

**OREGON CASCADES WEST COUNCIL OF GOVERNMENTS
BOARD OF DIRECTORS MINUTES
March 16, 2017**

MEMBERS: Mayor Sharon Konopa, Albany; Commissioner Anne Schuster, Benton County; Mayor Biff Traber, Corvallis; Councilor Bob Elliott, Lebanon; Mayor Jim Lepin, Millersburg; Councilor Scott McPhee, Millersburg; Councilor Debbie Nuber, Scio; Mayor Marjean Cline, Halsey; Councilor Diane Gerson, Sweet Home; Mayor Loel Trulove, Tangent; Mayor Don Ware, Brownsville; and Councilor Mike Neddeau, Brownsville.

STAFF: Executive Director Fred Abousleman; Deputy Director Lydia George; Finance Director Sue Forty; Community and Economic Development (CED) Director Phil Warnock; Senior and Disability Services (SDS) Program Manager Randi Moore; Technology Services Manager Brian Chytka; Senior Accountant Janet Cline; Loan Officer Sandra Easdale; and Administrative Assistant Jennifer Kelley.

VIDEO: Councilor Susan Wahlke, Lincoln City; Councilor Dean Sawyer, Newport; Councilor Deanne Dunlap, Toledo; Councilor Jeff Wiseman, Depoe Bay; and Councilor Max Glenn, Yachats.

VISITORS: Mike Volpe, Disability Services Advisory Council (DSAC) Vice Chair; Kori Sarrett, Accuity; Glen Kearns, Accuity; Bob Duncan, Senior Services Advisory Council (SSAC) Chair; and Cathy Savage, Home Care Worker.

The Board of Directors meeting was called to order by Chair Sharon Konopa at 2:04 p.m. on March 16, 2017 at the Cascades West Center in Albany, Oregon.

1. Welcome and Introductions

Chair Konopa welcomed Board Members and introductions were made.

2. Public Comment

No public comment.

3. Consent Calendar

Mayor Biff Traber motioned to approve Consent Calendar and Councilor Bob Elliott seconded. Motion passed unanimously. Consent Calendar items approved were as follows:

- a. Approval of January 19, 2017 Board of Directors Meeting Minutes;
- b. Approval of Cascades West Area Commission on Transportation (CWACT) Members; and
- c. Financial Update for the period of July through December 2016.

Chair Konopa gave new Board Members an explanation of CWACT Membership. Executive Director Fred Abousleman referenced Board Member Orientation Packets for new members.

4. Presentation of the FY2015-2016 Annual Financial Report (Audit)

Glenn Kearns introduced the Independent Auditor's Report (Letter) and Annual Financial Report (Report). Mr. Kearns reviewed the Letter, indicating no adjustments, and no significant challenges in performing the Audit.

Kori Sarrett reviewed the Report, noting the unmodified (clean) opinion, which is a desirable outcome. Ms. Sarrett indicated that one large piece of the Report was a Public Employees Retirement System (PERS) accounting standard change with regard to pension liability. This change has happened in all entities with PERS membership. Oregon Cascades West Council of Governments (OCWCOG) now has a \$4.8 million liability. This is an approximate \$6 million change from last year's Audit. Ms. Sarrett explained that this change has nothing to do with management, the Finance Department, or the Budget; it is because OCWCOG is a PERS covered organization. Due to this accounting change, the total equity in the Audit was positive, but unrestricted was negative. Without this new liability, unrestricted would have also been positive.

Ms. Sarrett directed the Board to the Federal Compliance Audit, and stated that in spite of rule changes, rulings were largely unmodified, meaning staff was trained to properly comply with new practices.

Commissioner Anne Schuster acknowledged the work of OCWCOG's Finance Department, and motioned to approve the *FY2015-2016 Annual Financial Report (Audit)*. Mayor Jim Lepin seconded; motion passed unanimously.

5. Presentation of the Draft FY2017-2018 Work Program & Budget

Executive Director Abousleman discussed the organization of the *Budget* and provided an overview of OCWCOG's budgeting practices. Executive Director Abousleman stated that OCWCOG has an annual budget of approximately \$30 million, predominately in Medicaid programs and *Ride Line*. OCWCOG is a zero-based organization, meaning the budget should balance at the end of each year.

Executive Director Abousleman stated that this year's *Budget* is very similar to last year's, indicating that it is sustainable. Executive Director Abousleman referenced the Consolidated Budget, stating that in the final version, it will be modified to show the prior year's consolidated, in order to see trends. The final version of the *Budget* will come to the Board for approval in May.

Executive Director Abousleman stated that OCWCOG is conducting ongoing internal discussions regarding the structure of Senior and Disability Services (SDS). Budget integrity will not change, however funding allocation may shift with potential structural changes.

Executive Director Abousleman stated that reasonable adjustments were made to accommodate for unknown factors in State funding. Currently, changes to Medicaid funding are unknown; significant impacts to Medicaid relevant to OCWCOG's Budget would require a Supplemental Budget, to be approved by the OCWCOG Board of Directors.

