

**METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS
777 North Capitol Street, N.E.
Washington, D.C. 20002-4290**

**MINUTES
Board of Directors' Meeting
COG Board Room**

June 10, 2009

BOARD MEMBERS, ALTERNATES AND PARTICIPANTS PRESENT AND NOT PRESENT

***SEE ATTACHED CHART FOR ATTENDANCE**

STAFF

**David J. Robertson, Executive Director
Lee Ruck, General Counsel
Nicole Hange, Clerk to the Board**

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Chairman Penny Gross called the meeting to order at 12:05 p.m. with a recitation of the pledge of allegiance.

2. APPROVAL OF MINUTES OF MAY 13 MINUTES

The minutes of the May 13 meeting were unanimously approved and adopted.

3. AMENDMENTS TO THE AGENDA

Added an additional consent item, R35-09; the action is to receive \$125,000 in federal Urban Area Security Initiative (UASI) funds to secure contractor support for a National Incident Management System compliance officer. No COG matching funds are required.

4. ANNOUNCEMENTS

Chairman Gross stated that she recently returned from a very successful annual conference of the National Association of Regional Councils (NARC) in Denver, Colorado. More than 400 elected officials and senior staff from regional councils and Metropolitan Planning Organizations, such as COG, attended the conference. She stated that she plans to prepare and email a short summary of the conference to regional councils and MPOs in Region III later this month and will be sure to share with my colleagues on the COG Board too.

Since the update the Board received last month, there has been one death in Northern Virginia that was attributed in part to the H1N1 flu virus. The deceased also suffered from other serious ailments. A brief summary report prepared by COG's Health Officials Committee was distributed. The region's public health officials continue to recommend that the area's residents learn more about how to prepare for a pandemic flu situation, whether it is the H1N1 virus or a seasonal flu virus. They recommend that citizens visit www.pandemicflu.gov as well their state and local jurisdiction websites. COG will closely monitor this issue and provide a more detailed briefing in the fall.

5. EXECUTIVE DIRECTOR'S REPORT

Mr. Robertson stated that he, along with several COG staff, participated in the Greater DC Cares "Servathon" by landscaping, painting and clean-up at a homeless shelter in Southeast DC.

He also met with George Vradenburg of the Chesapeake Crescent Initiative to discuss collaboration between that effort and COG's Greater Washington 2050 Initiative.

In coordination with the National Association of Regional Councils, Mr. Robertson met with staff from the Senate Banking, Housing and Urban Affairs Committee to discuss the new federal regional planning legislation and potential opportunities for this region.

He also briefed representatives of area libraries in Rockville, MD on economic issues and impacts on library funding and services.

Mr. Robertson stated that staff has begun the jurisdictional and stakeholder "road shows" of the Greater Washington 2050 Initiative. A summary of the feedback will be provided at the July retreat.

COG received media coverage this past month on the Transportation Planning Board's Aerial survey of the region's traffic congestion, COG's Annual Bike to Work Day and Arlington County Board Member Jay Fiset's appointment as Chair of COG's Climate, Energy and Environment Committee.

Mr. Robertson also reminded the Board of the upcoming Retreat July 31 – August 2 at the Hyatt Regency in Cambridge, MD. Invitations will be mailed next week. Topics for discussion include Greater Washington 2050 Outcomes and Recommendations, a Recommitment to the Chesapeake Bay, and social networking. Mr. Robertson added that this year, because of budget constraints, there will be a modest surcharge of \$50 per evening for spouses, partners and guests.

Staff continues to track ARRA funding opportunities and activities in this region. This month's update includes status reports on COG's initiatives, funding deadlines and a regional breakdown of ARRA funding by state, jurisdiction and sector.

6. CONSENT AGENDA

Supplemental Documents: R32-09 through R35-09

A. RESOLUTION EXTENDING CONSULTING ACTUARIAL SERVICES CONTRACT

The Board adopted Resolution R32-09 extending the contractual actuarial services of Cheiron for one year. Cheiron has been providing actuarial consulting services for COG's Pension Plan since 2003 and the contract will expire June 30, 2009. Cheiron services are necessary to conduct the required valuation study, yearly annual pension statements, review of pension assets, and other related matters. COG's Pension Plan Administrative Committee recommended to continue Cheiron's services for a period of one year, beginning July 1, 2009 to June 30, 2010. The contract amount is not to exceed \$25,000; an allowable administrative cost funded by COG's pension plan. COG will solicit competitive bids for a multi-year actuarial services contract in late 2009.

