

OFFICE OF RURAL COMMUNITY AFFAIRS

Executive Committee Meeting
Colorado County Services Facility
305 Radio Lane
Columbus, Texas

MINUTES

The Executive Committee of the Office of Rural Community Affairs convened at the Colorado County Services Facility in Columbus, Texas at 1:30 p.m. on Thursday, August 4, 2005. The meeting recessed at 6:00 p.m. that afternoon, and reconvened at 8:35 a.m. the morning of Friday, August 5, 2005. The Committee adjourned at 10:30 a.m. that same afternoon of August 5, 2005.

Executive Committee Members in Attendance

Present

William M. Jeter, III, Chairman
Carol Harrell, Vice Chair
Michael Waters, Secretary
David Alders
Nicki Harle
Wallace G. Klussmann
Lydia Saenz
Pat Wallace

Not present

Ike Sugg

Others Registered in Attendance *(in alphabetical order by last name)*

Last Name	First Name	Organization
Cardenas	Oralia	Office of Rural Community Affairs
Cardiff	Sandy	Office of Rural Community Affairs
Flores	David	Office of Rural Community Affairs
Hairston	Terrie	Office of Rural Community Affairs
Hoeth	Richard	VP of Rural Membership, TX Hospital Assn.
Jamison	A. G.	Colorado County Judge
McFarren	Jill	Office of Rural Community Affairs
Spitzengel	Bruce	President, Grantworks
Stone	Charles	Office of Rural Community Affairs
Swango	Steve	Office of Rural Community Affairs

Chairman William Jeter called the meeting to order and asked Michael Waters, Secretary, to call the roll. A quorum was present.

1 Agenda Item A1

Michael Waters offered and Lydia Saenz seconded the motion to approve the [minutes](#) of the June 2-3, 2005, Executive Committee meeting.

The Executive Committee, with all members present voted yes.

2 Agenda Item B1

Comments were received by the Executive Committee from the following persons at 1:35 p.m.:

- Richard Hoeth

3 Agenda Item E1

The Director of ORCA's Rural Health Division, Terrie Hairston, briefed the Executive Committee on [the award of State Office of Rural Health grants from the Health Resources and Services Administration \(HRSA\) in the amount of \\$150,000.](#)

Wallace Klussmann offered and Carol Harrell seconded the motion to approve to accept the grant.

Dr. Klussmann requested to see the results of the dollars administered through the SORH grants and a detailed breakdown of the budget.

The Executive Committee, with all members present voted yes.

4 Agenda Item E2

The Director of ORCA's Rural Health Division, Terrie Hairston, briefed the Executive Committee on [the award of a Medicare Rural Hospital Flexibility \(FLEX\) grant from the Health Resources and Services Administration \(HRSA\) in the amount of \\$610,000.](#)

Michael Waters offered and Wallace Klussmann seconded the motion to approve to accept the grant.

Dr. Klussmann requested to see the results of the dollars administered through the FLEX grants and a detailed breakdown of the budget.

Ms. Hairston noted that she would supply Committee members with an “obligation sheet” as well.

The Executive Committee, with all members present voted yes.

5 Agenda Item E3

Jerry Hill, ORCA’s General Council, briefed the Executive Committee on proposed revisions to rules establishing policies and procedures for the operation of the Office of Rural Community Affairs, the replacement of reference to Center for Rural Health Initiatives with Office of Rural Community Affairs and the deletion of rules addressing the inactive Community Scholarship and Rural Emergency Medical Services Scholarship Incentive (REMSIP) Programs (Sections 257.1 through 257.809 of Title 10, Part 6, of the Texas Administrative Code).

Mr. Hill stated that he will bring the final revisions back to the Committee for further discussion, consideration and possible action.

No action was taken.

6 Agenda Item E4

Jerry Hill, ORCA’s General Council, briefed the Executive Committee on a proposed Interagency Contract with the Texas Medical Board for the administration of the Rural Physician Assistant Loan Reimbursement Program (RPALRP) pursuant to Section 204.104 of the Texas Government Code.

Nicki Harle offered and Pat Wallace seconded the motion to approve to accept the grant.

The Executive Committee, with all members present voted yes.

7 **Agenda Item C1**

Rural Texas Foundation coordinator, David Nobles, briefed the Executive Committee on the [activities of the Texas Rural Foundation to date](#).

No action was taken.

8 **Agenda Item C2**

ORCA Research and Policy Team member, Mr. Eric Beverly, briefed the Executive Committee on the [Self Evaluation Report \(Texas Sunset Act, Chapter 325 of the Texas Government Code\) for submission to the Sunset Advisory Commission by August 19, 2005](#).

Mike Waters requested that Chairman Jeter call for a meeting of the full Executive Committee to review the document prior to the August 19, 2005 deadline for submission of the document to the Sunset Commission.

Chairman Jeter set a meeting for August 15, 2005 in Austin.

No action was taken.

9 **Agenda Item D1**

David Alders, Chair of the Subcommittee on the [Internal Audit](#), introduced to the Executive Committee Mr. Don McPhee of the internal auditing firm of Helin, Donovan, Trubee and Wilkinson (Internal Auditor). Mr. McPhee reviewed the agency's activities and report on the results of the firm's audit review.

McPhee reported that:

- The reconciliation between the US Department of Housing and Urban Development (HUD) IDIS tracking system, and the agency's Oracle database for April 2005 and May 2005 are consistent.
- The review and approval process that ORCA put into place is working.

- The firm recommends that ORCA staff post to both IDIS and Oracle.

Michael Waters noted that the firm found no material or non-compliance concerns and the agency is in compliance with HUD and federal and state requirements, although there may be management letter issues.

