

**OREGON CASCADES WEST COUNCIL OF GOVERNMENTS  
BOARD OF DIRECTORS MINUTES  
March 21, 2019**

**MEMBERS:** Mayor Biff Traber, Corvallis; Mayor Sharon Konopa, Albany; Mayor Dann Cutter, Waldport; Mayor Jim Lepin, Millersburg; Councilor Debbie Nuber, Scio; Councilor Ken Lorensen, Halsey; Councilor Wayne Rieskamp, Lebanon; Councilor Chas Jones, Philomath; Councilor Charlotte Thomas, Harrisburg; Commissioner Will Tucker, Linn County; and Councilor Carol Korn, Tangent; City Manager Pat Hare, Adair Village; and Rick Hohnbaum, City Manager, Monroe.

**VIDEO:** Commissioner Claire Hall, Lincoln County; Councilor Judy Casper, Lincoln City; Commissioner Walter Chuck, Port of Newport; Mayor Rod Cross, Toledo; Councilor Ron Hervey, Siletz; Councilor Max Glenn, Yachats; and Robert Kentta, Confederated Tribes of Siletz Indians. Dawn John, Heather is here

**STAFF:** Executive Director Fred Abousleman; Deputy Director Rachael Maddock-Hughes; Finance Director Sue Forty; Senior and Disability Services Director Randi Moore; Community Services Program Director Jennifer Moore; and Janet Hughes, Administrative Assistant.

**GUESTS:** Mike Volpe, Disability Services Advisory Council Member; Kathy Savage, Caregiver for Mike Volpe

**VIDEO**

**STAFF:** Heather Schermerhorn, Q&A Trainer

The Oregon Cascades West Council of Governments' (OCWCOG) Board of Directors' Meeting was called to order by Chair Biff Traber at 2:00 pm at the Cascades West Center in Albany.

**1. Welcome and Introductions**

Introductions were made.

**2. Public Comment**

No public comment.

**3. Consent Calendar**

City Manager Rick Hohnbaum made the motion to approve the Consent Calendar which includes: Previous Board of Directors Meeting Minutes of January 17, 2019; Financial Update; Appointment of Disability Services Advisory Council Chair for 2019-2020; and Appointment of Cascades West Area Commission on Transportation (CWACTION) Members for 2019-2020. Councilor Wayne Rieskamp seconded the motion. Motion passed unanimously.

**4. Presentation of the Draft Fiscal Year (FY) 2019-2020 Work Program & Budget**

Executive Director Fred Abousleman welcomed everyone and recognized Councilor Max Glenn back, after a health setback.

Executive Director Abousleman commented that the Board of Directors (Board) have a copy of the *FY2019-2020 Work Program & Budget*, which they also received electronically, which is the organization's draft Budget for the upcoming FY. Executive Director Abousleman noted that it is a one-year budget. In May, Staff will ask for your approval on this *Work*

*Program & Budget*, which authorizes the Staff and organization to spend money to complete the work of the organization.

Executive Director Abousleman continued that the format of the Work Program & Budget is to do a couple things – 1) to show the Board what the organization's programs are and how they are funded; 2) how the funding is broken out by each program; and 3) the draft budget tables are provided as a consolidated agency budget and by each Department.

Executive Director Abousleman noted that the Budget Committee met prior to this Board meeting and recommended the *Work Program & Budget* be forwarded to the Board for their consideration. OCWCOG Staff will provide an updated copy for your May Board meeting. He stated that the Board is free to make any comments or bring any concerns to his attention today or any time. He is also happy to visit with a Board Member on any specific budget item or the *Work Program & Budget* in general.

Executive Director Abousleman stated that from his perspective, the FY2019-2020 Budget is solid; expenditures and revenues are about equal. He noted that this is the organization's largest Budget to date in terms of revenue and expenses.

Executive Director Abousleman noted that there is one major line item, which was also discussed during the Budget Committee meeting, for \$350,000 in Public Employees Retirement System (PERS) allocations. The Board will see this again each year, until the PERS issue has a resolution. This is a significant portion of the organization budget. Internally, Executive Director Abousleman commented, this can be maintained for the next two-to-three years without any new significant revenue growth, after which point, the organization will have to start considering how it manages the expenditure side of the budget.

Finance Director Sue Forty reviewed the format of the *Work Program & Budget*, beginning with the consolidated agency revenue chart, which is broken down based on the way the organization adopts its Budget, as well as a State Federal, local, and program review. Following the consolidated agency revenue chart, a beginning balance number is provided via a graph. Finance Director Forty continued by noting that an expenditure graph is included, as well.

