

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

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

May 12, 2010

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 Brown called the meeting to order at 12:10 p.m.

2. APPROVAL OF APRIL 14 MINUTES

The minutes of the April 14 meeting were unanimously approved and adopted.

3. AMENDMENTS TO THE AGENDA

There were no amendments to the agenda.

4. CHAIRMAN'S ANNOUNCEMENTS

Chairman Brown reminded the Board that as part of its Regional Workforce Competitiveness Initiative, COG is hosting "United for Jobs: A Regional Forum on Careers in Health." The forum will serve as an opportunity for participants to network, share insights, and develop partnerships with healthcare and workforce development leaders.

COG's annual Leadership Planning and Work Session at the Hyatt Regency Chesapeake Bay will be held on July 23 and 24. The retreat is an opportunity for Board Members to assist in mapping out COG's goals and set priorities for this organization and the region. Staff distributed a short survey asking for the Board's input as to what would make this an outstanding COG leadership retreat. Survey results will be tabulated by staff and shared with the leadership to finalize the retreat program in the next couple weeks.

Elections were held on May 4 in several municipalities in Northern Virginia, including the cities of Fairfax, Falls Church and Manassas. COG staff will quickly reach out to the newly elected or re-elected members. On the COG Board, we have one member who was returned to office, City of Fairfax Councilmember Dan Drummond, and one member who was not successful in his re-election, City of Falls Church Councilmember Hal Lippman.

Councilmember Lippman remarked on the good work of this organization and that his life in public service will continue.

5. EXECUTIVE DIRECTOR'S REPORT

Mr. Robertson provided a brief update on Greater Washington 2050 outreach to, and endorsement by, member jurisdictions; 15 have endorsed so far, 3 are scheduled in the next week and 3 are pending.

In April, COG and the Freddie Mac Foundation honored Foster Parents of the Year from area jurisdictions. The winning parents were featured in commercials airing on local media outlets throughout May as part of a media campaign aimed at recruiting more foster parents. A DVD copy of the commercial was distributed to each member.

Mr. Robertson noted the recent article in the Washington Post's new Capital Business publication authored by Chairman Brown about the need for regional cooperation on workforce development.

During the April meeting, the Board received a report on the preliminary results of the annual January homeless enumeration; the final report was provided today.

6. CONSENT AGENDA

Supplemental Documents: Resolutions R26-10 and R27-10.

A. RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPLY FOR FUNDING FROM THE MARYLAND DEPARTMENT OF ENVIRONMENT FOR A LAWN MOWER EXCHANGE EVENT

The Board adopted Resolution R26-10, authorizing the Executive Director, or his designee, to receive and expend up to \$185,000 from the Maryland Department of Environment, through Clean Air Partners, to administer a Lawn Mower Exchange Program to improve air quality and raise awareness of ozone, particle pollution and climate change. No COG matching funds are required.

B. RESOLUTION SUPPORTING MODIFICATION OF FEMA 48 HOUR RULE

On November 2, 2009, the Federal Emergency Management Agency revised its Disaster Assistance Policy 9523.1 Snow Assistance Policy significantly reducing the assistance available to eligible applicants. FEMA will only reimburse local governments for snow removal during the designated 48-hour period when a record or new-record snowfall impacts a state and the President issues a disaster declaration. As one of several outcomes from COG’s After-Action Leadership Forum on Snow, held April 5, emergency managers, city and county officials and others noted that it took many more hours than the FEMA standard to clear snow during the February 2010 snowstorm. The COG Board approved correspondence to federal officials to request a review and modification of the FEMA rule to provide greater flexibility on snow reimbursement.

C. RESOLUTION SUPPORTING A CLEAN AIR PARTNERS CLIMATE CHANGE EDUCATION INITIATIVE

The Board adopted Resolution R27-10, authorizing the Executive Director, or his designee, to receive and expend up to \$400,000 from the National Aeronautics and Space Administration (NASA), through Clean Air Partners, to administer a Climate Change Education Initiative which will improve teaching of climate science in schools, expand its existing air quality and climate change curriculum, and inspire students to pursue educational and employment opportunities in the “green” industry. No COG matching funds are required.

ACTION: Upon motion made, and seconded, Resolutions R26-10 and R27-10 and the FEMA letter were unanimously approved and adopted.