B. APPOINTMENT OF VICE CHAIRS FOR CLIMATE, ENERGY AND ENVIRONMENT POLICY COMMITTEE

Chairman Gross will recommend the appointment of vice chairs for the Climate, Energy and Environment Policy Committee, pursuant to the bylaws adopted by the Board at its May 13, 2009 meeting. The Committee's chairman was also appointed at that time.

RECOMMENDED ACTION: Approve vice chairs.

C. RESOLUTION AUTHORIZING COG TO RECEIVE AND EXPEND AN URBAN AREA SECURITY INITIATIVE (UASI) SUBGRANT TO SUPPORT THE COG POLICE CHIEFS COMMITTEE

The Board adopted Resolution R33-09, authorizing the Executive Director, or his designee, to execute a contract with Dr. Twyla Garrett and Investment Management Enterprise, Inc., to provide the requested support to the COG Police Chiefs Committee and its UASI project managers. The State Administrative Agent for the National Capital Region will provide COG with \$150,000 in FY 2008 Urban Area Security Initiative funding for the contract which will end June 30, 2010. No COG matching funds will be required.

D. RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPLY FOR AND EXPEND GRANT FUNDING FROM DOE'S CLEAN CITIES FY09 PETROLEUM REDUCTION TECHNOLOGIES PROJECTS FOR THE TRANSPORTATION SECTOR

The Board adopted Resolution R34-09, authorizing the Executive Director, or his designee, to apply for and expend grant funding from the Department of Energy Clean Cities FY 2009 Petroleum Reduction Technologies Projects for the Transportation Sector, Area of Interest 4. If awarded, the grant will provide up to \$5,968,290 in stimulus funding to expand the use of alternative fuels, advanced technology vehicles and infrastructure in the metropolitan Washington region for five (5) COG member governments. No COG matching funds will be required; however, participating jurisdictions must provide 50% cost share.

E. RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO CONTRACT FOR A NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS) COMPLIANCE OFFICER FOR THE DISTRICT OF COLUMBIA

The Board adopted Resolution R35-09, authorizing the Executive Director, or his designee, to fund a contract for a National Incident Management System Compliance Officer to work in the District of Columbia Office of Homeland Security and Emergency Management and perform the necessary tasks.

The State Administrative Agent for the National Capital Region will provide COG with \$125,000 in Urban Area Security Initiative (UASI) funding to execute the contract. No COG funds will be required.

7. BRIEFING ON CHESAPEAKE BAY AND POTOMAC RIVER WATER QUALITY ISSUES

Supplemental Documents: Draft Letter to Administration (electronic)
Chesapeake Bay Powerpoint (electronic)

City of Greenbelt Mayor J Davis, in the absence of Cathy Drzyzgula, Chair of the Chesapeake Bay Policy Committee, briefed the Board on the latest news and developments concerning the Bay restoration effort and recommendations for Board action and Steve Bieber, of COG's Department of Environmental Quality Programs provided a progress report on Potomac River restoration.

Ms. Davis stated that recent reports by several organizations have been negative regarding Bay restoration progress. In response, the states, the District of Columbia and the federal government have stepped up their efforts.

Last month, the Chesapeake Bay Program's Executive Council, which includes District of Columbia Mayor Adrian Fenty, State of Maryland Governor Martin O'Malley and Commonwealth of Virginia Governor Tim Kaine, adopted a set of ambitious two-year milestones, designed to hasten the pace of restoration. President Obama then issued an executive order to bring greater federal pressure on restoration efforts.

There was an acknowledgement that the 2010 goal for meeting Bay water quality standards will not be met; the new attainment date is 2025 which will allow for the implementation of additional pollution control measures.

The milestones establish short term goals with a deadline for attainment of December 31, 2011. They are very ambitious and assume a 77% increase in the rate of nitrogen reduction and a 79% increase in the rate of phosphorus reduction. Rates of progress vary by state and by pollutant, but actually achieving the milestones will require an increase of 2.5 – 3 times in level of implementation effort. The Chesapeake Bay and Water Resources Policy Committee, COG's Water Resources Technical Committee and COG staff will continue work to analyze expectations of local government action.

In addition to the milestones, implementation of the Executive Order could have major impacts on local governments. It sets up a new Federal Leadership Committee that will issue its strategy in the coming months and directs the EPA to fully use existing regulatory power under Clean Water Act authorities to develop strategies to accelerate reduction efforts.

Mr. Bieber reported that the Washington region has a lot to be proud of in its contribution to substantial improvements to the water quality of the upper Potomac Estuary. Much of this is directly attributable to the major wastewater upgrades in this region that have occurred since the 1980s. Wastewater, phosphorus and nitrogen levels have each fallen which has resulted in a dramatic improvement in the Potomac's water quality and its living resources; large-mouth bass have returned to the estuary as have many waterfowl.

