

**MINUTES
MANAGEMENT/AUDIT COMMITTEE
MAY 18, 2011**

MEMBERS PRESENT

Katie Reed, Chair
Judge James Barden
Judge Diana Bautista
Commissioner Paul Elizondo
Judge Richard Evans
Mayor David Marne (arrived at 12:00 p.m.)
Judge Marvin Quinney
Linda Rivas
Mayor Don Tymrak

STAFF PRESENT

Dean Danos
Mario Gutierrez
Susan Lodge
Melissa Pulido
Mike Quinn
Joe Ramos
Julie Sakelakos
Blanca Tapia
Tim Trevino
Anthony Jalomo

ALTERNATES PRESENT

Victor Cavazos

GUESTS PRESENT

John Crider
Laura Lambert

1. The meeting was called to order at 10:00 a.m. by Katie Reed.
2. Roll Call was taken and a quorum established.
3. There were no citizens to be heard

This time is for citizens to address the Management / Audit Committee on issues and items of concern. There will be no Management / Audit Committee action at this time.

4. Consent Agenda.

Items on the consent agenda are considered being of a routine nature and may require only limited discussion. Any member of the committee may request that items be removed from the Consent Agenda and considered separately for purpose of discussion and voting.

Consider and act upon approving the April 20, 2011 Minutes.

A Motion was made by Judge Barden, seconded by Judge Bautista to approve the items on the consent agenda. The Motion carried unanimously.

EXECUTIVE

5. Consider and act upon changes to the following policies:
 - A. Personnel Policies

3.032 Workweek and Work Hours

Dean Danos stated staff is recommending approval of the changes to the Personnel Policies 3.032 – Workweek and Work Hours. After review and discussion, a Motion was made by Commissioner Elizondo, seconded by Linda Rivas to approve the Personnel Policies 3.032 Workweek and Work Hours with the Committee recommended changes and for staff to report back in 90 days to the Management/Audit Committee with a progress report. The Motion carried unanimously.

B. Procurement Policies

4.013 Bids and Quotes

Dean Danos stated staff is recommending approval of the changes to the Personnel Policies 4.013 Bids and Quotes. After review and discussion, a Motion was made by Judge Evans, seconded by Judge Barden to approve the Personnel Policies 4.013 Bids and Quotes assuring that staff needs to comply with the purchasing act. The Motion carried unanimously.

6. Consider and act upon authorizing a resolution for a 457 Deferred Compensation plan administered through the International City/County Management Association Retirement Corporation to change the plan coordinator from Gloria C. Arriaga to Dean J. Danos.

Dean Danos stated staff recommends approving a resolution to change the plan coordinator from Gloria C. Arriaga to Dean Danos for the 457 Deferred Compensation plan administered through the International City/County Management Association Retirement Corporation. After consideration, a Motion was made by Judge Evans, seconded by Judge Bautista to approve the staff's recommendation. The Motion carried unanimously.

7. Consider and act upon authorizing a resolution to amend authorized representative for TexPool from Gloria C. Arriaga to Dean J. Danos, Michael W. Quinn; Julie Sakelakos and Susan L. Lodge.

A Motion was made by Commissioner Elizondo, seconded by Judge Evans to defer this item until after item #20 is discussed. The Motion carried unanimously.

FINANCIAL

8. Consider and act upon approving the following:
 - A. Grants.
 - B. Recoveries.
 - C. Balance Sheet.
 - D. Income Statement.

- E. Board Expenditures.
- F. 2nd Budget Amendment.
- G. Notification of 2009 ALA Settlement Results.
- H. Update on Medicaid Status on Billing. (No Attachment)
- I. Cost Allocation Plan 2011 rate update. (No Attachment)

Blanca Tapia reported on the above status reports and approval of the 2nd Budget Amendment. Ms. Tapia also discussed and updated the Committee on the Medicaid status on billing and the cost allocation plan 2011 rate update. After consideration, a Motion was made by Judge Evans, seconded by Judge Barden to approve items A through G. Mayor Tymrak opposed. The Motion carried. Items H and I were for information only and required no action.

