

Richmond Regional Planning District Commission
Minutes of Meeting
June 14, 2001

Members/Alternates Present

Joseph E. Brooks (M), Chairman..... City of Richmond
Rebecca M. Ringley (M), Treasurer County of New Kent
Angela L. LaCombe (M), Secretary Town of Ashland
Richard W. Ayers (M) County of Powhatan
Gregory R. Baka (M) County of Henrico
Malvern R. Butler (M) County of Goochland
John E. Gordon (M) County of Hanover
Roy J. Harrison, Jr. (M) County of Powhatan
Harvey L. Hinson (A) County of Henrico
Renny B. Humphrey (M) County of Chesterfield
David A. Kaechele (M) County of Henrico
John L. McHale (M) County of Chesterfield
Floyd H. Miles, Sr. (M) County of Charles City
George K. Roarty (M) County of Chesterfield
M. D. Stith, Jr. (A) County of Chesterfield
Allen J. Taylor (M) County of Henrico

Members Absent

Patricia S. O'Bannon (M), Vice Chairman County of Henrico
Edward B. Barber (M) County of Chesterfield
Mark S. Daniel (M) County of New Kent
John G. Dankos (M) County of Hanover
James B. Donati (M) County of Henrico
Thomas F. Giles (M) County of Hanover
Richard W. Glover (M) County of Henrico
Russell J. Gulley (M) County of Chesterfield
Gwen C. Hedgepeth (M) City of Richmond
William R. Jones, III (M) City of Richmond
Timothy M. Kaine (M) City of Richmond
Joseph T. Lacy, Jr. (M) County of Goochland
Delores L. McQuinn (M) City of Richmond
Kelly E. Miller (M) County of Chesterfield
Joseph D. O'Connor (M) County of Hanover
Arthur S. Warren (M) County of Chesterfield

Others Present

John R. Amos..... RRPDC Legal Counsel
Anne DaleGRCC/WorkForce One
Jo Ann Hunter County of Henrico
Janet PeytonMcGuire Woods
Jack Ward..... County of Hanover

Staff Present

Jo A. EvansAssistant Executive Director
Katherine E. BarrettExecutive Secretary
Daniel N. Lysy Director of Transportation
Peter M. Sweetland Finance and Contracts Administrator
Jackie S. StewartPrincipal Planner
Patricia A. Villa Communications Coordinator
Chester A. Parsons Senior Planner

Call to Order

Chairman Joseph E. Brooks called the regular monthly meeting of the Richmond Regional Planning District Commission to order at 1:25 p.m. on June 14, 2001.

Due to the lack of a quorum, Chairman Brooks changed the order of business to discuss non-action items.

Open Public Comment Period

There were no requests to address the Richmond Regional Planning District Commission at this time and Chairman Brooks closed the public comment period.

Chairman's Report

There was no Chairman's report at this time.

Assistant Executive Director's Report

Ms. Evans reported that she recently attended a Total Quality Institute (TQI) class at Chesterfield County on group dynamics. At the beginning of the class, as an icebreaker, each person in the class was asked to think about a time when they had to work with a team, and what in their opinion made the team work or made it not work. Ms. Evans said what came to her mind was over the last six months, the management staff at the

Commission (Kathy Barrett, Dan Lysy, Larry McCarty, Jo Evans) were asked to pull together and keep the agency going. She said she told the TQI class that for the 10 years she has worked at the Commission, that for the past six months the four have worked together better than ever before. The reason for that was they knew they were directly responsible to the Commission and for what the agency was doing. Because of that, they paid attention to each other more, paid attention to what each other needed, and communicated better than times when each person separately reported directly to the Executive Director. Ms. Evans thanked the Commission for having the faith and trust in the staff to carry the staff through this time without an Executive Director. Ms. Evans said everyone worked very hard to keep the Commission's trust, and keep the agency up and running.

Ms. Evans presented the written status report for May 2001, a copy having been included in the agenda.

At Chairman Brooks' request, Ms. Evans also reported that the construction is complete for the office expansion area across the hall, and GIS and computer staff have moved into the expanded area. The GIS staff is not set up for public display yet, but will be happy to have Commission members visit the new facilities as soon as they are complete. Other renovations in the office should be complete within the next two weeks.

Mr. Butler stated, on behalf of the Commission members and the Executive Committee, he would like to thank the staff that have worked so hard and did an outstanding job during the past six months when there was no Executive Director.

Legal Opinion – RRPDC Action on Budget

Mr. John Amos, RRPDC Legal Counsel, reported that the staff, at the Commission's May meeting, presented several revisions to the Commission budget for approval. The revisions were necessitated by a shortfall in funding from the MPO that had revised its budget in April. Mr. Glover, at the time of voting, expressed several concerns making sure that in casting this vote that the Commission did not involve itself directly or indirectly in a vote on the MPO budget. Mr. Glover also expressed concern that actions taken by the Commission not be such that the Commission was in fact making decisions for the MPO. Therefore, Mr. Amos said he was asked to provide a written opinion regarding the budget revisions and procedure that was presented at the last meeting.

