

Agenda Item Number 4.

Report of the Executive Committee

Presenter: George Kloepfel

Action Recommended: None. Information Only

Meeting Notes:

Meeting of September 21, 2006

The LCOG Executive Committee met at 5:30 on Thursday, September 21 in the Administration Building of the Bethel School District Number 52. Members present were:

LCOG Board Chair, Mayor Gary Williams
Lane County Commissioner Anna Morrison
Lowell Mayor Warren Weathers
EWEB Commissioner Patrick Lanning
Eugene Councilor Gary Pape
Eugene School District Director Anette Spickard
Willamalane Director Greg James
Bethel School District Director Alan Laisure

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

September 21 Board Agenda

The Committee reviewed the agenda for the regular meeting of the Board of Directors that would immediately follow the Executive Committee meeting. Kloepfel noted that the “special presentation” for the month would be the Lane County Public Safety Finance Measure and that there would also be a ten-minute informational presentation on Lane Community College’s recent study of the linkages between the economy and LCC’s services. Also scheduled to be considered by the Board were the adoption of the 2006 “Needs and Issues Ranking,” the approval of the Senior and Disabled Services legislative priorities,

the election of the Chair and Vice Chair of the Board for 2007, and a recommended authorization for the agency to refinance the Schaefers Building in Eugene.

Review of July Planning Session

The Committee discussed the Planning Session that had been held by the Board of Directors on July 27 in Cottage Grove. There was general agreement that the professional facilitation did not elicit the results desired, and that the facilitator seemed to be less familiar with the organization and its programs than would have been desired. Also, the Committee felt that the traditional timing of the Planning Session in July contributed to a low attendance (lack of Board quorum). Kloepfel noted that the Board had identified four topics that seemed appropriate for possible “special presentation” treatment at Board meetings in FY 2006-07—Regional approach to Transportation, Water rights and regional opportunities, Enriching opportunities in small communities, and Impact of Education on the economy. The Committee agreed to recommend that the traditional Planning Session be held in February, rather than July—probably beginning in February 2008. Further, the Committee agreed to recommend that the “special discussion” topic for December 2006 be on water rights. The suggestion was made that the topic for February 2007 might appropriately be legislative issues, since the Legislature will have been in session for about a month at that point.

Confirmation of Chair’s Appointments to Nominating Committee

Kloepfel noted that he should have suggested this action at the last meeting of the Committee, but now recommended that the appointments be formally confirmed. It was moved and seconded (Spickard and James) to confirm Mayor Williams’ appointments of Anna Morrison, Gary Pape and Warren Weathers as the agency’s Nominating Committee. Motion carried unanimously.

RFP for Audit Services

Associate Director Bob Swank reviewed his memo to the Committee on this subject and an attached draft RFP. Specifically sought was the Committee’s direction with regard to the timing and content of the RFP and an indication of the role that the Committee wished to play. Questions were asked about the reference to a “management letter” (item 2.c in the draft RFP) and the contract period (item 4.a). It was moved and seconded (James and Morrison) to request two members of the Executive Committee to serve on an “audit committee” to assist staff in the finalization of the RFP and to participate in the selection of an auditor in February and March of 2007. Motion carried.

Schaefers Building Refinance

Associate Director Bob Swank reviewed his September 14 memo to the Committee in which it was recommended that a refinance of the building, purchased in 1991, be initiated. It was moved and seconded (Morrison and Lanning) to move forward with the refinance, as recommended. Motion carried unanimously.

MPC's Transportation Planning Work

Technology Services Director Byron Vanderpool reviewed his September 14 memo to the Committee which outlined the status of the MPC's response to the LCOG Board request for operational changes. He noted that the MPC had adopted an FY 06/09 Metropolitan Transportation Improvement Program (MTIP) in July and had, in July and August, discussions of alternative dispute resolution mechanisms. Vanderpool recommended that reports continue to be made to the Committee and the LCOG Board regarding the MPC's progress on the dispute resolution issue. In the discussion, Councilor Pape and Commissioner Morrison expressed reservations about the MPC's effectively amending its procedures to avoid deadlock.

