

# OFFICE OF RURAL COMMUNITY AFFAIRS

## **Executive Committee Meeting** Texas State Capitol Members Lounge, Room E2.1002

December 12-13, 2006

### **MINUTES**

The Executive Committee of the Office of Rural Community Affairs convened at the Texas State Capitol in the Members Lounge, Room E2.1002, in Austin, Texas at 1:00 p.m. on Tuesday, December 12, 2006. The Executive Committee entered into Executive Session that same day, Tuesday, December 12, 2006 at 4:38 p.m. and reconvened that same day, Tuesday, December 12, 2006 at 5:00 p.m., at which time the Executive Committee recessed until the following day, Wednesday, December 13, 2006 at 8:30 a.m. The Committee reconvened on Wednesday, December 13, 2006 at 8:30 a.m. and adjourned at 11:03 a.m. that same day, Wednesday, December 13, 2006.

#### **Executive Committee Members in Attendance**

##### **Present**

Michael Waters, Chair  
David Alders, Vice Chair  
Nicki Harle, Secretary  
Carol Harrell  
Wallace G. Klussmann  
Lydia Saenz  
Patrick Wallace

##### **Not present**

Ike Sugg  
William M. Jeter, III

#### **Others Registered in Attendance** *(in alphabetical order by organization)*

<b>Organization</b>	<b>First Name</b>	<b>Last Name</b>
(Agenda Item C1.A.)	Rick	Rhodes
Abramson Center (Agenda Item C1.A.)	Clifford	Dasco, MD
Abramson Center (Agenda Item C1.A.)	Amy	Harris
Capital Area Health Education Center (Agenda Item C1.A.)	Lynn	Heimerl
Dasco Law Firm (Agenda Item C1.A.)	Sheri	Dasco, JD
East Texas Council of Governments (Agenda Item C1.A.)	Claude	Andrews
Helin, Donovan, Trubee and Wilkinson (Agenda Item D4)	Don	McPhee

<b>Organization</b>	<b>First Name</b>	<b>Last Name</b>
Office of Rural Community Affairs	Sandy	Cardiff
Office of Rural Community Affairs	Theresa	Cruz
Office of Rural Community Affairs	David	Flores
Office of Rural Community Affairs	Terrie	Hairston
Office of Rural Community Affairs	David	Nobles
Office of Rural Community Affairs	Jill	McFarren
Office of Rural Community Affairs	Charles	Stone
Office of the Attorney General	Kevin	Heyburn
Office of the Comptroller (Agenda Item C1.B.)	Margot	Clarke
Public Utility Commission of Texas (Agenda Item C1.B.)	Randy	Klaus
Public Utility Commission of Texas (Agenda Item C1.B.)	Jess	Totten
Railroad Commission of Texas (Agenda Item C1.B.)	Stacie	Fowler
Railroad Commission of Texas (Agenda Item C1.B.)	John	Tintera
Rural Community Health Institute, TAMUHSC (Agenda Item C1.A.)	Josie	Williams, MD
Sabine Valley Center for Regional Services (Agenda Item C1.A.)	Inman	White
Sunset Commission	Christian	Ninaud
Sunset Commission	David	Olvera
Texas Commission on Environmental Quality (Agenda Item C1.B.)	Matt	Baker
Texas Cooperative Extension (Agenda Item C1.B.)	Roland	Smith
Texas Department of Aging and Disability Services (Agenda Item C1.A.)	Lawrence	Parker
Texas Department of Agriculture (Agenda Item C1.B.)	Robert	Wood
Texas Department of Housing and Community Affairs (Agenda Item C1.B.)	Elena	Peinado
Texas Department of State Health Services (Agenda Item C1.A.)	Evelyn	Delgado
Texas Department of Transportation (Agenda Item C1.B.)	Wayne	Dennis
Texas Department of Transportation (Agenda Item C1.B.)	Jimmy	Tyree
Texas Organization of Rural and Community Hospitals (Agenda Item C1.A.)	David	Pearson
Texas Parks and Wildlife Department (Agenda Item C1.B.)	Linda	Campbell
Texas Rural Mediation Service (Agenda Item C1.A.)	Gene	Valentini
Texas Rural Mediation Services (Agenda Items C1.A, B.)	Mark	Hall
Texas Workforce Commission (Agenda Item C1.A.)	Randy	Buchanan
Texas Workforce Commission (Agenda Item C1.A.)	Bill	Minor
Texas Workforce Commission (Agenda Item C1.B.)	Doug	Ridge

## **1 Agenda Item A1**

Chairman Michael Waters called the meeting to order at 1:00 p.m. and asked Nicki Harle, Secretary, to call the roll. A quorum was present.