7. PROPOSAL FOR COG TO PARTICIPATE IN WMATA GOVERNANCE REVIEW

COG has been invited to participate with the Greater Washington Board of Trade in a review of the WMATA governance structure. In 2004-2005, COG partnered with the Greater Washington Board of Trade and the Federal City Council to create an independent, blue-ribbon panel to recommend alternative sources of funding for Metro. That effort produced results, and COG applauded the \$1.5 billion dedicated funding legislation passed by Congress in 2008.

This new independent review would focus on Metro’s governance structure, which has been identified by several public officials and business and civic leaders as a top priority. The proposed public-private panel would review successful governance structures used by other transit agencies and provide Metro with recommendations. James Dyke of McGuire Woods, LLP, Chairman of the Board of Trade and David Robertson briefed the Board on the proposal.

Mr. Dyke stated that the governance structure that served WMATA well when it was primarily focused on building the rail system may not be the best model for governance and oversight of a

mature rail and bus system. The business community relies heavily on this regional transportation system and has a vested interest in making sure it serves the region well.

The review will be overseen by a public-private task force that will offer recommendations later this year to WMATA and its stakeholders as they develop proposals for its governance structure. In the coming weeks, COG will seek former elected and appointed officials to provide a public sector perspective to the task force. The Board of Trade is selecting leaders from the private sector to participate in the review. The task force is expected to hold its first meeting in late May or early June.

COG and the Board of Trade will ask the task force to compile previous studies and research on transit governance models, review WMATA and other current models, and identify best practices and strategies that could be applied in the National Capital Region.

Mr. Robertson reinforced that WMATA is the client and was consulted prior to today's proposed joint-effort. WMATA's views will continue to be sought as this process moves forward as it is ultimately the client and will be the one to implement suggested modification, not COG or the Board of Trade.

Chairman Brown stated that COG brings tremendous experience and credibility to this needed analysis of WMATA and noted that while it is important that we get this right, we need to be mindful that any governance structure must recognize the uniqueness of the National Capital Region."

Several Board members stated the need for citizen input, federal participation, and the inclusion of outer jurisdiction that do not currently have Metro stops but may in the future.

ACTION: Upon motion made, and seconded, the Board unanimously approved COG participation in WMATA governance review.

8. REGIONAL LABOR MARKET ANALYSIS

In adopting the 2010 Policy Focus and Priorities, the COG Board made jobs and economic resiliency a top priority. Recent economic reports suggest that the economy is beginning to recover and unemployment rates are stabilizing. John McClain, Senior Fellow and Deputy Director of George Mason's Center for Regional Analysis provided the Board with an analysis of regional labor market trends, how this region compares with others across the country, which sectors have been impacted the most and the implications. David Hunn, President and CEO of the SkillSource Group; Dan Mosser, Vice President for Workforce Development and Continuing Education at Prince George's Community College; and Susan Gilbert, Deputy Director for the District of Columbia Department of Employment Services, participated as a response panel and provided a grassroots perspective as to whether employment rates are in fact stabilizing within individual communities.

Mr. McClain stated that all economic indices for the Washington region are positive and have been on the upswing since March of 2009 when the recession officially ended. This region suffered less than most across the country, with the presence of the federal government being the biggest contributor to this stability. At the height of the economic crisis, the region lost 52,000 jobs; we are now down 8,800 jobs and are expected to fully recover by 2012.

Mr. McClain stated that some sectors like financial services, manufacturing and information (publishing) have experienced job losses that will not be regained. Others like state and local government jobs which lag behind the system will come back. Health and education services and federal jobs have almost fully recovered.

Mr. Hunn, who represents the workforce investment board in Northern, VA stated that area workforce centers are experiencing unprecedented levels of job seekers, particularly displaced adult workers. He noted that there is a disconnect between workers skills and there is a big gap in experience levels with over 40% of job seekers having less than 1 year of experience and 37% have more than 10 years. There has been a movement to relocate these centers on the sites of Community Colleges to better serve align the training with employer needs.

Ms. Gilbert stated that the District is experiencing an increase of the long term unemployed, those who have been unemployed for more than 6 months. Seasonal jobs do not seem to be returning, particularly tourism. She stated that stimulus dollars have been essential in providing the wrap around or supportive services to job seekers and has provided large grants for green job training and night classes for adults who work during the day. As a result of very high youth unemployment rates, the District is heavily investing in youth education programs.

