

# Agenda Item Number 4.

## Report of the Executive Committee

**Presenter:** George Kloeppe

**Action Recommended:** None. Information Only

### Meeting Notes:

#### Meeting of January 21, 2010

The LCOG Executive Committee was called to order at 5:30 on Thursday, January 21, by Board Chair Chris Pryor in the LCOG Park Place Office in Eugene.

Members present were:

Willamalane P&R District Director Greg James  
Bethel School District Director Alan Laisure  
Coburg Mayor Judy Volta  
Lowell Mayor Warren Weathers  
Eugene Councilor Chris Pryor  
Lane County Commissioner Faye Stewart

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

#### February 2010 Board of Directors Agenda

Kloeppe distributed a listing of topics expected to be on the Board of Directors' agenda on February 25.

#### Lane Economic Committee Appointments

On behalf of the Board and at the recommendation of the LEC, the Committee was asked to appoint four members to the Lane Economic Committee. By motion

(Stewart/Weathers) Pat Albright, Phillip Hudspeth, Mike Sullivan and Greg Rikhoff were appointed to 3-year terms.

### **Park Place Building Tenant Improvements, Bond Waiver**

Associate Director Bob Swank presented a memo which included that recommendation that the Committee approve a waiver of the bond requirement for the construction of improvements for the federal Public Defender's office in the Park Place Building. He reported that, because of the safeguards in the construction manager/general contractor process, no payments would be made until contractor and sub-contractor work was certified as complete by the project architect. Further, money would be retained (held back) until the project's completion. Swank expressed the belief that the agency was well protected and, because the bond would cost in excess of \$4,000, he recommended that it be waived. The Committee discussed the staff recommendation and determined that the bond should be purchased.

### **Follow-Up to Planning Session: Pursuit of Economic Development**

The Committee reviewed a memorandum from Kloeppe, which summarized the Board's response to the Committee's previous recommendation for an agency project that would emphasize human services and communication, utilizing a Board-level task force and additional knowledgeable community members. At its meeting in December, the Board had asked that the focus be redirected toward economic development. The Committee discussed the Board's conclusions and present options. It was noted that the concept of focusing on a regional need, which could be enhanced by LCOG involvement, had grown out of the Board's September Planning Session. The consensus of the Committee was that there remained a place for consideration of human services and outreach/communication, along with jobs creation, inasmuch as the most important goal would be the creation (or improvement) of the climate for enhanced prosperity. It was the Committee's belief that such a shift in "climate" would need to be driven by several elements of community well-being. It was noted that the Board had authorized the Chair to "designate a task team." After considerable discussion, it was agreed that Kloeppe would write a description of a focus project that would involve a task team including non-Board members. The team would also be expected to utilize subgroups to consider action steps that could be taken to improve the climate for enhanced prosperity. The task team would be formally established and charged by the Board at the February 25 meeting and would be asked to meet and to return to the Board in April with its recommendations.

## **FY 2008-09 Financial Statements and Audit Report**

Associate Director Bob Swank noted that the Audit Committee had met with the auditor, Forrest Arnold, on January 14. Arnold had explained that the completion of the audit report had been delayed by several factors this year. He noted that the death of the agency's Financial Supervisor had required ~~had~~ staff members to fill the void; he also noted that a document from Umpqua Bank had been slow in coming. Arnold indicated that the report was expected to be presented to the Board of Directors in February. He was able to affirm that there would be no audit "findings," and that his firm's examination had found no inappropriate actions. Swank reported that the current audit would complete the obligations of Jones & Roth under a three-year contract. While ~~two one~~ additional two year renewal years periods could be contracted, the Committee briefly discussed the possibility of soliciting proposals for the 2009-10 audit review. As to the Financial Statements/Audit Report document (94 pages), it was suggested that the staff ask Board members if they wanted a hardcopy for the February meeting, or if an electronic copy would suffice.

## **Executive Committee Meeting Times and Dates**

Kloeppel asked the Committee members about their preferences for meeting dates and times. After some discussion, it was decided to hold regular Committee meetings on the second Thursday of the month at 5:30

## **Organizational Development**

Kloeppel reported that the staff management team was engaged in a strategic visioning process, assessing the factors likely to impact the agency over the next five years. The pre-meeting packet had included a worksheet with eleven "warm-up questions" to be addressed by the management team on January 25. Kloeppel suggested that some of the questions were internally focused, but that others solicited projections for the next five years on such topics as the future of regional agencies, LCOG's service mix, the changing circumstances of member agencies, funding, etc. Such issues were, in Kloeppel's view, suitable for the consideration of the Executive Committee and the Board. Committee members indicated that they would be interested in hearing of the outcomes and conclusions of the visioning effort.