## **2 Agenda Item A2**

Nicki Harle offered to approve the minutes of the October 5, 2006 Executive Committee, held in Pampa, Texas, with revisions to include the name of the person who made the presentation at the public dinner on Thursday, October 5, 2006. Patrick Wallace seconded the motion.

The Executive Committee, with all members present voted yes with the exception of Lydia Saenz, who abstained.

### **3 Agenda Item A3**

Nicki Harle offered and Carol Harrell seconded the motion to approve the minutes of the November 14, 2006 Executive Committee meeting.

The Executive Committee, with all members present voted yes.

### **4 Agenda Item C1 A**

At 1:10 p.m., Tuesday, December 12, 2006, Chairman Michael Waters welcomed all health-related agency and organization representatives in attendance for the annual agency meeting, which included:

- Abramson Center
- Capital Area Health Education Center
- Dasco Law Firm
- East Texas Council of Governments
- Rural Community Health Institute, TAMUHSC
- Sabine Valley Center for Regional Services
- Texas Department of Aging and Disability Services
- Texas Department of State Health Services (for HHSC)
- Texas Organization of Rural and Community Hospitals
- Texas Rural Mediation Services
- Texas Workforce Commission

Chairman Michael Waters introduced ORCA Executive Director Charles S. (Charlie) Stone who gave a short overview on the rural health pilot project. He then introduced Executive Committee member Carol Harrell, who gave a presentation on the role of the Jeffersonian Institute in a proposed healthcare pilot demonstration project in Marion County.

The following topics were discussed:

- Partnering, aligning and leveraging local public and private resources to achieve coordinated health and wellness activities;
- Commonalities of healthcare accessibility in rural and urban areas;
- Overcoming turf issues;
- Ways to address accessibility through wireless technology;
- The value of providing remote access to medical care as an opportunity for service delivery; and
- The value of having a non-profit entity to be a mediator between the public and private sector.

Dr. Clifford Dasco provided a brief presentation to the Executive Committee and the audience on chronic disease in Texas, its impact on the state's mortality rate, and his Blue Box Project, a wireless pilot project designed to test the periodic transmission of remote patient health data to healthcare facilities/practitioners for monitoring. Telecommunications is used for instantaneous medical attention, when needed.

Ms. Harrell and Dr. Dasco invited comments from the audience.

No action was required.

## **5 Agenda Item B1**

Chairman Michael Waters opened the meeting to public comment. There were none.

## **6 Agenda Item C2**

ORCA Executive Director Charles S. (Charlie) Stone briefed the Executive Committee on items related to the agency's status in the Sunset process.

## **7 Agenda Item C3**

ORCA Executive Director Charles S. (Charlie) Stone briefed the Executive Committee on the agency's Biennial Report to the Legislature.

David Alders offered and Wallace Klussmann seconded the motion to table further discussions on the Report until the following day, Wednesday, December 13, 2006. Chairman Michael Waters called for a roll call vote with the following results:

Yes Michael Waters, Chair  
Yes David Alders, Vice Chair  
Yes Nicki Harle, Secretary  
Yes Carol Harrell

Yes Wallace G. Klussmann  
Yes Lydia Saenz  
Yes Patrick Wallace

The motion passed and item C3 was placed on the table until the following day, Wednesday, December 13, 2006.

## **8 Agenda Item D1**

Wallace Klussmann, Chair of the Finance Advisory Committee, briefed the Executive Committee on the discussions of the subcommittee, which met at 11:00 a.m. that same morning of Tuesday, December 12, 2006.

No action was required.