Finance Directory Forty continued through the document, noting a consolidated agency budget has been included with numbers two years prior. Additionally, each independent department or program area budgets are included in the document: General Administration; Community and Economic Development; Business Lending; Senior and Disability Services; Community Service; Technology; and Non-departmental.

Finance Directory Forty explained that the indirect programs in the organization are: General Administration (including General Administration, Finance, Human Resources, and Technology Services Department) and part of our rent. Indirect program costs are driven based on allocation model. She continued by noting that the organization builds its budgets for the indirect programs before it develops the program budgets, this way Finance Staff can charge out the indirect space based on bodies of the organization Staff, not full-time employees (FTE).

Finance Directory Forty commented that the organization has a General Administration budget, which includes General Administration (GA), Finance, Human Resources (HR), and

a Special Projects Fund. This is where the Board approved Special Projects Fund money goes; the money is currently in reserve.

Executive Director Aoulosleman updated the new Board Members on what this Special Projects Fund was for. The Board adopted a Special Projects Fund, which is for projects that the Board deems beneficial the Region at-large. Last year, the Board proposed their first project, which was to engage OCWCOG in a multi-County, multi-jurisdiction housing coordination process. OCWCOG was tasked with looking at what the organization's role is in Regional housing – both from high-end to affordable housing, to workforce issues throughout the Region that are associated with the housing challenge. The project would be addressed in multiple phases. The Board authorized \$25,000 total, in \$5,000 increments.

Executive Director Aoulosleman continued by noting that the first Regional Housing Survey has been sent. Once the organization receives this feedback, Staff will talk with community representatives about this feedback. Then the first \$5,000 will have been spent. The next question will be do you want to proceed. The ultimate discussion was do you want OCWCOG to potentially become a housing authority.

Councilor Judy Casper asked a question about OCWCOG's Regional Housing Survey – as she was under the impression that each City already had a housing analysis. Executive Director Aoulosleman replied that some do, and some do not; part of the process is to assess what is already available and which cities might need assistance in developing their housing studies. Executive Director Aoulosleman agreed with Councilor Casper by noting that some cities are farther ahead than others. This was part of the Regional Housing Survey that was distributed via email.

Councilor Casper asked if there was a timeline for this project. Executive Director Aoulosleman said no; the timeline will be dictated by how quickly Staff can move through the project and then checking in with the Board approximately every quarter to see how far Board Members want to proceed. He reiterated that the goal of the project is to determine if the Region needs another housing authority, a housing funding agency, or land banking agency, and if OCWCOG is any one of those. That discussion is far into the future right now. Deputy Director Rachael Maddock-Hughes stated that OCWCOG is involved in the Lincoln County Housing project that is concluding in June. OCWCOG Staff is on both its Technical Advisory Committee, as well as its Policy Advisory Committee.

Mayor Konopa noted to her fellow Board Members, if they ever get a question about supporting OCWCOG – OCWCOG's total budget is \$40M budget, which is mostly State and Federal funds, a very small piece of it is actually the dues that comes from Cities members (approximately 1%). This small percentage is what is being used to support the vast work that OCWCOG does on behalf of its members Cities, so Cities pay a little to get a lot.

Councilor Rieskamp asked about the formula for membership dues. Mayor Konopa replied membership dues are based on population and the cost of living. Executive Director Aoulosleman commented that dues are used for grant matching dollars and indirect program costs only; 1% of OCWCOG's budget is from membership dues.

Finance Director Forty continued working through the *Work Program & Budget* document, commenting next on the Community and Economic Development (CED) Department. Both of the Metropolitan Planning Organizations (MPOs) for the Region – Corvallis Area Metropolitan Policy Organization (CAMPO) and Albany Area Metropolitan Policy

Organization (AAMPO) are housed with the Transportation Program of CED. Under CED, is the Transportation Brokerage program, *RideLine*, which provides non-emergent medical transportation.

Finance Director Forty also highlighted the *Cascades West Business Lending* program, which provides multiple loan funds programs through the U.S. Department of Agriculture (USDA), U.S. Department of Commerce's Economic Development Administration (EDA), as well as local fund dollars.

Finance Director Forty discussed the Senior and Disability Services (SDS) Department, which focuses mostly on the Title 19 (Medicaid) programs, *Oregon Project Independence*, and other smaller programs within the Older Americans Act.