Report on Potential Overlap or Duplication of Economic Development Programs

As a subcommittee of the LCOG Board, Commissioner Morrison, along with Oakridge Mayor Sue Bond and Lowell Mayor Warren Weathers, had published a report on the effectiveness of economic development entities working within the region. The subcommittee, charged by the Board of Directors in February, offered five recommendations designed to reduce duplication and improve efficiency of the Lane Economic Committee (LCOG), the Standing Committee on Economic Development (Lane County) and the Lane Metro Partnership. Those recommendations were scheduled for initial consideration under agenda item 9.B at the Board's meeting later in the evening. The Committee discussed the report of the subcommittee.

Appointments to Disabilities Services Advisory Council

Kay Metzger, Director of Senior & Disabled Services, reviewed her September 12 memo to the Committee by which recruitment activities were described and recommendations offered for three re-appointments and four new appointments to the DSAC. It was moved and seconded (James and Morrison) to confirm the appointments as recommended.

LCOG Bylaws Amendments

Executive Director George Kloeppe described the proposed amendments, to be reviewed by the Board under agenda item 11.B and potentially acted upon in December. He noted that, if approved the action would formalize the “experiment,” authorized by the Board in February in two respects. The amendments would modify the size and means of selection of the Executive Committee and would modify the timing of the agency’s election of officers. He noted that Bylaw changes require a 30-day advance notice to the Board and that such notice can be given in advance of the December 14 meeting. No concerns were expressed regarding the proposed amendments.

Agency-Owned Real Estate

Associate Director Bob Swank reported that the third floor of the Schaefer Building had been leased and that negotiations were underway to fully rent the Springfield (“A” Street) building. It was noted that the elimination of the vacancies in these two assets was very desirable for the agency.

Western COGs and West Coast Corridor Coalition Conference

A written report on the August 14-16 combined conferences of the Western COGs group and the West Coast Corridor Coalition was briefly discussed. Gary Williams, Gary Pape and Al King had represented LCOG at the Portland conference, along with Executive Director George Kloeppe.

Fiber Consortium

Though not a topic on the published agenda, Commissioner Morrison announced that she had received notice from the State that required reports for FY 2003-04 and FY 2004-05 for the Fiber South Consortium had not been filed nor fees paid to the Secretary of State. Kloeppe agreed to investigate and resolve the issue.

Meeting of October 26, 2006

The LCOG Executive Committee met at 5:30 on Thursday, October 26 in the LCOG Office in Eugene. Members present were:

LCOG Board Chair, Mayor Gary Williams
Lowell Mayor Warren Weathers
EWEB Commissioner Patrick Lanning
Eugene Councilor Gary Pape
Willamalane Director Greg James
Bethel School District Director Alan Laisure

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

December 14 Board Agenda

George Kloeppel presented a preliminary listing of the topics expected to be included on the December Board agenda. He noted that a “special discussion” topic for the month was to be Water Rights and Regional Opportunities, and that December would be the month for the annual report from the Metropolitan Policy Committee. Concern was expressed that the proposed agenda was full and that time might be limited for discussion. The Committee agreed to add the Budget Assumptions and the FY 2007-08 Dues Rates to the consent agenda

Board Discussion Topics

The Committee recommended that the Board consider “Opportunities in Small Communities” in February; “Impact of Education on the Economy in April; and (the first session on) “Regional Approach to Transportation” in June.

There was the general sense—to be explored with the full Board—that the July Board meeting should be cancelled. Further, since the September 27, 2007 Board meeting would conflict with the League of Oregon Cities’ Conference in Bend, that meeting date should be adjusted.

RFP for Audit Services

Associate Director Bob Swank reviewed a proposed schedule for the solicitation of proposals from potential audit firms and highlighted questions for the Committee’s consideration. Regarding the “Evaluation Team” and the “Audit Committee,” there was general agreement that a two-member Audit Committee (Board

members) could join two or three key staff members in serving as the Evaluation Team to consider firms responding to an audit service RFP. There was agreement that Greg James would serve as one member of the Audit Committee in 2007 and that the Chair would name a second member at the December 14 meeting of the Board. Staff was asked to develop a proposed charge for the Audit Committee, including at a minimum pre-audit and post-audit meetings. It was suggested that the Executive Committee meet a half hour before the Board meeting on December 14. Generally, the Committee found the proposed schedule for the recruitment and selection of an auditor acceptable.

