

OFFICE OF RURAL COMMUNITY AFFAIRS

Executive Committee Meeting

M.K. Brown Auditorium and Civic Center
 Heritage Room
 1100 W. Coronado Drive
 Pampa, Texas 79066

October 5-6, 2006

MINUTES

The Executive Committee of the Office of Rural Community Affairs convened at the M.K. Brown Auditorium and Civic Center, Heritage Room, in Pampa, Texas at 2:30 p.m. on Thursday, October 5, 2006. The Committee entered into Executive Session at 4:50 p.m. that same afternoon, and recessed at 5:30 p.m. that same afternoon of October 5, 2006. The Committee reconvened at 8:30 a.m. the next day, Friday, October 6, 2006 and adjourned at 10:58 a.m. that same day, Friday, October 6, 2006.

Executive Committee Members in Attendance

Present

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

Not present

William M. Jeter, III
 Lydia Saenz
 Ike Sugg

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

Last Name	First Name	Organization
Boyd	Wally	Ochiltree County Hospital District
Cardenas	Oralia	Office of Rural Community Affairs
Cardiff	Sandy	Office of Rural Community Affairs
Chisum	Warren	Texas State Representative
Cook	Vernon	Roberts County (Judge)
Copas	Brenda	Office of Rural Community Affairs

Last Name	First Name	Organization
Cruz	Theresa	Office of Rural Community Affairs
Ezzell	Robert	Hemphill County Hospital
Flores	David	Office of Rural Community Affairs
Gray	Janet	Hemphill County Hospital
Hairston	Terrie	Office of Rural Community Affairs
Henderson	John	Childress Regional Hospital
Heyburn	Kevin	Office of the Attorney General
Joyce	Jennifer	Texas Department of Housing and Community Affairs
Klaus	Dustin	Roberts County Economic Development Council
McFarren	Jill	Office of Rural Community Affairs
McPhee	Don	Helin, Donovan, Trubee and Wilkinson (Internal Auditor)
Meyer	Robbye	Texas Department of Housing and Community Affairs
Norton	Larry	Childress Economic Development Council
Pearson	Dave	Texas Organization of Rural and Community Hospitals
Senhs	Jed	Miami Economic Development Council
Sharp	Chris	Panhandle Regional Planning Commission
Smith	Marcus	Panhandle Regional Planning Commission
Stone	Charles	Office of Rural Community Affairs
Sweat	Tommy	West Texas Area Health Education Center
Wyatt	Mark	Office of Rural Community Affairs

1 Agenda Item A1

Chairman Michael Waters called the meeting to order at 2:30 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 August 7-8, 2006 Executive Committee meeting with "No action required" inserted on items not requiring action by the Executive Committee. Wallace Klussmann seconded the motion.

The Executive Committee, with all members present voted yes.

3 Agenda Item B1

Chairman Waters recognized State Representative Warren Chisum, Chairman of the House Budget & Oversight Committee, to give the Executive Committee

his invited testimony.

Chairman Chisum expressed his support of the agency through the Sunset process.

No action was required.

4 Agenda Item B1

Chairman Waters opened the meeting to public comment.

Comments were received by the Executive Committee from the following persons at 2:35 p.m.:

Wally Boyd

John Henderson

5 Agenda Item D1

Wallace Klussmann, Chair of the Finance Advisory Committee briefed the Executive Committee on the discussions of the subcommittee, which met at 1:00 p.m. that same afternoon of Thursday, October 5, 2006.

No action was required.

6 Agenda Item D3

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 presented the firm's internal monitoring and compliance audit and the annual 2006 Final Internal Audit Report, which includes the 2007 Audit Plan.

Wallace Klussmann offered to authorize an additional 40 hours and associated audit costs to scope out (evaluate) the Disaster Relief contracts and processes to have a strong audit of the disaster relief program. In his motion, Klussmann also requested that Mr. McPhee return to the Executive Committee with a proposed audit plan for the disaster relief activities. David Alders seconded the motion.

The Executive Committee, with all members present voted yes.

David Alders offered and Wallace Klusmann seconded the motion to approve the 2006 Final internal Audit Report, which includes the 2007 Audit Plan.

The Executive Committee, with all members present voted yes.

7 Agenda Item D2

ORCA Chief Financial Officer, David Flores provided the Executive Committee with an update on the agency's Fiscal Year 2006 internal budget and year end close out.