Ms. Davis requested that the Board approve the transmittal of a letter to President Obama stressing the importance of expanded local government involvement in Chesapeake Bay Restoration efforts and requesting federal funding for urban storm water controls.

Chairman Gross noted the importance of not solely focusing on the progress of Chesapeake Bay restoration generally, because there is a lot of good progress being made in some of the smaller watersheds.

City of Rockville Councilmember John Britton stated that it is important to convey to the public that the fees they are charged related to Bay cleanup are directly correlated to the health of the watershed in that community.

Several members stated that while there has been progress, it has been incremental; the new efforts are aimed at seeing results in a much quicker time-frame.

Fairfax County Supervisor John Foust questioned why the Potomac River has experienced significant progress and the Chesapeake Bay has not. Mr. Bieber stated that is both a matter of the implementation of wastewater improvements and the proximity of those to the watershed. Some communities along the watershed have been slower to execute some of the wastewater improvements than we have.

City of Gaithersburg Councilmember Henry Marraffa suggested a moratorium on oyster harvesting for a period of time. Mayor Davis stated that option could be added to the restoration "toolkit" and will be discussed further at the COG retreat.

8. ANACOSTIA RESTORATION PARTNERSHIP

Supplemental Documents: Anacostia Restoration Powerpoint (electronic)

In the last few decades, local, state, and federal government agencies, as well as environmental organizations and private citizens have contributed significant resources toward re-establishing as much of the original ecosystem as possible. In 2006, the COG Board of Directors created the Anacostia Watershed Restoration Partnership to further enhance restoration efforts. Dana Minerva, the Partnership's executive director, briefed the Board on the program's progress to date and its plans for the future.

The Anacostia watershed, which comprises 176 square miles in the District of Columbia, Prince George's County and Montgomery County, is considered one of the most polluted rivers in the nation. It is one of the most developed watersheds, at 70 percent, in the Chesapeake Bay with 25 percent of impervious surface. The poor water quality has a considerable impact on the water quality of the Potomac River and Chesapeake Bay Watershed.

The goal of the Partnership to develop, in conjunction with the District of Columbia, the State of Maryland, including Montgomery and Prince George's County, a 10-year comprehensive plan to provide for the restoration and protection of the ecological integrity of the Anacostia River and its tributaries. One of the biggest challenges is to better manage stormwater run-off.

The key is an action oriented-workplan with specific projects that would produce tangible restoration results. The Partnership is using Sligo Creek, which is a highly developed watershed and spans across the three jurisdictions, as a test case. There are currently eight restoration project types and 171 total projects that span 18 acres and would include stormwater retrofitting, trash reduction, and fish blockage and removal.

Moving forward, Ms. Minerva stated that the Partnership will complete analysis of the remaining 14 subwatersheds; review and prioritize projects for the entire Anacostia Watershed; and complete a draft of the recommended projects by September 2009. The report would be released for public comment and finalized in early 2010.

Montgomery County Councilmember Michael Knapp stated that it is hard to link the previous report on the Potomac and Chesapeake Bay restoration progress with this report. He suggested that staff prepare a comprehensive report that showcases the health of each of the Bay's watersheds for the July retreat.

9. HIGHLIGHTS FROM COG'S REGIONAL FOSTER PARENT GALA AND FOSTER CARE AND ADOPTION REPORT

Supplemental Documents: Annual Foster Care and Adoption Report (Electronic)

Annually COG's Foster Care and Adoption Committee, with the approval of the Child Welfare Directors' Committee, compiles regional data on foster care and adoption in the region. Montgomery County Director of Child Welfare Services and Committee Co-Chairman Agnes Leshner provided an overview of the preliminary analysis and trends. Kamilah Bunn, COG's Wednesday Child Program Coordinator, provided highlights from the Regional Foster Parent Appreciation Gala held May 30.

In 2008, there were 4,495 children in foster care in the region. Nearly half of these children were in the District of Columbia's child welfare system. Prince George's County had the second largest number with 608 children, followed by Montgomery County with 575. All 2008 numbers reflect Loudoun County's tallies, though the percent change does not because the County did not report its 2007 data.

The region used 6.9% fewer group homes and .4% more family-like foster homes than in 2007, with 1,035 children were in residential placements and group home settings (or congregate care). Agencies are consistently trying to decrease the number of children in these placements due to the lack of a familial connection.

Last year, the region retained fewer foster families in 2007; specifically there was a 2.6% decrease in approved home placements by the end of 2008. There are currently 713 children eligible for adoption, 378 of them do not have a family waiting.

