

Agenda Item Number 4.

Report of the Executive Committee

Presenter: George Kloeppe

Action Recommended: None. Information Only

Meeting Notes:

Meeting of May 14, 2009

The LCOG Executive Committee was called to order at 6:30 on Thursday, May 14, by Board Chair Greg James 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
Oakridge Mayor Don Hampton (by conference phone)
Eugene Councilor Chris Pryor

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

June Board Topics

A preliminary listing of the topics proposed for consideration by the Board at its June 25 meeting was distributed and discussed. It was noted that the most significant action items would be the adoption of the FY 2009-10 LCOG Work Program and Budget and the adoption of an amendment to the LCOG Bylaws. The Committee reviewed the topics listing and concluded that a specific “discussion topic” was not needed, given the probable length of the meeting. To the items on the list were added updates on the 2009 Legislative Session and the federal ARRA funding. About Board meetings generally, the Committee asked that in-house reports be shortened and that items be moved to the Consent Agenda or

Information section of the agenda. Kloepfel recommended that the previously suggested meeting of the Board in July be cancelled. He indicated that there was not a pressing need for the July meeting and that he perceived the Board's enthusiasm for a pre-planning, "optional" meeting as being limited. The Committee, without vote, agreed that the "extra" Board meeting in July should not be held.

Kloepfel announced that the annual meeting of the four-county Cascades West Economic Development District (CWEDD) would be held on Friday, June 5, from 2:00 to 4:00 in Albany. He indicated that the board of the CWEDD was comprised of the executive committees of the two COGs and two citizen representatives of the economic committees of each of the four counties. Kloepfel indicated that, as soon as the agenda and location were secured, notice would be provided to the LCOG Executive Committee. Members were urged to note the date and time and to plan to attend.

Board of Directors Planning Session—Regional Issues

The Committee discussed strategies for making good use of the proposed Planning Session in September. Greg James indicated that Willamalane would host the meeting on September 24. It was suggested that at 5:00 or 5:30 there be food and conversation. From 6:00 to 8:00 the formal session would be held. Staff was asked to minimize business items, but it was recognized that the September meeting is a formal meeting of the Board—one of only five during the year. There was agreement that the focus should be a continuation of the work that the Board had done in February—seeking to identify the most critical steps that the Board and the organization could take to improve the economic circumstance. Questions concerning the use of a facilitator and the tactic of utilizing small group discussions were explored. Staff was asked to apply the comments offered and to present a design for the Planning Session at the Committee's June 11 meeting.

Aging and Disability Resource Center

S&DS Director Kay Metzger reminded the Committee of the grant received by the State and LCOG to improve the quality of services to clients. Financial support has been provided by the federal Centers for Medicare and Medicaid. Sharing a graphic representation of the structure of the project, Metzger pressed the Committee members to share their perceptions of what is needed—what they, as individuals, would like to have available as resources when dealing with an aging

or disabled client or family member. The Committee discussed the elements of the project and expressed support for a highly relevant and valuable service.

COG Audit Committee

Greg James reminded the Committee that the agency's Audit Committee was a relatively new feature of the annual organizational audit. He said that the Committee was asked to meet with the auditor once prior to the auditor's review of the Financial Statements and, again, at the end of the process prior to the auditor's report to the Board in December. Committee members willing to serve on the Audit Committee would include Mayor Volta, Greg James and, if willing, Mayor Brubaker.

LCOG Bylaw Amendment

Kloeppel noted that a condition for the previously approved loan to support the improvements to the Park Place Building, Bond Counsel had requested a Bylaw provision that would clarify that the organization's earnings could not "inure to the benefit of private parties." A Bylaw amendment had been proposed to meet that requirement and would, with the Committee's approval, be considered by the Board in June. As a thirty-day advance notice is required prior to the consideration of changes in the Bylaws, an endorsement of the proposed amendment was urged under this agenda item. Chris Prior moved, seconded by Sherry Duerst-Higgins, to endorse the proposed amendment and to offer a Do-Pass recommendation to the Board. Motion carried.