## Meeting of February 11, 2010

The LCOG Executive Committee was called to order at 5:30 on Thursday, February 11, by Board Vice Chair Judy Volta in the LCOG Park Place Office in Eugene. Members present were:

Willamalane P&R District Director Greg James

Lane ESD Director Sherry Duerst-Higgins

Coburg Mayor Judy Volta

Lowell Mayor Warren Weathers

Florence Mayor Phil Brubaker (by phone)

Lane County Commissioner Faye Stewart

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

## February 2010 Board of Directors Agenda

Kloepfel distributed a draft agenda for the Board of Directors meeting of February 25. He particularly drew attention to item 9.a, Financial Statements and Audit Report; 10.a, RLIDv2 Presentation; and 13, Developing a Climate for Prosperity. After some discussion, the agenda was considered appropriate for the upcoming meeting.

## SDS Program Year Highlights

To be presented to the Board of Directors under agenda item 11.a, Kay Metzger provided an overview of the division's work during the past year.

## Pursuit of a Climate for Enhanced Regional Prosperity

The recommendations resulting from the Committee's substantial discussion of a special project are summarized in the AIS for item 13 before the Board of Directors. Recommended to the Board of Directors is a process intended to identify the steps that the COG organization should take to enhance economic well-being, improve communication and improve human services coordination

## **FY 2008-09 Financial Statements and Audit Report**

The agency's Financial Statements for the last fiscal year are being presented to the Board of Directors under agenda item 9.a. The Committee was told that the outstanding letter from Umpqua Bank had been received and the Audit Report was, thereby, finalized by Jones & Roth.

## **Agency Audit Contract**

Associate Director Bob Swank reminded the Committee that the recently released audit of FY 2008-09 transactions by Jones & Roth completed the firm's work under a three-year contract. Swank noted that the contract could be renewed, but indicated that a choice to renew or to seek bids rested with the Executive Committee and the Board. After some discussion, led by members of the Audit Committee that had met in January with Forrest Arnold of Jones and Roth, it was decided to seek responses to a Request for Proposal for audit services. It was acknowledged that the staff of Jones and Roth is quite familiar with LCOG's operation and financial structure and might well be the most appropriate firm for the audit work in the next few years. However, it was felt by the Committee that the goals of due diligence and good stewardship would be best met by testing the marketplace.

## **Appreciation Dinner Review**

The Committee discussed the annual Appreciation Dinner, held on January 28 at LCC's Center for Meeting and Learning. The Committee's view was that the event was well designed and conducted. The location and the food were given high marks. The Committee asked staff to provide Board members with a comment card at the February 25 meeting. The results of that solicitation would then be revisited by the Committee before decisions had to be made regarding next year's event.

## **Organizational Development**

The Committee reviewed a memo and a January 1986 Report to the Board, both from George Kloeppe. Discussion revolved around the effort, described previously, by which the agency management team was working to identify a constructive course for the next five to ten years. Kloeppe noted that the 24 year-old report had captured the changes in the organization during his first five years as

Executive Director and that the direction which was in place in 1986 has been in large part continued.

### **Board and Executive Committee Responsibilities**

The Committee discussed the “division of responsibilities” outline that was endorsed by the Board in 2004. The shift in responsibility at that time was due to a significant Bylaw change and a decision by the Board to delegate more policy work to the Executive Committee. It was suggested that the subject be re-visited at the March Committee meeting.

### **September Board Meeting Date**

It was noted that the regular Board meeting in September would fall on the 23<sup>rd</sup> and that the League of Oregon Cities would be starting its annual conference in Eugene that evening. It was suggested that the Board be asked if this posed a conflict. It was also observed that September had a fifth Thursday, so an adjustment might be possible as long as there was not another conflict.

### **Information Items**

The Committee heard reports and considered:

- The Mid-Year Financial Report that will be considered by the Board under item 12.a
- The Northwest Corridor Rail Summit, to be held at LCC on March 9