Park and Recreation District had decided to join LCOG.

March 12 Executive Committee Meeting

Kloeppel reported that, because of a meeting of the board of the West Coast Corridor Coalition in San Diego and his scheduled arrival at the Eugene Airport at 5:30 on March 12, he would be a little late to the Committee's meeting.