Maryland's community colleges are experiencing increased enrollments, up almost 20% stated Mr. Mosser. Funding however, remains historically low. There has been a significant increase in the demand for 2 year degrees, industry certifications and state licensure. The strongest growth has been in the hospitality and culinary arts program while information security and health courses remain in strong demand as well. Mr. Mosser reiterated that there is a disconnect in training and available jobs and stated that community colleges and other higher education institutions must do a better job of partnering with area business to better tool the curriculum for the available positions.

City of College Park Mayor Andrew Fellows asked Mr. McClain if there was a disparity across the region in terms of job growth or loss. Mr. McClain stated that suburban Maryland is performing about average with the business cycle, the District of Columbia has experienced the least number of job loss (though certain wards have extremely high unemployment rates) and Northern Virginia has experienced the most significant job loss but is expected to bounce back the quickest.

Federal stimulus dollars, while they may have saved jobs, particularly in transportation; they have not greatly contributed to increases in job growth. One way to augment such growth would be to invest in small businesses who are continuing to struggle.

Mr. Robertson stated that staff will work with Mr. McClain and others to use this information to guide action by COG, specifically the commission of additional labor market research, to strengthen and enhance economic recovery.

9. BRIEFING ON ANACOSTIA WATERSHED RESTORATION PLAN

The Anacostia Watershed Restoration Plan, a comprehensive set of goals and strategies to clean up the pollution and run-off that has made the region's Anacostia River one of the most polluted in the nation, was recently formally released on April 19, 2010 in Bladensburg, MD at a ceremony presided over by Congressman Steny Hoyer. Called "Turn It Around," the Plan aims to reverse hundreds of years of environmental neglect of the area. Dana Minerva, Executive Director of the Anacostia

Restoration Partnership and Eric Siegel from the Anacostia Waterfront Business Improvement District discussed the plan and its environmental and economic implications for the watershed.

The Plan is the result of a two-year, \$2.8 million effort to identify specific projects that help eliminate the pollutants that drain into the river as a result of stormwater run-off and erosion of the 176 square miles of land that make up its watershed. It is intended to work in concert with major federal and state efforts as well as those of nonprofit and citizen volunteer groups

The more than 3,000 projects in the plan reflect several major restoration strategies, including: state-of-the-art stormwater controls, stream restoration, wetland creation and restoration, fish blockage removal, reforestation, control of trash and toxic contamination and parkland acquisition.

In addition to benefiting the surrounding communities with cleaner water, greener streets and recreational amenities, the projects are expected to reduce flooding, save on infrastructure repairs resulting from stormwater damage, limit trash and help reduce energy use and the “heat island effect” resulting from the addition of shade trees.

Mr. Seigel stated that the Capital Riverfront Business Improvement District is a public-private partnership funded through self-imposed taxes whose goal is to provide a unified voice on issues impacting the area including the enhancement of city services and enhancing economic development. The partnership is committed to keeping the river clean, recognizing that a clean river attracts more businesses, residents, and visitors to the Capitol Riverfront neighborhood. There is an upfront cost to doing so but it will ultimately lower expenses over time.

Fairfax County Board Vice Chairman Penny Gross commended the Plan and said it should be used as a model for Chesapeake Bay restoration.

10. APPROVE AMENDMENTS TO THE COG EMPLOYEE PENSION PLAN

Supplemental documents: Pension Plan memo

Resolution R28-10 sick leave accrual

Resolution R29-10 split distribution

Mr. Robertson asked the Board to approve an amendment to the COG employee defined benefit pension plan to modify a provision added in 2000 that increased pension benefits by allowing retirees to apply the value of unused sick leave to the final year of salary for pension benefit calculation. The Board was also asked to approve a second recommendation which has no impact on pension benefit or costs, to allow for a split benefit distribution. The recommendations were approved by the COG Pension Plan Administrative Committee on May 5, 2010. Management has concluded that this benefit warrants review and modification because continuation without adjustment: adds an additional element of fiscal uncertainty to COG’s defined benefit pension plan at a time of market instability; is inconsistent with pension benefits of COG member governments and other benchmark organizations; and will require additional employee and employer contributions to fund the plan, above the contribution increases already projected.