9. Consider and act upon the following:

- A. Add as signatories the Interim Executive Director, Dean J. Danos; Deputy Executive Director, Michael W. Quinn; Senior Executive Assistant, Julie Sakelakos; and Senior Director of Community Development, Susan L. Lodge to the following accounts:

- 1) Bank of America.
- 2) Broadway Bank.
- 3) JPMorgan Chase.
- 4) Texpool
- 5) Wells Fargo.

- B. Add as signatory the Public Relations Director, Timothy J. Trevino, to the following JP Morgan Chase account:

AACOG Employee Fund.

- C. Delete Gloria C. Arriaga the former Executive Director as signatory to the following accounts:

- 1) Bank of America.
- 2) Broadway Bank.
- 3) JPMorgan Chase.
- 4) Texpool.
- 5) Wells Fargo.
- 6) AACOG Employee Fund.

A Motion was made by Commissioner Elizondo, seconded by Judge Evans to defer this item until after item #20 is discussed. The Motion carried unanimously.

Judge Barden recommended discussing item #11 at this time before #10.

10. Update on state and federal budget issues and implications on agency personnel.

Susan Lodge updated the Committee on the state and federal budget issues and implications on agency personnel. No action required.

11. Consider and act upon approving the 2010 Draft Audit report for the year ending December 31, 2010.

John Crider and Laura Lambert from Weaver and Tidwell L.L.P presented and discussed the 2010 Draft Audit report for the year ending December 31, 2010. After consideration, a Motion was made by Commissioner Elizondo, seconded by Judge Barden to forward to the Board of Directors for action. The Motion carried unanimously.

PROGRAMS

12. Update on the Weatherization Assistance Program (WAP).

Joe Ramos updated the Committee on the Weatherization Assistance Program (WAP). No action required.

13. Consider and act upon authorizing the Interim Executive Director to enter into a contract with the Texas Department of Transportation (TxDOT) for §5311 - Non-Urbanized Area Formula Program – Federal Funds in the amount of \$612,655.00 for Fiscal Year 2012.

Dean Danos stated staff recommends approval to enter into a contract with the Texas Department (TxDOT) for 5311 – Non-Urbanized Area Formula Program- Federal Funds in the amount of \$612,655.00 for Fiscal Year 2012. After consideration, a Motion was made by Commissioner Elizondo, seconded by Mayor Marne to approve the staff's recommendation. The Motion carried unanimously.

14. Consider and act upon the following from the Natural Resources Program:
 - A. Authorize the Interim Executive Director to submit a grant application for Transportation Improvement Program funds from the Texas Department of Transportation (TxDOT) in support of AACOG's Commute Solutions program in an amount not to exceed \$213,600.00 with the requirement of a 20% in-kind match.
 - B. Approve a resolution in support of the FY 2011 Commute Solutions work plan.

Dean Danos stated staff recommends authorization to submit a grant application for Transportation Improvement Program funds from the Texas Department of Transportation in support of AACOG's Commute Solutions program in an amount

not to exceed \$213,600.00 with the requirement of a 20% in-kind match and to approve a resolution in support of the FY 2011 Commute Solutions work plan. After consideration, a Motion was made by Commissioner Elizondo, seconded by Judge Evans to approve the staff's recommendations. The Motion carried unanimously.

15. Consider and act upon the following from the Public Safety department:
 - A. Ratifying the L.R. Kimball contract extension, for an amount of \$10,000.00 due to an immediate requirement to have all investment justifications submitted to the state by May 24, 2011.
 - B. Authorize the Interim Executive Director to further amend the contract with L.R. Kimball for an amount up to \$80,000.00 due to additional requirements of Regional Interoperability Communications Plan (RICP) Phase 3 from the State for developing after-action reports and improvement plans resulting from the regional demonstration exercise to meet National Emergency Communications Plan (NECP) Goal 2 objectives.