No action was taken.

10 Agenda Item D2

ORCA Finance Division Director, David Flores, briefed the Executive Committee on the [on the agency's proposed Fiscal Year 2006 Operating Budget](#).

Wallace Klusmann offered and Pat Wallace seconded the motion to approve to accept the budget.

The Executive Committee, with all members present voted yes.

11 Agenda item D3

ORCA Finance Division Director, David Flores, presented the Executive Committee with an update on the [agency's Fiscal Year 2005 budget](#).

No action was taken.

12 Agenda Item F1

David Alders, Chairman of the [Housing Task Force Subcommittee](#), deferred his report on the subcommittee's activities to date.

No action was taken.

13 Agenda Item F2

Jerry Hill, ORCA's General Council, briefed the Executive Committee on a [proposed Memorandum of Understanding between this agency](#)

and the Texas Water Development Board (TWDB) for the coordination of funds from the Economically Distressed Areas Program (EDAP) administered by the TWDB and the Colonia Fund of the Community Development Block Grant (CDBG) Program.

Carol Harrell offered and Pat Wallace seconded the motion to approve to accept the MOU with TWDB.

The Executive Committee, with all members present voted yes.

14 Agenda Item C3

Jerry Hill, ORCA's General Council, briefed the Executive Committee on [proposed rules outlining the responsibilities of the Executive Director, the Executive Committee, and providing the public with an opportunity to appear before the Executive Committee and offer comments.](#)

Pat Wallace offered and Lydia Saenz seconded the motion to approve the rules.

The Executive Committee, with all members present voted yes.

15 Agenda Item C5

ORCA Executive Director, Charles (Charlie) S. Stone, briefed the Executive Committee on the [tracking of expenditures from the Urgent Need Fund.](#)

Wallace Klussmann offered to “not decrease the total dollars set aside for the Disaster Relief Fund, leaving it at \$6.5 million, and move \$1 million from the \$2.4 million deobligated funds to the Urgent Need Fund, leaving \$1.4 million in deobligated funds.” Pat Wallace seconded the motion.

Chairman Jeter deferred the motion until the October Executive Committee meeting in Austin.

16 Agenda Item I

The Executive Committee went into [Executive Session](#) at 5:46 p.m. to:

1. Executive Session Pursuant to Government Code Section 551.071 to consult with the Executive Committee's attorney concerning contemplated litigation, and all matters identified in the agenda where the Executive Committee members seek the advice of their attorney as privileged communications under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas and pursuant to Section 551.074 to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

2. Actions, if any, resulting from Executive Session.

The Executive Committee reconvened in public at 6:00 p.m.
THE COMMITTEE RECESSED AT 6:00 P.M. ON AUGUST 4, 2005
UNTIL 8:30 A.M AUGUST 5, 2005.

THE EXECUTIVE COMMITTEE RECONVENED AT 8:36 A.M. ON
FRIDAY, AUGUST 5, 2005 AND CONTINUED WITH THE AGENDA.

17 Agenda Item C6

ORCA Executive Director, Charles (Charlie) S. Stone, briefed the Executive Committee on the [submission of executive briefs in the Agenda Books](#), and requested a continuation of the existing moratorium on the submission of the briefs until October 2005.

Nicki Harle offered and Lydia Saenz seconded the motion to extend the moratorium.

The Executive Committee, with all members present voted yes.

18 Agenda Item H3

Chairman Jeter reviewed the schedule and the location of [future Executive Committee meetings](#), as follows:

September 29-30, 2005	Austin (Travis County)
December 1-2, 2005	Brady (McCulloch County)

Executive Committee members suggested:

Ozona (Crockett County), Bowie (Montague County), Frisco (Collin County) per Nicki Harle;
Graham (Young County) per Michael Waters;
Linden (Cass County) per Carol Harrell.

To ensure geographic diversity of future meeting locations, ORCA Executive Director, Charles (Charlie) S. Stone offered to provide Committee members with a map of proposed sites at the October Executive Committee meeting.

Chairman Jeter also requested that a notice be posted on the agency's web site to invite communities to participate in the development of the Committee's meeting schedule.

No action was taken.

19 Agenda Item C4

Colorado County Judge, A. G. Jamison briefed the Executive Committee on the local [Alleyton Small Towns Environment Program \(STEP\)](#) projects, and escorted the Committee members on a tour of the funded projects.

20 Agenda Item C7

ORCA Executive Director, Charles (Charlie) S. Stone, briefed the Executive Committee on the [results of the Survey of Organizational Excellence recently completed for the agency.](#)

No action was taken.

21 Agenda Item H1

Chairman Jeter briefed the Executive Committee on the [July 14, 2005 joint meeting between the Texas Department of Housing and Community Affairs and this agency on the joint administration of the Housing Tax Credit Program.](#)

Chairman Jeter requested that the Housing Tax Credit item remain on

future Executive Committee meeting agenda's under section H, which is to be renamed, "Old Business and Other Items."

Michael Waters requested that all agency quarterly reports be submitted to the Committee when submitting to the US Department of Housing and Urban Development (HUD).

_____ requested that the term, "ex-urban" be added to the glossary.

No action was taken.

22 Agenda Item H2

Jerry Hill, ORCA's General Council, briefed the Executive Committee on legislation passed during the 79th Regular Session affecting the Executive Committee.

No action was taken.

23 Agenda Item J

Wallace Klussmann offered and Carol Harrell seconded a motion to adjourn.

The Executive Committee, with all members present voted yes.

The meeting was adjourned at 10:30 a.m. on Friday, August 5, 2005.