Management outlined several options and a preferred recommendation, which was provided to the Board and will be uploaded to the COG website, which modifies this benefit while maintaining a fair and market-competitive pension benefit for COG employees. The recommendation is to the eliminate sick leave pension accrual for new employees effective July 2010. Current employees

would retain the sick leave pension accrual for sick leave earned from September 2000 (date provision was approved) through July 2010, date of proposed change. For sick leave pension accrual computations, spread accrued sick leave (minus 240 hours) over high five-year average salary rather than high three-year average salary, the computation which existed when the benefit was first analyzed and adopted.

The action both “caps” the amount of sick leave that could be applied to boost pension at approximately 1,000 hours (minus 240 hours), plus applies it to the high five-year average salary provision that was in place at the time of original adoption, rather than the high three-year average salary subsequently adopted, but not specified for this provision. Additional accrual for current employees would be eliminated, effective July 2010.

Assuming COG Board approval of the management recommendation, COG will increase its employer contribution to the pension plan by an additional one percent to 8 percent, effective July 1, 2010 to support the added cost for the modified sick leave pension accrual benefit. Management will not recommend any employee increase to the plan for this period. Management, with the input of the Pension Plan Administrative Committee, will re-evaluate plan assets and liabilities in anticipation of any recommendations for additional employer or employee plan contributions for the fiscal year that will begin July 1, 2011.

Mr. Robertson highlighted several employee concerns with the proposed plan amendments but concluded that this action was the only way to ensure continued viability of the pension plan.

Several Board members, including Supervisor Gross and City of Greenbelt Mayor J Davis who serve on the Pension Plan Administrative Committee, noted that the decision to concur with management’s recommendation was not done so lightly but was a decision they felt must be made given the circumstances. Mayor Davis added that she has asked Mr. Robertson to look in to an option to provide a sick leave cash-out upon retirement which was of some comfort as she made her decision to vote for the plan amendment.

ACTION: Upon motion made, and seconded, Resolutions R28-10 and R29-10 were unanimously approved and adopted.

THE NEXT BOARD MEETING WILL BE ON WEDNESDAY, JUNE 9, 2010.

**ATTENDANCE: MAY 10, 2010
BOARD OF DIRECTORS/ALTERNATES 2010**

<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	N	Hon. Michael Brown	Y
	Hon. Kwame Brown	Y	Hon. Phil Mendelson	N
Maryland				
Bowie	Hon. G. Frederick Robinson	N	Geraldine Valentino-Smith	N
College Park	Hon. Andrew Fellows	Y	Hon. Robert Catlin	N
City of Frederick	Hon. Karen Young	Y		
Frederick County	Hon. David Gray	Y	Hon. Jan Gardner	N
Gaithersburg	Hon. Sidney Katz	N	Hon. Cathy Drzyzgula	Y
Greenbelt	Hon. Judith "J" F. Davis	Y	Hon. Emmett Jordan	N
Montgomery County				
Executive	Hon. Isiah Leggett	N	Mr. Tim Firestine	Y
Council	Hon. Roger Berliner	N		
	Hon. Michael Knapp	N		
Prince George's County				
Executive	Hon. Jack B. Johnson	N	Ralph Moultrie	N
Council	Hon. Camille Exum	N	Hon. Tom Dernoga	N
	Hon. Andrea Harrison	Y		
Rockville	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. Walter Tejada	Y	Hon. Jay Fisette	N
City of Fairfax	Hon. Dan Drummond	N	Hon. Jeffrey Greenfield	N
Fairfax County	Hon. Sharon Bulova	Y	Hon. Catherine Hudgins	N
	Hon. Penelope A. Gross	Y	Hon. Michael Frey	N
	Hon. John Foust	N	Hon. Patrick Herrity	N
Falls Church	Hon. Hal Lippman	Y	Hon. Robin Gardner	N
Loudoun County	Hon. Andrea McGimsey	Y		
Manassas	Hon. Sheryl Bass	N		
Manassas Park	Hon. Frank Jones	N	Hon. Suhas Naddoni	Y
Prince William County	Hon. Wally Covington III	N		
	Hon. Frank Principi	Y		
Virginia General Assembly	Hon. James M. Scott	Y		