Foster parent reimbursement rates vary across the region, and by age; though the District of Columbia leads the region with its reimbursement rate.

Ms. Leshner stated that the numbers show that the region does not have enough foster parents to serve its needy children and innovative outreach strategies and incentives must be employed to retain and recruit individuals to participate in the program. She urged the local elected officials to get the message out and begin to host their own "Heart Gallery" to showcase the children in waiting.

Ms. Bunn provided highlights of the 7th annual Foster Parent Gala where 8 foster parents from across the region were honored as "foster parents of the year." There were over 400 attendees and the Washington Times even dedicated a full page to the eight families by providing a short biography on each.

Loudoun County Board Supervisor Andrea McGimsey questioned why a foster family from her jurisdiction was not recognized. Mr. Robertson stated that there has been an ongoing struggle to have Loudoun participate in the regional event; though in past years they have declined due to local recognition efforts. Ms. McGimsey stated that she will champion the importance of participating in COG's event next year.

Arlington County Board Member Jay Fisette applauded the recognition of a same-sex foster family whose story was extremely touching and questioned if there is a concerted effort to reach out to this community. Ms. Leshner stated that there has been outreach to the gay and lesbian community to foster children in need specifically referencing the All Children All Families initiative in Montgomery County.

10. PRESENTATION ON DISTRICT OF COLUMBIA REGIONAL LEGISLATIVE PRIORITIES

Supplemental Documents: DC Regional Legislative Priorities Powerpoint (Electronic)

Last month the COG Board heard reports from Delegates Barnes and Scott concerning the outcomes from the Maryland and Virginia legislatures, respectively. Today, District of Columbia Councilmember

and COG Board Vice Chairman Kwame Brown and District of Columbia Council Chairman Vincent Gray highlighted key issues and outcomes following the Council's adoption of the District's FY 2010 budget.

Mr. Brown stated that similar to both Maryland and Virginia, the District of Columbia has projected budget shortfalls in both FY 2009 and FY 2010. To offset some of the revenue shortfalls, the District appropriated 4% less in local funds and eliminated 1,631 full time employees.

Mr. Gray stated that education continues to be a priority of the Council and is reflected in the budget where they were able to increase funding for expanded pre-k and adult education programs. The budget also makes public safety a top priority by providing funding for additional police personnel and eliminating a 911 tax. Mr. Gray added that while the Council was able to provide these services there are tough fiscal times ahead and it is unclear whether economic recovery will occur before the federal stimulus dollars dry up.

Speaking to regional issues, Mr. Gray stated that the Council passed an Anacostia River Clean-up and Protection Act bill that would ban the use of disposable non-recyclable plastic carryout bags and establish a fee on all other disposable carryout bags provided by grocery stores, drug stores, liquor stores, restaurants, and food vendors. He also voiced his frustration with the progress of the City's Voting Rights Legislation in Congress and added that he and others will continue to advocate for equal voting rights for the citizens of the District of Columbia.

11. APPROVAL OF PENSION PLAN ADMINISTRATIVE COMMITTEE RECOMMENDATIONS

Supplemental Documents: Pension Plan Background Material and Recommendations

The Pension Plan Administrative Committee (PPAC) met in May to consider several actions in response to analysis and recommendations from the plan's actuarial and investment consultants. Mr. Robertson briefed the Board on the Pension Plan Administrative Committee recommendations.

COG has provided a defined benefit pension plan for its regular employees since the 1970s. Due to its federal designation, COG does not currently participate in the retirement portion of Social Security.

Mr. Robertson stated that the pension plan historically had higher levels of employer and employee contributions than at present, and coupled with positive investment returns the plan was significantly overfunded as recently as the late 1990s. Because COG revenues largely come from grants and contracts and such funds cannot be used to support a pension surplus through COG's indirect cost allocation plan, the PPAC recommended and the COG Board approved plan enhancements and contribution reductions in 2001 to reduce the surplus and provide a more competitive retirement benefit as part of COG's total compensation approach. This action was also consistent with COG's strategic plan goal of fully funding its liabilities.

COG regularly monitored investment performance and actuarial projections, with oversight from the PPAC, knowing that once the plan surplus was expended, employer and employee contributions would have to increase. The investment market downturn that occurred in late 2008 accelerated and sharpened concerns about pension projections for COG and many public sector plans, prompting the action on a pension investment consultant and subsequent review by management and the PPAC, leading to the recommendations.