LCOG Bylaws Amendments

George Kloeppe reviewed the proposed Bylaw amendments, scheduled for Board consideration on December 14. The Committee recommended that the quorum requirement for the (expanded) Executive Committee be increased to four; staff was directed to include that change in the mailing to the Board (30 days in advance of the meeting). Otherwise, the proposed changes were considered appropriate and, without motion, the Committee recommended their adoption by the Board.

FY 2007-08 LCOG Member Dues Rates

The Executive Director's proposal for dues rates in the next fiscal year was discussed. Kloeppe noted that, traditionally, the CPI factor has been used. Because the relevant CPI was 3.8 percent and, in Kloeppe's judgment, that increase would be difficult for member jurisdictions, he recommended a three percent (3 %) adjustment in the rates for FY 2007-08. By motion, the Committee recommended adoption of the proposed rates.

2007 Performance Review of the Executive Director

Under the biennial review schedule called for in the director's employment agreement, a performance review of George Kloeppe should be completed by the Board's June 28 meeting. The Committee was asked if it wanted to utilize an outside consultant for this process, as had been done in 2005. After some discussion, there was support for conducting a "360 Degree Review" of Kloeppe's performance and for utilizing a consultant. Cost estimates for that service were \$2,500 to \$3,000. Staff was directed to ask HR manager Marianne Griffin to contact Jeff DeFranko to inquire about the possible services of his organization. The Committee asked that efforts be made to increase the level of participation in the coming year's Performance Review.

FY 2007-0 Budget Assumptions and Process

Bob Swank reviewed the written material related to the budget process and schedule for the coming fiscal year. Attached to his memo on this item was a “Proposed FY 2007-08 Budget Assumptions” document. He outlined the key factors, which were proposed for consideration by the Board in December. Not all of the relevant comparisons were as yet available and the final PERS employer rate was not definite. However, management staff recommended that a target COLA of 2 percent and a total compensation increase of 3 percent of salary (not including the as yet unknown PERS employers contribution) be approved. Swank noted that health insurance cost increases had been largely contained over the past year and that the use of the HRA for approximately 85 of the agency’s staff had been well-received. Significantly, the HRA approach had resulted in a very modest increase in health insurance premium expense. However, the “Assumptions” anticipate an overall increase of 10 percent in premium costs, approximately one percent of total salary. The Committee discussed the possibilities of LCOG facilitating the participation of small jurisdictions in an HRA approach. Swank noted that the subject will come before the Regional Managers Group in November. The Committee inquired about the agency’s practice of conducting salary surveys. It was reported that LCOG routinely conducted a survey with benchmark positions on a two-year cycle and that annual surveys were being implemented. By motion, the Committee endorsed the proposed Assumptions and recommended their approval by the Board.

First Quarter Financial Report--Information

The report of the revenue and expense experience of the agency from July through September was reviewed. It will be submitted to the Board as an information item on December 14.

S&DS Family Caregiver Funding—Information

S&DS Director Kay Metzger distributed a one-page report on a significant funding problem for the Caregiver Program. She noted that the State had acknowledged a “miscalculation” and was substantially reducing the 2005-07 allocation and resource available. As a result, LCOG would be left with only 35 percent of the budgeted amount for the Caregiver Program in the current fiscal year.

Accordingly, Metzger reported that a vacancy in the Senior Connections staff (due to retirement) would not be filled and no new direct services will be authorized.

The State Department of Human Services will bring the issue to the E-Board in November. Assuming no additional funding is obtained, Metzger noted that it was quite likely that additional cuts would have to be made in order to respond to the adjusted allocation.

Regional Interoperable Communications—Information

Regional Technology Director Byron Vanderpool presented a report on recent work to enhance the local, regional, statewide and federal radio communications systems in this area. Byron's written report summarized work on the COPS grant-funded Interoperable Communications System with participation from Eugene, Springfield, Lane County and EWEB. Also described and discussed by the Committee were the Fire/EMS Communications Plan for Lane County, the Lane County Microwave "Backbone," the West Lane Herman Peak Radio site Development, the so-called "7 Counties" project (Oregon's 4th Congressional District) funded by the federal SAFETEA-LU transportation authorization, the Oregon Wireless Interoperability Network mandated by the Legislature, and the federal effort to implement an Integrated Wireless Network.

Committee Meetings for Balance of CY 2006

It was agreed that the officers in consultation with the Executive Director would determine if a November 16 meeting would be necessary. As noted above, it was tentatively agreed that the Committee would meet one half hour before the December Board meeting at EPUD.