The third branch of the organization, detailed Finance Director Forty, is the Community Services Program (CSP), which was split from SDS two years ago. Programs within CSP are focused on the community and volunteers, for instance *Meals on Wheels (MOW)* and Senior Corps Programs. Finance Director Forty highlighted one program – the Senior Corps Program, which is made up of three individual programs – *Foster Grandparent Program (FGP)*, *Senior Companion Program (SCP)*, and *Retired Senior and Volunteer Program (RSVP)*. OCWCOG has the distinction of being the only organization in the State to house and leverage all three programs within one organization.

Finance Director Forty touched on the building expense, which is broken out into three expenses – Albany building fund, Toledo building fund, and a copier fund. Staff pays five cents (non-color copies) or ten cents (color copies), which covers the cost of the leases on the organization's copiers.

Mayor Jim Lepin complimented Finance Director Forty on her presentation.

Chair Traber stated that this *Work Program & Budget* will be back at the next Board meeting in May for adoption. He stressed that it is important that the Board understands what this document is, so volunteered the organization's Staff to be available for any questions that the Board may have.

Executive Director Abousleman stated that unlike the Region's Cities or Counties, the Board owns the assets of OCWCOG; this is why Staff think it is important that the Board are included in the *Work Program & Budget* process. If something happens to the organization, first our Counties, then our Cities must assume the liabilities of the OCWCOG and its assets. Staff appreciate the Board's feedback. The organization does not have any way of raising taxes or raising revenue outside of contracts. Executive Director Abousleman encouraged the Board to ask questions and commented that Staff and OCWCOG Leadership are doing their best to be as transparent as possible.

## **5. Program Updates**

Chair Traber asked if any of the Program Directors had items to add to their summaries in the Board packet.

Mayor Dann Cutter interjected that the hope here, is not to not hear from the Program Directors, but rather that Board Members will spend time reading the packets. During this time, Mayor Cutter continued, Board Members will have an opportunity to ask questions on

items. Additionally, Program Managers will have the opportunity to highlight important or significant items.

## **6. Items of Regional Interest**

Chair Traber said that the topic of regional interest for this meeting was shared services. OCWCOG, with the Board, was trying to explore and talking about revenue opportunities, for shared services. For OCWCOG, this includes its skills with Technology and Planning, and ability to assist communities.

Executive Director Abousleman said that Staff queuing up the shared services, but also looking at what might happen during the next Legislative Session with the budget, specifically in regards to PERS and insurance costs, as OCWCOG's programs may be cut. Executive Director Abousleman noted that in this particular budget climate, and possibility of declining revenue, it is important to talk about how we can work together to support one another. He asked a series of questions for the Board to think about:

- Are there areas of interest that some of the communities can work together to support yourselves, especially if there is declining revenue?
- Are there places in the communities that OCWCOG can assist with?
- What do you think your interests would be moving forward? For instance, OCWCOG manages some of Member Cities' Information Technology (IT); OCWCOG provides financial support, and Human Resources (HR) support to other Member cities.

Executive Director Abousleman asked the Board Members what their interest is in working together with Member Cities or Counties, and then with working with OCWCOG.

Executive Director Abousleman switched gears and asked is any Member Cities or Counties were having difficulty hiring, either because of matching salaries, of lack of talent or of availability of potential employees. OCWCOG recently had several openings in Finance. Finance Director Forty found out there are only 200 people in Oregon that do municipal finance, maybe three quarters of those were already employed, the rest are either unemployable or OCWCOG cannot figure out how to get. Executive Director Abousleman noted that HR professionals, Finance, Planners, and Specialist positions are all difficult to fill. He asked the Board Members what their localities are doing to fill these positions.

Mayor Cutter stated that from a small city prospective, the most difficult positions to fill are for Planners and Accountants. Currently, the City of Waldport shares its City Planner with other towns. The City is not filling its Code Enforcement position at all. Mayor Cutter also mentioned that there are a lot of Facilities positions that are open. He would like to look at a share service model in the future for a Treatment Operator, as the City is struggling to find skilled labor. Ideally, he would like to hire a skilled Operator working for three or four municipalities, then a lower level employee running the day-to-day in the City.

Mayor Lepin said that this is like the model that the City of Millersburg uses today. The City of Millersburg and City of Albany are using retirees for day-to-day work and contracting experts when needed.

Chair Traber commented that these examples are helpful in identifying issues and seeing if there is a way, together with OCWCOG to see if shares services is possible. At some point, for the cost-savings alone, shared services are going to be the norm. Chair Traber echoed

Mayor Cutter's commented – shared Supervisor that oversee two or more plants assist communities stay in operations will become normal.