## **9 Agenda Item D2**

ORCA Chief Financial Officer, David Flores provided the Executive Committee with an update on the agency's Fiscal Year 2007 internal budget.

No action was required.

## **10 Agenda Item D3**

ORCA Chief Financial Officer, David Flores provided the Executive Committee with an update on the agency's Fiscal Year 2006 Annual Financial Report.

No action was required.

## **11 Agenda Item E1**

Patrick Wallace, Chair of the Rural Health Advisory Committee, briefed the Executive Committee on the discussions of the subcommittee, which met at 11:00 a.m. that same morning of Tuesday, December 12, 2006.

Public member, David Pearson representing the Organization of Rural and Community Hospitals, Executive Committee members Carol Harrell and Michael Waters and agency staff Theresa Cruz and Terrie Hairston attended

the meeting.

No action was required.

## **12 Agenda Item E3**

Patrick Wallace, Chair of the Rural Health Advisory Committee, discussed the proposed use of Texas Community Development Block Grant Program deobligated and program income funds for a rural health demonstration project.

No action was required.

## **13 Agenda Item E2**

Patrick Wallace, Chair of the Rural Health Advisory Committee, discussed the historical activities of the Outstanding Rural Scholar Recognition Program.

No action was required.

## **14 Agenda Item F1**

Michael Waters, Chair of the Community Development Advisory Committee, briefed the Executive Committee on the discussions of the subcommittee, which met at 11:00 a.m. that same morning of Tuesday, December 12, 2006.

Executive Committee member Nicki Harle and agency staff Oralia Cardenas and Mark Wyatt attended the meeting.

No action was required.

## **15 Agenda Item F2**

ORCA Program Development Manager Mark Wyatt briefed the Executive Committee on the proposed revisions to Title 10, Chapter 255 of the Texas Administrative Code concerning rules to administer the 2007 Texas CDBG Action Plan previously published in the Texas Register.

Nicki Harle offered and Lydia Saenz seconded the motion to authorize the adoption of the revised rules for the 2007 Texas CDBG Action Plan and have them published in the Texas Register for public comment.

The Executive Committee, with all members present voted yes.

## **16 Agenda Item F3**

ORCA Program Development Manager Mark Wyatt briefed the Executive Committee on the recent awards under the Texas Small Towns Environment Program.

No action was required.

## **17 Agenda Item F4**

ORCA Community Development Director Oralia Cardenas briefed the Executive Committee on the proposed use of Texas Community Development Block Grant Program deobligated and program income funds for a rural health demonstration project.

Wallace Klussmann offered and David Alders seconded the motion to approve staff recommendation that deobligated and/or program income be used to provide an additional \$1,750,000 for the STEP Fund immediately, an additional \$300,000 for the Small Business Loan Fund to replenish it to \$1 million, an additional \$683,484 for the Micro-enterprise Loan Fund to increase it to \$1.2 million and an additional amount for the deobligated/program income portion of the Disaster Relief Fund sufficient to replenish it to \$6.5 million as of February 1, 2007, with caveats that staff provide, at the next (February 2007) Executive Committee meeting, an analysis of:

- (a) each program mentioned and where we are best spending our funds; and
- (b) the opportunity to increase funding to the Small Towns Environment Program.

The Executive Committee, with all members present voted yes.

## **18 Agenda Item F5**

ORCA Community Development Director Oralia Cardenas briefed the

Executive Committee on the recent awards under the Colonia Economically Distressed Areas Program.

Nicki Harle offered and Carol Harrell seconded the motion to approve the two awards to San Patricio County for a total of \$1 million.

The Executive Committee, with all members present voted yes.

## **19 Agenda Item F6**

ORCA Community Development Director Oralia Cardenas briefed the Executive Committee on the program Year 2007-2008 Interagency contract between the Texas Department of Agriculture and the Office of Rural Community Affairs relating to the Texas Capital Fund.

Wallace Klussmann offered and Nicki Harle seconded the motion to approve the contract.

The Executive Committee, with all members present voted yes.

## **20 Agenda Item H1.A**

ORCA Executive Director Charles S. (Charlie) Stone briefed the Executive Committee on the Texas Rural Foundation's Annual Report.