Agency Legal Counsel, Request for Information

Administrative Coordinator Ann Mortenson briefed the Committee on the agency's efforts to survey the market for a possible change in LCOG's Legal Counsel. She explained that LCOG had utilized the firm of Harrang Long Gary Rudnick for some thirty years and that, over that time, several attorneys had served as primary counsel. In light of changes at the firm and the departure of LCOG's primary counsel, Glenn Klein, Mortenson suggested that consideration of a change was timely. He described the process for a Request for Information, indicating that the interest of the several firms engaged in public sector law would be sought. With the list narrowed, an interview process would be utilized to identify the most appropriate respondent. Members of the Committee expressed support for the process.

Park Place Building, CM/GC Findings Evaluation

Associate Director Bob Swank reminded the Committee that it served as the agency's Contract Review Board. A part of the responsibility of the Contract Review Board is to receive and review an evaluation of public improvement projects not contracted by public bidding. Previously, the Contract Review Board (Executive Committee) had adopted findings that supported the exemption to public bidding and approved a Contract Manager/General Manager contract. Swank noted that the pertinent statute requires an after-the-fact evaluation that considers the cost compared to original estimates, the guaranteed maximum price, and the number of changes orders issued. Also required was a narrative description of the project's successes and failures during the design, engineering and construction phases. He noted that the ORS provision requires an objective assessment of the use of the alternate contracting process. Swank reviewed a memo to the Committee dated May 7 in which the required points of evaluation were itemized. He noted that using the CM/GC process had resulted in savings of time and money—final costs incurred were some \$245,000 under the price estimate. Under the CM/GC process, the guaranteed maximum price of \$1,778,144 was increased by four change orders to a total cost of \$1,804,294. Attached to his memo was a narrative description of the experience, as compared to the findings, and of the “successes and failures” of the project. There were no significant failures to report. No action was required by the Committee (Contract Review Board). Swank was thanked for his work on the project.

Biennial Performance Review of the Executive

Greg James shared a draft questionnaire, prepared by True North Consulting, which would be used in a “360 Degree” review of the performance of the Executive Director. The questions and proposed recipients of the questionnaire were discussed by the Committee. With the addition of a provision to identify the frequency of interaction of the respondent with the Director, the questions were considered appropriate. It was decided to seek input from all five members of the Board of County Commissioners. Greg James announced that he had worked with Ann Mortenson on obtaining the appropriate email addresses and indicated that the survey would be distributed and available for responses between May 18 and May 29. He said that the data would be assembled and available for the Committee's review at its June 11 meeting. A report would then be made to the Board of Directors on June 26.

Meeting of June 11, 2009

The LCOG Executive Committee was called to order at 5:30 on Thursday, June 11, by Board Chair Greg James 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
Oakridge Mayor Don Hampton
Eugene Councilor Chris Pryor
Springfield School Board Director Al King
Florence Mayor Phil Brubaker
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:

June Board Agenda

A draft agenda for the LCOG Board meeting of June 25 meeting had been distributed with the meeting packet and was discussed. It was noted that the most significant action items would be the adoption of the FY 2009-10 LCOG Work Program and Budget, the confirmation of the appointments to the Nominating Committee and the Senior Service Advisory Council, and the adoption of an amendment to the LCOG Bylaws. The Committee reviewed the draft agenda and noted that there were substantial “Information” items. Kloeppe announced that LCOG had been notified that its application—on behalf of ten cities in the southern Willamette Valley—for funding from the federal EPA had been approved in the amount of \$471,638, and that a negotiated work program would be in place by the end of summer. Also to be added to the draft agenda were a report on the Performance Review of the Executive Director, and a description/discussion of the September Board Planning Session design.

Board of Directors Planning Session

The Committee discussed strategies for making good use of the proposed Planning Session in September at Willamalane. Kloeppe called the Committee’s attention to a June 4 memo in which he had raised some questions for the Committee’s consideration and shared some thoughts on focus, logistics and background

information. Greg James shared a handout on the “Café Conversation” approach to planning. There was agreement that at 5:00 or 5:30 there be food and conversation. From 6:00 to 8:00 the formal session would be held. It was agreed minimize business items at the September 24 meeting. There was agreement that the focus should be a continuation of the work that the Board had done in February—seeking to identify the most critical steps that the Board and the organization could take to improve the economic circumstance. It was agreed that the Session design would include small group activity to enhance communication and promote comradery. It was agreed that Board members would be individually polled prior to the meeting regarding their thoughts about the “most critical local/regional issues” that are impacted by the recession. Kloepfel suggested that the staff prepare a status report for distribution in advance of the Planning Session. Such a report would summarize the economic and fiscal conditions confronting the region, as well as provide information about the ARRA financing and legislative impacts. It was generally agreed that a facilitator would not be needed.