Mike Quinn stated staff recommends approval to ratify the L.R. Kimball contract extension, for an amount of \$10,000.00 due to an immediate requirement to have all investment justifications submitted to the state by May 24, 2011 and to authorize the Interim Executive Director to further amend the contract with L.R. Kimball for an amount up to \$80,000.00. After consideration, a Motion was made by Commissioner Elizondo, seconded by Linda Rivas to approve items A and B. The Motion carried unanimously.

16. Consider and Act upon authorizing the Interim Executive Director to release a Request for Application for Community Safety Net Services to the ALA, for services beginning September 1, 2011 and ending August 31, 2013 for an estimated total budget amount of up to \$8 million.

Susan Lodge stated staff recommends authorizing the Interim Executive Director to release a request for application for Community Safety Net Services to the ALA, for services beginning September 1, 2011 and ending August 31, 2013 for an estimated total budget up to \$8 million. After consideration, a Motion was made by Judge Barden, seconded by Commissioner Elizondo to approve the staff's recommendation. The Motion carried unanimously.

17. Consider and act upon approving Shield Healthcare as an additional vendor for FY 2011, as recommended by the Alamo Senior Advisory Committee.

Susan Lodge stated the Alamo Senior Advisory Committee recommends approving Shield Healthcare as an additional vendor for FY 2011. After consideration, a Motion was made by Judge Barden and Commissioner Elizondo

to approve Shield Healthcare as an additional vendor. The Motion carried unanimously.

18. Executive Session

The Committee adjourned into Executive Session at 12:20 p.m. to discuss the following:

In accordance with Chapter 551 of the Texas Government Code, Subchapter D, the Management / Audit Committee may meet in Executive Session on any item listed below or on this agenda for consultation concerning attorney-client matters (real estate, litigation, contracts, personnel and security); any final action or vote taken will be in public.

- A. Deliberate pending/contemplated litigation, settlement offer(s), and matters concerning privileged and unprivileged client information deemed confidential by Rule 1.05 of the Texas Disciplinary Rules of Professional Conduct in accordance with Section 551.071, of the Texas Government Code. (M. Gutierrez, General Counsel)

Weatherization Assistance Program contractor – American G.I. Forum

- B. Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, in accordance with Section 551.074, of the Texas Government Code.

- 1) Deputy Executive Director;
- 2) Senior Executive Assistant.

The Committee reconvened at 1:20 p.m. from Executive Session.

19. Consider and take appropriate action regarding the expired contract of Weatherization Assistance Program contractor American GI Forum.

No action required on this item.

20. Consider and act upon approving the creation and appointment of the Deputy Executive Director and Senior Executive Assistant positions.

A Motion was made by Judge Quinney, seconded by Commissioner Elizondo to appoint the positions as Acting Deputy Executive Director and Acting Senior Executive Assistant. The Motion carried unanimously.

21. Consider and act upon the authorizing the Interim Executive Director to temporarily suspend, as necessary, AACOG Personnel Policies including,

Item #4

but not limited to the following: 3.029 – *Employment Practices*; and 3.056 – *Job Descriptions and Performance Evaluations*; to effectively administer and implement the agency's mission.

Dean Danos stated he is recommending approval to temporarily suspend, as necessary, AACOG Personnel Policies including, but not limited to the following: 3.029 – *Employment Practices*; and 3.056 – *Job Descriptions and Performance Evaluations*; to effectively administer and implement the agency's mission. After discussion and consideration, the Committee recommended directing the staff to forward this item to the Board of Directors for approval. The Motion carried unanimously.

A Motion was made by Commissioner Elizondo, seconded by Judge Evans to defer items 7 and 9 until next month. The Motion carried unanimously.

22. Consider and act upon items to be placed on the Board of Directors Agenda from the Management / Audit Committee.

The Committee recommended placing item 10, 11, 12, 21 and the creation of a Senior Executive Assistant on the Board of Directors Agenda from the Management/Audit Committee.

23. Discussion of items to be placed on the agenda for the next Management / Audit Committee meeting.

The Committee recommended placing an organizational chart on the agenda for the next Management/Audit Committee meeting.

24. Katie Reed stated the next meeting date is Wednesday, June 22, 2011, 10:00 a.m.
25. The meeting was adjourned at 1:51 p.m.