

**MINUTES
MANAGEMENT/AUDIT COMMITTEE
JUNE 22, 2011**

MEMBERS PRESENT

Katie Reed, Chair
Judge James Barden
Judge Diana Bautista
Judge Richard Evans
Mayor David Marne
Judge Marvin Quinney
Mayor Don Tymrak

MEMBERS ABSENT

Jim Adams

GUESTS PRESENT

Laura Lambert

ALTERNATES PRESENT

Victor Cavazos

1. The meeting called to order at 10:00 a.m. by Katie Reed.
2. Roll call was taken and a quorum established.
3. Citizens to be heard.

Daniel Watford signed up under citizens to be heard to address his complaints on the hiring process for the Deputy Executive Director

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 May 18, 2011 Minutes.

A Motion was made by Mayor Tymrak, seconded by Judge Barden to approve the May 18, 2011 Minutes. The Motion carried unanimously.

EXECUTIVE

5. Appointment of Mr. Jim Adams to AACOG Board of Directors, representing Hospital Districts. The appointment is effective June 13, 2011; temporarily replacing Ms. Linda Rivas.

Dean Danos informed the members that Mr. Jim Adams will be representing Hospital Districts temporarily replacing Ms. Linda Rivas. No action required.

6. Consider and act upon accepting the 2010 Audit report for the year ending December 31, 2010.

Laura Lambert from Weaver and Tidwell, LLP discussed the 2010 Audit report for year ending December 31, 2010. After consideration, a Motion was made by Judge Barden, seconded by Mayor Marne approval of the 2010 Audit report as presented and to forward this to the Board of Directors for review and approval. The Motion carried unanimously.

7. Consider and act upon authorizing the Interim Executive Director and Board members to attend the Texas Association of Regional Councils' Annual Conference, September 14 – 16, 2011 in Fort Worth, Texas.

A Motion was made by Judge Barden, seconded by Judge Evans to authorize the Interim Executive Director and up to three board members to attend the Texas Association of Regional Councils Annual Conference, September 14-16, 2011 in Fort Worth, Texas. The Motion carried unanimously.

8. Consider and act upon authorizing the Interim Executive Director to enter into an Interlocal Participation Agreement with The Local Government Purchasing Cooperative, an administrative agency of cooperating local governments.

Cindy Krueger stated staff is recommending approval for the Interim Executive Director to enter into an Interlocal Participation Agreement with The Local Government Purchasing Cooperative, an administrative agency of cooperating local governments. After consideration, a Motion was made by Mayor Tymrak, seconded by Mayor Marne to accept the staff's recommendation. The Motion carried unanimously.

9. Consider and act upon authorizing the Interim Executive Director to contract for the following:
 - A. Records Storage through Safesite, Inc. at an estimated annual cost of \$12,132.00 for a period of one (1) year with the option to renew annually for two (2) additional years.
 - B. Shredding Services at an estimated annual cost of \$2,880.00 for a period of one (1) year with the option to renew annually for two (2) additional years.

Mark Mueller stated staff is recommending approval to contract with the above vendors for Records and Shredding Services as listed above. After consideration, a Motion was made by Judge Evans, seconded by Judge Barden to accept the staff's recommendation. The Motion carried unanimously.

10. Update on state and federal budget issues.

Susan Lodge gave an update on state and federal budget issues. No action required.

11. Discussion of Agency organizational structure.

Dean Danos discussed the Agency organizational structure. Mr. Danos indicated that it is subject to change due the state and federal budget issues and will bring back to the Committee any changes. No action required.

Kate Reed stated that #21 will be discussed at this time.

FINANCIAL

12. Consider and act upon approving the following:

- A. Grants.
- B. Recoveries.
- C. Balance Sheet.
- D. Income Statement.
- E. Board Expenditures.
- F. Additional 2010 Audit cost.

Blanca Tapia reported on the above status reports. Ms. Tapia also reported that the 2010 audit costs exceeded the fee estimate provided by our audit firm Weaver and Tidwell due to the significant additional work related to the Weatherization program. The additional costs are estimated at \$29,500.00. The Committee recommended that more information be provided on the increase for the next meeting. After consideration, a Motion was made by Judge Evans, seconded by Judge Barden acceptance of the above status reports A through F. The Motion carried unanimously.

13. Consider and act upon the following:

- A. Add the Interim Executive Director, Dean J. Danos; and Deputy Director of Human Services, Susan J. Lodge as signatories on the following accounts:
 - 1) Bank of America.
 - 2) Broadway Bank.
 - 3) JPMorgan Chase.
 - 4) Texpool
 - 5) Wells Fargo.
- B. Add the Public Relations Director, Timothy J. Trevino, as signatory on the following JP Morgan Chase account:

AACOG Employee Fund.