No action was required.

8 Agenda Item C1

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

THE EXECUTIVE COMMITTEE POSTPONED FURTHER DISCUSSION ON AGENDA ITEM C1 UNTIL THE FOLLOWING DAY, FRIDAY, OCTOBER 6, 2006. THE EXECUTIVE COMMITTEE ENTERED INTO EXECUTIVE SESSION AT 4:50 P.M.

9 Agenda Item I

The Executive Committee entered into Executive Session at 4:50 p.m. on Thursday, October 5, 2006, at which time Chairman 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 4:50 p.m.

At 5:30 p.m. Chairman Waters announced,

"This Executive Session is ended. The date is October 5, 2006. The time is 5:30 p.m. no formal action was taken on any item in the Executive Session."

No action was required.

THE COMMITTEE RECESSED AT 5:30 P.M. ON THURSDAY, OCTOBER 5, 2006 UNTIL 7:00 P.M. THE SAME DAY, THURSDAY, OCTOBER 5, 2006, AT WHICH TIME THE EXECUTIVE COMMITTEE AND MEMBERS OF THE PUBLIC ATE DINNER TOGETHER.

AT 7:00 P.M. THE SAME DAY, THURSDAY, OCTOBER 5, 2006, CHAIRMAN WATERS CALLED THE MEETING BACK TO ORDER TO HEAR PUBLIC COMMENT FROM THE FOLLOWING INDIVIDUALS:

Last Name	First Name	Organization
Boyd	Wally	Ochiltree County Hospital District
Cook	Vernon	Roberts County (Judge)
Ezzell	Robert	Hemphill County Hospital
Gray	Janet	Hemphill County Hospital
Hardy	Sheryl	Perryton Community Development Corporation
Henderson	John	Childress Regional Hospital
Klaus	Dustin	Roberts County Economic Development Council
Norton	Larry	Childress Economic Development Council
Pearson	Dave	Texas Organization of Rural and Community Hospitals
Senhs	Jed	Miami Economic Development Council
Sharp	Chris	Panhandle Regional Planning Commission
Smith	Marcus	Panhandle Regional Planning Commission
Sweat	Tommy	West Texas Area Health Education Center

SHERYL HARDY BRIEFED THE EXECUTIVE COMMITTEE ON THE ACTIVITIES OF THE HIGH GROUND OF TEXAS.

THE MEETING WAS RECESSED BY CHAIRMAN WATERS AT 8:30 P.M. UNTIL 8:30 A.M. THE NEXT DAY, FRIDAY, OCTOBER 6, 2006.

THE EXECUTIVE COMMITTEE RECONVENED AT 8:30 A.M. ON FRIDAY, OCTOBER 6, 2006.

NICKI HARLE CONFIRMED A QUORUM FOR THE DAY. BEFORE PROCEEDING WITH THE AGENDA, CHAIRMAN WATERS NOTED

THAT THE EXECUTIVE COMMITTEE HAD MET WITH THE PUBLIC THE PRIOR EVENING, THURSDAY, OCTOBER 5, 2006, FROM 6:00 P.M. TO 8:30 P.M. AT THE SAME LOCATION.

10 Agenda Item C2

ORCA Executive Director Charles S. (Charlie) Stone briefed the Executive Committee on the activities related to new and existing field office locations.

C2A. ORCA Executive Director Charles S. (Charlie) Stone requested the Executive Committee to consider revising the Rockwall field office location to a border location in the Middle Rio Grande Development Council region.

Wallace Klussmann offered and Nicki Harle seconded the motion to approve the Carrizo Springs field office location.

The Executive Committee, with all members present voted yes.

C2B. ORCA Executive Director Charles S. (Charlie) Stone briefed the Executive Committee on the schedule of field office openings.

Mr. Stone noted that the Vernon office opening is scheduled to take place October 16, 2006.

No action was required.

11 Agenda Item C3

ORCA Executive Director Charles S. (Charlie) Stone introduced to the Executive Committee Robbye Meyer and Jennifer (Jen) Joyce both of the Texas Department of Housing and Community Affairs. Ms. Meyer and Ms. Joyce briefed the Executive Committee on the Texas Department of Housing and Community Affairs' draft 2007 Qualified Action Plan (QAP).

No action was required.