No action was required.

## **21 Agenda Item H1.B**

ORCA Executive Director Charles S. (Charlie) Stone briefed the Executive Committee on the status of the Memorandum of Understanding between the Texas Rural Foundation and the Office of Rural Community Affairs.

David Alders offered and Lydia Saenz seconded the motion to extend the Memorandum of Understanding between the Foundation and the Office of Rural Community Affairs until February 1, 2007.

The Executive Committee, with all members present voted yes.

## **22 Agenda Item H2**



Chairman Michael Waters briefed the Executive Committee on the locations and dates of future Executive committee meetings.

<u>Date(s)</u>	<u>Community</u>	<u>County</u>
02/01/07 - 02/02/07	Bowie	Montague
04/05/07 - 04/06/07	Austin	Travis
05/31/07 - 06/01/07	Pittsburg	Camp
08/02/07 - 08/03/07	Austin	Travis
10/04/07 - 10/05/07	Ozona	Crockett

No action was required.

### **23 Agenda Item H3**

ORCA Executive Director Charles S. (Charlie) Stone briefed the Executive Committee on the agency's performance measures. He proposed that for future meetings, the performance measures will be included in the board books at the next available meeting after a reporting quarter has ended.

The Executive Committee concurred by general consent.

### **24 Agenda Item I**

The Executive Committee entered into Executive Session at 4:38 p.m. on Tuesday, December 12, 2006, at which time Chairman Michael Waters made the following Executive Session announcement:

“The Office of Rural Community Affairs will go into Executive Session at this time, pursuant to the Texas Open Meetings Act, Texas Government Code Section 551.071 for privileged communication with its attorney concerning contemplated litigation and other legal matters and pursuant to Texas Government Code Section 551.074(a)(1) to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the Executive Director, a public officer or employee.

All members of the public and staff are requested to leave the meeting room at this time. The time is 4:38 p.m.

At 5:00 p.m. Chairman Michael Waters announced,

"This Executive Session is ended. The date is December 12, 2006. The

time is 5:00 p.m. No formal action was taken on any item in the Executive Session."

No action was required.

CHAIRMAN MICHAEL WATERS RECESSED THE MEETING AT 5:00 P.M. ON TUESDAY, DECEMBER 12, 2006 UNTIL 8:30 A.M. THE NEXT DAY, WEDNESDAY, DECEMBER 13, 2006.

THE EXECUTIVE COMMITTEE RECONVENED AT 8:30 A.M. ON WEDNESDAY, DECEMBER 13, 2006.

NICKI HARLE RECOGNIZED THE ABSENCE OF LYDIA SAENZ AND CONFIRMED A QUORUM FOR THE DAY.

**25 Agenda Item C4**

ORCA Executive Director Charles S. (Charlie) Stone briefed the Executive Committee on the retirement of ORCA employee Refugio Negrete after 19 years of public service. Refugio was presented a certificate and a state flag that was flown over the state Capitol.

David Alders offered and Nicki Harle seconded the motion that Refugio Negrete be recognized for his contributions, hard work and dedication to the State of Texas and the Office of Rural Community Affairs and that the Executive Committee extends its sincere appreciation to Refugio for his many years of public service in support of rural Texas.

The Executive Committee, with all members present voted yes.

**26 Agenda Item C3** (*continued from Tuesday, December 12, 2006*)

Wallace Klussmann offered and David Alders seconded the motion to remove the tabled agenda item C3 regarding the agency's Biennial Report to the Legislature.

The Executive Committee, with all members present voted yes.

Wallace Klussmann offered and Nicki Harle seconded the motion to approve the Report with revisions discussed the previous day, Tuesday, December 12,

2006.

Chairman Michael Waters called for a roll call vote by Nicki Harle on Wallace Klussmann's motion:

No Michael Waters, Chair	No Carol Harrell
No David Alders, Vice Chair	No Wallace G. Klussmann
No Nicki Harle, Secretary	No Patrick Wallace

The motion failed.