- C. Remove retired AACOG Executive Director, Gloria C. Arriaga, as signatory on the following accounts:

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

Blanca Tapia stated staff is recommending approval of the above items. After consideration, a Motion was made by Mayor Marne, seconded by Mayor Tymrak to approve the above items as listed and to add the Deputy Executive Director to item A for approval at the Board of Directors meeting. The Motion carried unanimously.

PROGRAMS

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

- A. WAP results through May 31, 2011.
- B. ARRA production projections through August 31, 2011 and December 31, 2011.

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

15. Consider and act upon the following from the Alamo Regional Transit Program:

- A. Authorize the Interim Executive Director to enter into a contract extension with the Texas Department of Transportation (TxDOT) - American Recovery and Reinvestment Act of 2009 (ARRA), to extend the contract agreement until May 31, 2012.
- C. Authorize the Interim Executive Director to enter into a one-month contract extension with the Texas Department of Transportation (TxDOT) - Regional Coordinated Transportation Planning Grant, to extend the contract agreement until September 30, 2011.

Dean Danos stated staff is recommending approval of items A and B from the Regional Transit Program. After consideration, a Motion was made by Judge

Evans, seconded by Judge Barden to approve items A and B. The Motion carried unanimously.

16. Consider and act upon authorizing the Interim Executive Director to submit a no cost FY 2011 Contract Extension to the Texas Commission on Environmental Quality (TCEQ).

Dean Danos stated staff is recommending approval to submit a no cost FY 2011 Contract Extension to the Texas Commission on Environmental Quality (TCEQ). After consideration, a Motion was made by Judge Bautista, seconded by Mayor Tymrak to approve the staff's recommendation. The Motion carried unanimously.

17. Consider and act upon authorizing the Interim Executive Director to negotiate no cost contract amendments to the San Antonio – Bexar County Metropolitan Planning Organization (SA-BC MPO) / AACOG 2010-2011 Unified Planning Work Program (UPWP).

Dean Danos stated staff is recommending approval to authorize him to negotiate a no cost contract amendments to the San Antonio-Bexar County Metropolitan Planning Organization (SA-BC MPO)/AACOG 2010-2011 Unified Planning Work Program (UPWP). After consideration, a Motion was made by Mayor Tymrak, seconded by Judge Bautista to approve the staff's recommendation. The Motion carried unanimously.

18. Consider and act upon by ratification of the amendment extending the FY 2010-2011 Regional Solid Waste Grants Program Contract to February 28, 2013.

Dean Danos stated staff is recommending approval to ratify the amendment to extend the FY 2010-2011 Regional Solid Waste Grants Program Contract to February 28, 2003. After consideration, a Motion was made by Judge Bautista, seconded by Judge Evans to approve the staff's recommendation. The Motion carried unanimously.

19. Consider and Act upon authorizing the Interim Executive Director to release a Request for Proposals for a qualified contractor with significant experience to assess, plan for, and ensure attainment of AACOG's compliance with the federal *Health Insurance Portability and Accountability Act (HIPAA)*.

Susan Lodge stated staff is recommending approval for the Interim Executive Director to release a Request for Proposals for a qualified contractor with significant experience to assess, plan for, and ensure attainment of AACOG's compliance with the federal Health Insurance Portability and Accountability Act (HIPPA). After consideration, a Motion was made by Mayor Marne, seconded

by Judge Evans to approve the staff's recommendation. The Motion carried unanimously.

20. Discussion and appropriate action regarding Workforce Solutions Alamo's Request for Proposals and potential conflicts-of-interest.

Dean Danos discussed Workforce Solutions Alamo's Request for Proposals and potential conflicts-of-interest. No action required.

21. The Committee adjourned into Executive Session at 10:56 a.m. to discuss the following items.

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)

Notice letter from attorney Isabel de la Riva.

- 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.

Employment search for Executive Director.

The Committee reconvened at 11:44 a.m.

22. Consider and act upon forwarding to the Board of Directors a recommendation to begin a national search for an Executive Director.

A Motion was made by Judge Evans, seconded by Judge Barden to postpone action at this time and placing it on the July Management/Audit Committee agenda and to take any action, if appropriate, to begin the process for a permanent Executive Director and forwarding that recommendation to the Board for consideration. The Motion carried unanimously.

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

Item #4

The Committee recommended placing item #6 and #14 on the Board of Directors Agenda from the Management/Audit Committee.

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

The Committee recommended placing an update on the Weatherization Program and the discussion for the process of the Executive Director search.

25. Katie Reed stated the next meeting date is Wednesday, July 20, 2011, 10:00 a.m.
26. The meeting was adjourned at 12:45 p.m.