12 Agenda Item C4

ORCA Executive Director Charles S. (Charlie) Stone briefed the Executive

Committee on the draft Biennial Report to the Legislature.

No action was required.

13 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 1:00 p.m. the previous afternoon of Thursday, October 5, 2006.

Public member, David Pearson, attended the meeting.

No action was required.

14 Agenda Item E2

ORCA Rural Health Division Director, Theresa Cruz, briefed the Executive Committee on the staff report on the historical activities of the Outstanding Rural Scholar Recognition Program.

No action was required.

15 Agenda Item E3

ORCA Rural Health Division Director, Theresa Cruz, briefed the Executive Committee on the Rural Hospital Flexibility Program award in the amount of \$628,308.

Wallace Klussmann offered and Patrick Wallace seconded the motion to accept the award.

The Executive Committee, with all members present voted yes.

16 Agenda Item E4

ORCA Rural Health Division Director, Theresa Cruz, briefed the Executive Committee on the Rural Access to Emergency Devices (Automated External Defibrillator) award in the amount of \$103,000 each year for three years for a total of \$309,000.

Wallace Klussmann offered and Patrick Wallace seconded the motion to accept

the award.

The Executive Committee, with all members present voted yes.

17 Agenda Item B2

Chairman Waters opened the meeting to public comment.

Comments were received by the Executive Committee from the following person at 9:30 a.m.:

David Pearson

18 Agenda Item F1

Nicki Harle, Chair of the Community Development Advisory Committee, introduced to the Executive Committee ORCA's Program Development Manager Mark Wyatt.

No action was required.

19 Agenda Item F2

ORCA Program Development Manager Mark Wyatt briefed the Executive Committee on the proposed revision to Title 10, Chapter 255 of the Texas Administrative Code concerning rules to administer the 2007 Texas Community Development Block Grant Action Plan.

Nicki Harle offered and Carol Harrell seconded the motion to approve posting the rules in the Texas Register to receive public comment.

The Executive Committee, with all members present voted yes.

20 Agenda Item H1

ORCA Executive Director Charles S. (Charlie) Stone briefed the Executive Committee on the activities of the Texas Rural Foundation.

No action was required.

21 Agenda Item H2

ORCA Executive Director Charles S. (Charlie) Stone briefed the Executive Committee on the locations and dates of future Executive committee meetings.

<u>Date(s)</u>	<u>Community</u>
11/13/06	Austin (Annual agency head meeting)
11/14/06 or 11/15/06	Sunset Hearing
12/12/06 - 12/13/06	Austin (Sunset Commission vote)

2007

02/01/07 - 02/02/07	Bowie (Sen. Estes, Rep. Hardcastle)
04/05/07 - 04/06/07	Austin
05/31/07 - 06/01/07	Pittsburg (Sen. Eltife, Rep. Hughes)
08/02/07 - 08/03/07	Austin
10/04/07 - 10/05/07	<i>Open</i>

Communities previously discussed (*alphabetical by community*):

<u>Community</u>	<u>Senator</u>	<u>Representative</u>
Anthony	Shapleigh	Haggerty
Ballinger (<i>close to Brady</i>)	Duncan	Hilderbran
Dalhart	Seliger	Smithee
Graham (<i>close to Albany</i>)	Estes	Hardcastle
Linden (<i>close to Jefferson</i>)	Eltife	Frost
Muleshoe	Seliger	Chisum
Ozona	Madla	Hilderbran
Waxahachie (<i>close to Athens</i>)	Averitt	Pitts

No action was required.

22 Agenda Item H3

ORCA Executive Director Charles S. (Charlie) Stone briefed the Executive Committee on the agency's performance measures.

No action was required.

23 Agenda Item C1 (*Continued from Thursday, October 5, 2006*)

Patrick Wallace offered and Wallace Klussmann seconded the motion to

authorize ORCA Executive Director Charles S. (Charlie) Stone to make suggested changes and finalize the agency's response to the Sunset Commission's Staff Report on the agency as discussed and submit the response to Sunset by the October 13, 2006 deadline.

The Executive Committee, with all members present voted yes.

24 Agenda Item J

Wallace Klussmann offered and Patrick Wallace seconded the motion to adjourn the meeting.

The Executive Committee, with all members present voted yes.

Chairman Waters adjourned the meeting at 10:58 a.m. on Friday, October 6, 2006.