Commissioner Schuster asked how program funds are divided between SDS and CED. Executive Director Abousleman stated that ratios are approximately 60-70% to SDS, and 30-40% to CED, with Medicaid being approximately 90% of SDS's budget, and *Ride Line* comprising most CED's budget. The Board discussed the financial structure of the Business Lending program.

6. Program Update Question and Answers

SDS Program Manager Randi Moore stated that State and Federal Budgets will likely be unknown for a few more months. Within Medicaid eligibility, Service Priority Level (assessment guide) changes will occur based on frequency of need for consumers. It is estimated that 5% of consumers will be negatively impacted, but the accuracy of that prediction is unknown. The introduction of these changes has been postponed, to better develop a transition plan for those consumers no longer eligible for services. SDS Program Manager Moore stated that although these changes will negatively impact some consumers, the increase in clarity and standardization will be helpful.

Chair Konopa asked whether this means some consumers will now be homeless, as they will no longer be eligible to remain in care facilities. SDS Program Manager Moore confirmed that this will likely happen for some consumers, and added that the State is developing a plan with funding for transitional services. However, with current shortages of low-income housing, transitioning consumers will likely be challenging.

Chair Konopa stated that Medicaid should grandfather in existing consumers. SDS Program Manager Moore stated that Medicaid does not allow different levels of service for new and existing consumers.

CED Director Phil Warnock discussed the upcoming *Regional Park and Ride Plan* Inaugural Meeting to be held March 30th for Linn and Benton Counties. A Lincoln County meeting will be forthcoming. Efforts are currently directed toward researching commuter needs, such as bus pull-outs, trash receptacles, vehicle charging stations, and lighting. CED Director Warnock suggested that local communities send a liaison to these meetings. Currently, invitations are being sent to standing groups, but engagement from community members not currently involved in transportation planning would also be appreciated.

Commissioner Schuster asked how many park-and-ride lots exist in the region currently. CED Director Warnock stated that only a few formal lots exist; informal park-and-ride lots are more numerous. The goal of the *Regional Park and Ride Plan* is to build a network of park-and-ride sites, to formalize informal lots, and to promote sites for increased usage.

Mayor Traber asked whether transit connections are being considered. CED Director Warnock stated that transportation network hubs are being considered, for both inter-city and intra-city transit. Recommendations could eventually be made for route changes within cities, to accommodate park-and-ride users.

Chair Konopa asked CED Director Warnock to give an overview of the *Ride Line* program. CED Director Warnock stated that CED manages *Ride Line*, a non-emergent medical transportation program providing approximately 17,000 trips per month regionally.

Chair Konopa explained to new members that the Cascades West Economic Development District (CWEDD) encompasses Linn, Benton, Lincoln, and Lane Counties, with the purpose of locating new businesses, promoting economic growth, and enhancing services for existing businesses. Executive Director Aoulosleman stated that CWEDD's service area is based on research showing primary business clusters. This research gives an economic profile of a region and helps guide economic development.

Councilor Dean Sawyer asked whether the new bikeshare agreement with Oregon State University (OSU) will be similar to Portland's bikeshare program. CED Director Warnock stated that *Pedal Corvallis* started a month before Portland launched their bikeshare program, but that it is similar in concept. There are currently six stations with 33 bicycles and two tricycles. OSU has signed on for two stations with eight bicycles total. The new stations are scheduled for launch on April 25th.

Councilor Sawyer asked whether there is any possibility to have a bikeshare program in Newport. Executive Director Abousleman stated that the bikeshare program is not exclusive to Corvallis or OSU. A bikeshare program could be created through a private investor funding the program. Each station costs roughly \$7,000 per year. Most in Corvallis are sponsored by local businesses.

Commissioner Schuster asked whether stations will have covers in the future. CED Director Warnock stated that it would be ideal to have all stations covered, however there is not currently funding to finance it. Bicycle seat covers have been ordered to keep seats dry.

7. Annual Dinner

Executive Director Abousleman stated that OCWCOG has not had an Annual Dinner to celebrate our Region since 1999. We are the only Council of Governments in Oregon to not hold an annual event of this type. Executive Director Abousleman reminded the Board that they approved an Annual Dinner to be held on November 2nd. The event will be held at the CH2M Hill Alumni Center on the OSU campus. Next year's event will move to Lincoln County, then Linn County the following year. The purpose of the event will be to celebrate the Region, hold a *State of the Region* update, and to act as a fundraising event for the *Meals on Wheels* program. There will be sponsorship and award opportunities. Tickets will first be available for elected representatives, member jurisdictions, and significant community partners. Remaining tickets will be open to the public.

Executive Director Abousleman stated that based on Board input, award categories have been created to recognize community contributions. Executive Director Abousleman gave an overview of award categories.

Mayor Traber suggested a lower cost dinner ticket, in order to increase attendance. Chair Konopa agreed, adding that donations would also likely increase.