Bolton Partners Investment Consulting Group, Inc. analyzed COG's investment policy and with unanimous agreement by the PPAC recommends the following actions: 1) update of the plan's investment policy; 2) shift in funds from UPS to Vanguard and retaining New York Life; 3) approval of policy for receipt of employee and employer plan contributions; and 4) increase employee contributions from six to seven percent of pay effective July 1, 2009. An increase in employer contributions from six to seven percent effective July 1, 2009 was included in COG's FY 2010 indirect cost allocation plan. Mr.

Robertson chairs the PPAC and will brief the COG Board on proposed actions; Board representatives on the PPAC will provide additional comments.

The executive director noted in his remarks that given limited new COG revenue and the prevalence of no salary increases for most local government and state employees in the region, COG employees will also forego salary increases for FY 2010.

City of Greenbelt Mayor and member of the PPAC Judith Davis stated her concern over approving the recommendation to increase employee contributions to the pension plan by one percent because, in the absence of a merit raise or COLA for COG employees, that will mean a net compensation loss by the employees. She asked Mr. Robertson whether the results of the recent annual survey would support a very modest one percent across the board salary increase, as well as if it could be accommodated in the adopted FY 2010 budget with no further increase in COG membership assessment. Mr. Robertson stated that a one percent offset would be sustainable in the FY 2010 budget.

Based on the feedback from the executive director, Ms. Davis moved an amendment to Resolution R31-09, approving a one percent general schedule increase for all COG staff and added that these are tough times, but she does not believe it is fair to ask COG staff to absorb a one percent cut in salary as a result of the proposed and very necessary increase in pension contribution.

ACTION: Upon motion made, and seconded, Resolution R31-09 was unanimously approved and adopted as amended.

THE NEXT BOARD MEETING WILL BE ON WEDNESDAY, JULY 8, 2009.

**ATTENDANCE: JUNE 10, 2009
BOARD OF DIRECTORS/ALTERNATES 2009**

<u>Jurisdiction</u>	<u>Member</u>	<u>Y/N</u>	<u>Alternate</u>	<u>Y/N</u>
District of Columbia				
Executive	Hon. Adrian Fenty	N		
	Mr. Neil Albert	N		
Council	Hon. Vincent Gray	Y	Hon. Michael Brown	N
	Hon. Kwame Brown	Y	Hon. Phil Mendelson	N
Maryland				
Bowie	Hon. G. Frederick Robinson	N	Geraldine Valentino-Smith	Y
College Park	Hon. Robert Catlin	Y		
City of Frederick	Hon. William Holtzinger	N	Hon. Alan Imhoff	Y
Frederick County	Hon. David Gray	Y	Hon. Jan Gardner	N
Gaithersburg	Hon. Sidney Katz	N	Hon. Henry Marraffa	Y
Greenbelt	Hon. Judith "J" F. Davis	Y	Hon. Rodney Roberts	N
Montgomery County				
Executive	Hon. Isiah Leggett	N	Mr. Tim Firestine	N
Council	Hon. Roger Berliner	Y		
	Hon. Michael Knapp	Y		
Prince George's County				
Executive	Hon. Jack B. Johnson	N	Dr. Jacqueline Brown	N
Council	Hon. Marilyn Bland	Y	Hon. Tom Dernoga	N
	Hon. Andrea Harrison	Y		
Rockville	Hon. Susan Hoffmann	N	Hon. John Britton	Y
Takoma Park	Hon. Bruce Williams	Y	Hon. Terry Seamens	N
Maryland General Assembly	Hon. Benjamin Barnes	N		
Virginia				
Alexandria	Hon. William Eulle	Y	Hon. Redella Pepper	N
Arlington County	Hon. Jay Fisette	Y	Hon. Walter Tejada	N
City of Fairfax	Hon. Dan Drummond	N	Hon. Jeffrey Greenfield	N
Fairfax County	Hon. Sharon Bulova	N	Hon. Catherine Hudgins	N
	Hon. Penelope A. Gross	Y	Hon. Michael Frey	N
	Hon. John Foust	Y	Hon. Patrick Herrity	N
Falls Church	Hon. Hal Lippman	Y	Hon. Dan Maller	N
Loudoun County	Hon. Andrea McGimsey	Y		
Manassas	Hon. Harry J. Parrish II	N		
Manassas Park	Hon. Frank Jones	N		
Prince William County	Hon. Wally Covington III	Y		
	Hon. Frank Principi	Y		
Virginia General Assembly	Hon. James M. Scott	Y		

Other Participants
Dana Minerva, Executive Director, Anacostia Restoration Partnership
Carol Boykin, President, Bolton Partners Investment Consulting Group
Agnes Leshner, Director of Child Welfare Services, Montgomery County
Kamilah Bunn, Wednesday's Child Program Coordinator, COG
Steve Bieber, Department of Environmental Programs, COG