Patrick Wallace offered and Carol Harrell seconded the motion that the agency recommend to the Legislature that the Rural Health Facility Capital Improvement Fund, established by the Legislature by the State Tobacco Funds, be increased from \$50 million to \$100 million, and retain the ability of the Office of Rural Community Affairs to use the earnings of that corpus of \$100 million to fund the program (to be included as part of the Biennial Report Recommendations.)

Chairman Michael Waters called for a roll call vote by Nicki Harle:

Yes Michael Waters, Chair	Yes Carol Harrell
Yes David Alders, Vice Chair	No Wallace G. Klussmann
Yes Nicki Harle, Secretary	Yes Patrick Wallace

The motion passed.

Chairman Michael Waters informed the Executive Committee and the audience that further Executive Committee discussions on the Report will continue following the presentation and discussion of Agenda Item C1. B.

## **27 Agenda Item C1. B**

At 9:15 a.m., Wednesday, December 13, 2006, Chairman Michael Waters welcomed environment-related agency and organization representatives in attendance for the annual agency meeting, including:

- Office of the Comptroller
- Public Utility Commission of Texas
- Railroad Commission of Texas
- Texas Commission on Environmental Quality
- Texas Cooperative Extension
- Texas Department of Agriculture

Texas Department of Housing and Community Affairs  
Texas Department of Transportation  
Texas Parks and Wildlife Department  
Texas Workforce Commission

Chairman Michael Waters introduced ORCA Executive Director Charles S. (Charlie) Stone who gave a brief overview of the presentation. He then introduced Executive Committee member Carol Harrell, who gave a presentation on the role of the Jeffersonian Institute in an environmental demonstration project in Marion County.

The following topics were discussed:

- Partnering, aligning and leveraging local public and private resources to achieve coordinated activities;
- The value of partnerships and collaboration;
- Overcoming turf issues;
- The benefits of working together; and
- The importance of using a non-profit.

Larry Oaks from the Texas Historical Commission briefed the Executive Committee and the audience on THC's participation in the project.

Ms. Harrell invited comments from the audience.

Robert Wood from the Texas Department of Agriculture provided a brief overview of TDA's Texas Yes! program.

Linda Campbell from the Texas Parks and Wildlife Department briefed the Executive Committee and the audience on the availability of nature tourism maps, which move people off of interstates and into rural communities. The maps are available on TPWD's Web site.

John Tintera and Stacie Fowler from the Railroad Commission of Texas briefed the Executive Committee and the audience on the availability of funding to clean up oil field waste.

Doug Ridge from the Texas Workforce Commission briefed the Executive Committee and the audience on the availability of \$40 million for workforce training.

Randy Klaus and Jess Totten from the Public Utility Commission briefed the Executive Committee and the audience on providers of county broadband service.

Wayne Dennis and Jimmy Tyree from the Texas Department of Transportation briefed the Executive Committee and the audience on TxDOT's safety programs and a \$100 million colonia road and street improvement fund administered through the Department.

Roland Smith from the Texas Cooperative Extension briefed the Executive Committee and the audience on the Extension's new 4H program designed to assist with redeveloping school and teacher programs tied to testing requirements.

Mark Hall from the Texas Rural Mediation Services briefed the Executive Committee and the audience on TRMS' services.

No action was required.

**28 Agenda Item C3** *(continued from the morning of Wednesday 13, 2006)*

David Alders offered and Patrick Wallace seconded the motion to approve the Biennial Report with revisions to be made to Appendix B as discussed, and additional revisions to Report content as discussed the previous day, Tuesday, December 12, 2006.

The Executive Committee, with all members present voted yes.

**29 Agenda Item D4**

David Alders, Chair of the Subcommittee on the Internal Audit, introduced to the Executive Committee Don McPhee of the internal auditing firm of Helin, Donovan, Trubee and Wilkinson (Internal Auditor), who presented the firm's evaluation of the Office of Rural Community Affairs' Disaster Relief contracts and the firm's recommended audit proposal.

David Alders offered and Patrick Wallace seconded the motion to approve the firm's audit proposal.

The Executive Committee, with all members present voted yes.

**30 Agenda Item J**

Chairman Michael Waters adjourned the meeting at 11:03 a.m. on Wednesday, December 13, 2006.