Biennial Performance Review

Greg James introduced Jeff DeFranko of True North Consulting. On behalf of the Executive Committee and the Board, True North had conducted a “360 Degree” Review of the Executive Director. It was reported that a total of 95 responses had been made to the electronic survey—62 staff members, 16 elected officials and 17 member agency staff. DeFranko reviewed the results of the survey and responded to questions. He indicated that the data reflected improvement in performance since the last “360 Degree” Review in 2007. For one of the data elements in the survey—the degree to which Kloepfel supports innovation at LCOG “that connect to current trends and respond to a changing world”—both the Committee and the Director requested that True North further parse the data to determine more about the categories of respondents who were among the 22 percent that felt that the Director had not supported such innovation. Greg James described the Review as a positive one. Kloepfel indicated that he would consider the data and provide a response to the Committee in September.

Appointments to the Senior Services Advisory Council

The subject of a memo dated June 9, SDS Director Kay Metzger outlined the anticipated need for appointments to the SSAC and presented the SSAC’s nominating committee recommendations for appointments/reappointments to the Advisory Council. Kloepfel noted that, with the Executive Committee’s endorsement, the appointments would be handled by the Board under the Consent

Agenda. Four reappointments were recommended; four new members were recommended; and five persons were recommended for appointment to Community Representative positions on the Council. It was moved by Chris Pryor, seconded by Sherry Duerst-Higgins, that the Committee endorse the recommended appointments. Motion passed unanimously.

Agency Legal Counsel

Administrative Coordinator Ann Mortenson reported that a Request for Information (RFI) had been sent to a number of law firms having the potential capacity and depth to serve as LCOG's Legal Counsel. With the deadline for submission of responses two weeks away, there were no formal responses as yet. However, she reported that two firms had inquired about the process with the Executive Director and both had indicated that they would likely submit a response. She reported that it was expected that the management team would interview one or more applicant firms before making a decision.

Audit Committee

The Audit Committee—Judy Volta, Phil Brubaker and Greg James—agreed to meet with the auditor prior to the Board meeting in June. That would be the annual Pre-Audit Meeting. A Post-Audit Meeting would be scheduled for the Committee in the late fall, prior to the presentation of the Audit Report to the Executive Committee in November and the Board of Directors in December. Greg James noted that he would not be available on June 24, but agreed that Mayors Volta and Brubaker would be more than adequate representation at the Pre-Audit Meeting.

S&DS Funding from the State of Oregon

S&DS Director Kay Metzger provided a preliminary status report on the State budget process, as it impacts LCOG's programs. She noted that the tax package had been approved, but that there would still be reductions from what could be thought of as a maintenance-of-effort ("Essential Budget Level—EBL) as a result of substantial revenue reductions. While the funding for the Oregon Project Independence (OPI) program had been returned to the budget (at approximately 23 percent lower level compared to the preceding biennium) and Adult Protective Services (APS) had survived, there would be reductions. Metzger reported that the union representing the majority of her division's staff is going into the second year of a two-year contract and, absent an agreement to do otherwise, would see a 2.75 percent cost-of-living increase on July 1. However, through the work of the Labor

Management Committee, there has been agreement to let the membership vote on deferring that COLA until January. Also under consideration by the union members would be a shift to the Health Reimbursement Arrangement (HRA) health insurance structure that is provided to other COG employees. Such a shift would yield significant savings and would reduce the need for layoffs and furloughs. At present, the agency is anticipating a one-day-per-month furlough for the SDS division to reduce costs.

Area Commission on Transportation Legislation

Government Services Director Byron Vanderpool reported on SB 944, which will require the development of a proposed Charter for a Lane Area Commission on Transportation (LACT) by the Board of Commissioners. Commissioner Stewart observed that, while requirements from the Legislature for local actions are sometimes difficult to swallow, the establishment of an ACT could significantly simplify the communication of STIP priorities to ODOT and the OTC.