City Manager Rick Hohnbaum said the City of Monroe has experienced issues with building maintenance, so is looking for some that can provide high-level oversight and planning. He would like to see this as a shared service. To fix an urgent maintenance issue, the City hired the Maintenance Staff from the City of Albany. However, he is aware that Benton County is looking for someone, and the City of Monroe does not want someone on staff, but needs someone as well.

Mayor Konopa stated that Counties should be providing services to cities; they should be assisting with smaller services.

Commissioner Will Tucker stated that since he does so much traveling; he sees things done differently where they have shared services. He noted that Linn County uses Benton County's 9-1-1 dispatch, as part of a shared contract. Linn County completes their own dispatch, the County has talked about contracting that out as well. Commissioner Tucker encouraged the Board Members to think beyond just building maintenance.

City Manager Hohnbaum said that the City of Monroe, Camp Adair, and the City of Philomath have a contract for a building planner with Benton County. Benton County is also our building authority for those three cities. City Manager Hohnbaum noted that this agreement made sense because the three were connected on the building permitting side. To facilitate the contract, there is one full-time person that sits in each of the cities, but they are a Benton County employee. The contract began a year ago, and it is being renewed for a two-year contract. It has been very successful to help link organizations and planning communication.

Executive Director Abousleman asked if Board Members would like a survey about shared services, including: what job positions are open; areas agency is are having difficulties with hiring; those positions where share services would assist; where shared services could take your agency; who you contract with; can those contracts be shared; and would agency be willing to share services?

Chair Traber recapped that there were several ways forward for shared services; he is supportive of a shared services survey and looks forward to seeing where the opportunities are within the Region. Councilor Rieskamp said he supported the survey. There was no opposition to the shared services survey. Mayor Traber asked OCWCOG Staff to move forward with the survey.

## **7. Legislative Updates**

Executive Director Abousleman noted that the Board Members should have received OCWCOG's *Policy Issue Areas*, which the Board adopted as OCWCOG's list of Legislative priorities. He noted that the priorities run the gamut of how to support Senior and Services Disability funding to Wetlands.

Executive Director Abousleman asked if there was any Legislation that OCWCOG Staff should be aware of outside of OCWCOG priorities. Now is the time to seek the support of Board members from across the Region. For instance, Executive Director Abousleman looked to Port Commissioner Walter Chuck to talk about the possibility of the Port being

assumed by the State. Commissioner Chuck stated that this discussion has not gone anywhere, and it looks like it will not go anywhere at this time.

Executive Director Abousleman provided an update on the Wetlands Mitigation issue, starting with thanking Mayor Traber and Mayor Lepin. For about the last ten years, OCWCOG Staff have been working on this issue. Chair Traber interjected and thanked City Manager Pat Hare (Adair Village) and City Manager Brian Latta (Harrisburg) who were also involved and part of that effort. Executive Director Abousleman agreed and continued to say that the four testified on 404 assumption, that's going to be the State taking from the Federal Government and assuming the role of permitting for wetlands permits for these fill permits. It's a massive undertaking. The State has tried a couple of times and failed. It looks like there was been some headway, as there are two bills in front of Legislature now.

- HB 2436 - Directs Department of State Lands to conduct a study on potential changes to laws, or implementation of law, regulating removal or fill activities. OCWCOG Staff and two City Managers are testifying on this bill today.
- HB 2438 - Directs Department of State Lands to conduct study on issues related to wetlands mitigation (concerning *Wetland Mitigation Banking Pilot Project*).

Executive Director Abousleman is working with SDS Program Director Randi Moore on HB 3189, a long-term services and support bill for case managers and those that support those on Medicare and Medicaid.

Executive Director Abousleman commented that OCWCOG is following HB 3110, which will fund 12 economic development districts to aid grant writing for rural communities seeking economic development dollars.

Executive Director Abousleman commented on HB 2730, a bill that would remove emergency management from the military to be a standalone agency. There is less transparency for emergency management services under the military, and citizens are looking for more transparency. In the event of an emergency, the military is the first on the ground. Representative Paul Evans thinks there should be an element of response from the region of emergency...

Mayor Konopa stated that she is concerned about HB 2001, as all of the sessions have been behind closed doors. HB 2001 has been a feel-good bill, about affordable housing, with no guarantee that it will be affordable. She noted that this bill is a big burden on cities, as it erodes single family neighborhoods and hurts single family housing. Chair Traber said Corvallis have already done the zoning, though there are some concerns about accessory dwelling units (ADUs). Corvallis's zoning mixes several types of housing.

## 8. **Other business**

None.

## 9. **Adjourn**

Meeting was adjourned at 3:13 pm.

*Minutes recorded by Janet Hughes.*