Mayor Traber asked about the process for selecting award winners. Executive Director Abousleman stated that OCWCOG will solicit nominations from the community; the Board will select the winners. Commissioner Schuster asked whether they would be provided more detail on award categories. Executive Director Abousleman confirmed.

Mayor Traber asked whether award nominations would need to be tied to OCWCOG projects. Executive Director Abousleman stated that any regional projects or volunteers would qualify, as this event is about celebrating the region.

8. Topics of Regional Interest

Chair Konopa reminded the Board that Councilor Dann Cutter had suggested budgeting as a Topic of Regional Interest, as it is the time of year that jurisdictions are working on budgets; however, as Councilor Cutter was not able to attend, Chair Konopa suggested postponing that topic.

Councilor Elliott informed the Board that Governor Kate Brown will be speaking at the Boulder Falls Convention Center in Lebanon on March 31st. The event is hosted by the Lebanon Chamber of Commerce.

Commissioner Schuster asked for an update on properties OCWCOG had evaluated for pre-permitting for industrialized development. Executive Director Abousleman stated that ten years ago, 19 ten-acre plots were selected that were all zoned for development but had significant wetlands. OCWCOG underwent the process of establishing an expedited permitting process for these sites. Additionally, aquatic resources and delineations on these properties are now known. Presently the State of Oregon Department of State Lands has issued a Letter of Permission for permitting ten of the 19 properties; the Army Corps of Engineers has yet to issue the Letter of Permission for the sites.

Mayor Lepin asked whether OCWCOG has an inventory of these sites. CED Director Warnock stated that yes. OCWCOG holds the relevant information needed to access the shortened permitting process including the inventory of site specifics, and can provide this list. Executive Director Abousleman stated that these properties are ready for purchase, and that this process has saved potentially hundreds of thousands of dollars in permitting, in addition to a year of time for developers. These Letters of Permission are valid for five years; currently there are three years left before expiration.

Executive Director Abousleman stated that OCWCOG has completed its portion of the project. Properties now sit with the owners. OCWCOG does not market or sell the properties. The State of Oregon knows of these properties, and that they are available. OCWCOG chose the most difficult properties to permit, which was approximately 10% of the available inventory at the time. However, many properties in Oregon are wetlands; this is not exclusive of the properties OCWCOG permitted. Executive Director Abousleman suggested that if the Board would like more information on permitting wetlands, the Department of Environmental Quality could come talk about that process.

Mayor Traber asked why none of the properties had been sold or leased. Executive Director Abousleman stated that the sellers of each property would need to answer that question.

Chair Konopa asked whether OCWCOG could take on permitting for land zoned for housing. Executive Director Abousleman stated that OCWCOG does not do permitting for housing. This project is the only one of its kind, which is why it has struggled to move forward. There has been uncertainty regarding the pre-permitting of properties. The Board discussed permitting processes, including species identification, water access, runoff, and other issues.

Mayor Marjean Cline stated that she has concerns regarding recreational immunity and insurance rates. Chair Konopa stated the League of Oregon Cities has been working on this issue with the State of Oregon.

Mayor Cline stated that Halsey has been installing fiber-optic internet, with the goal that every house within the City will have the ability to be connected. Executive Director Abousleman stated that OCWCOG has conducted a broadband connectivity assessment in our Region, and that communities are not as well-connected as they should be.

Mayor Don Ware stated that recreational immunity is a concern for him as well. Brownsville City Council wrote letters to Legislative committees. Mayor Ware also stated that another accomplishment for Brownsville is that smaller Linn Counties have now worked collaboratively to create one contract with the Linn County Sheriff's Office.

Councilor Debbie Nuber stated that Scio has had fiber-optic throughout the city for over three years.

Mayor Traber stated that Corvallis is making changes to their budgeting process. In the past, direct expenses like social services funds or other requests came out of a discretionary fund. Now there will be a line item in the budget.

Councilor Dean Sawyer stated that Newport also has fiber-optic internet, and that recently the City has opened a new pool.

Councilor Max Glenn stated that Yachats has been upgrading accounting and other internal systems.

Councilor Susan Wahlke stated that Lincoln City is beginning a television advertising campaign.

Councilor Deanne Dunlap stated that Toledo is in the process of trying to save their city pool, and is also following the issue of recreational immunity.

Disability Services Advisory Council (DSAC) Vice-Chair Mike Volpe stated that the State Budget has a large impact on Oregon Project Independence. Additionally, unknown changes to the Affordable Care Act have the potential to impact Medicaid programs.

9. Other Business

Executive Director Abousleman reminded the Board about the upcoming Regional Mayors' Meeting, facilitated by OCWCOG and hosted by Mayor Traber.

Executive Director Abousleman stated that the President has released his draft Budget. Usually the President's Budget sets the tone for a conversation with the Legislature. Executive Director Abousleman clarified OCWCOG's *Meals on Wheels* funding, and corrected misinformation presented by various news outlets.

10. Adjournment

Meeting adjourned at 3:46 p.m.

Minutes recorded by Jennifer Kelley.