Mr. Amos stated that Mr. Glover's expression of concern was timely and appropriate because it did cause the Commission to revisit and refresh their memory concerning the role of the Commission and the MPO.

Mr. Amos stated that the MPO is a separate stand alone organization established by federal legislation with its own mission and its own budget. Also, the MPO does not have staff of its own, and it must contract out. Because the MPO does not have its own

staff, it can contract out consultant and administrative services that it requires. The Commission is also a separate organization with its own agenda and its own mission and its own operating statement. Through a Memorandum of Understanding and other documents, the MPO has retained the Commission staff to provide it with consulting services and administrative services. The Commission has no authority to involve itself in the decisions of the MPO unless it is invited to do so as a consultant. The Commission has no authority to change or amend the MPO budget. Mr. Amos said it is clear that the establishment of the Unified Work Program (UWP) is the responsibility of the MPO and that the Commission cannot by its actions change the UWP or the allocation of funds to the UWP's work tasks. The April 2001 amendments to the UWP were properly approved by the MPO and not by the Commission. The amendments to the UWP resulted in less money (\$163,500) available for tasks being conducted and administered for the MPO by the Commission. This necessitated a change in the Commission budget to reflect that it had \$163,500 less to work with or pass through in FY 01. The proposed changes to the Commission budget were consistent with the changes the MPO made to the UWP. The May 2001 Commission vote on its budget in no way affected the MPO budget or the adoption of the revised UWP by the MPO. The action to revise the Commission budget did not involve any co-mingling of funds between the MPO and the Commission. The Commission budget revision process and resulting budget reallocations have never been the subject of an audit exception.

Mr. Amos concluded that the vote by the Commission to revise its own FY 01 budget was a proper and necessary internal administrative and accounting matter necessitated by changes made to the UWP by the MPO. The vote by the Commission in no way usurped any statutory authority granted to the MPO but rather reflected and recognized from an accounting standpoint the fact that the Commission would have less MPO funds to use and administer in FY 01. Therefore, Mr. Amos said he found the vote to revise the Commission budget to be logical, prudent, not prohibited by the law and not inconsistent with any statutory requirements.

Mr. Amos noted that copies of his legal opinion are available for all members. It was also suggested that a copy of the legal opinion be mailed to Mr. Glover since he raised the issue and is not present at the meeting today. Chairman Brooks stated that staff would mail a copy to Mr. Glover.

Chairman Brooks thanked Mr. Amos for his opinion.

Nominating Committee Report and Election of Officers for FY 02

Mr. Harrison, Chairman of the Nominating Committee, reported that the committee met and recommended the following slate of officers for FY 02:

Chairman	Patricia S. O'Banon, County of Henrico
Vice Chairman	Rebecca M. Ringley, County of New Kent

Treasurer Angela L. LaCombe, Town of Ashland
Secretary John E. Gordon, County of Hanover

At this point (1:45 p.m.), the Chairman announced a quorum of 16 members (10 elected and six non-elected) were present.

Nominating Committee Report (Continued)

There being no nominations from the floor, on motion of Mr. Baka, seconded by Mr. Ayers, the Richmond Regional Planning District Commission unanimously approved the Nominating Committee report.

Regional Competitiveness Act – Review and Approval of Pass-Through Contracts for Workforce One and The Retail Institute

Chairman Brooks reported that he met yesterday with Jack Ward, Anne Dale, Janet Peyton and staff regarding the contract between the Commission and the Greater Richmond Chamber of Commerce on the Regional Competitiveness Act. The Commission is requested to make some structural changes to the contract pertaining to reimbursements, monthly financial reporting day, and acknowledgement/disclaimer placement. Mr. Brooks presented the following contract with changes:

**CONTRACT FOR AWARD OF INCENTIVE FUNDS FROM THE REGIONAL
COMPETITIVENESS PROGRAM**

By and Between
RICHMOND REGIONAL PLANNING DISTRICT COMMISSION
and
GREATER RICHMOND CHAMBER FOUNDATION

This Contract, entered into this _____ day of _____, 2001, by and between the Richmond Regional Planning District Commission, hereinafter referred to as the "RRPDC" and the Greater Richmond Chamber Foundation, hereinafter referred to as the "CHAMBER".

WITNESSETH:

In consideration of the mutual covenants set forth herein, the parties hereto do mutually agree as follows:

Project Description: The Chamber shall carry out the project set forth in the attached funding proposal. This initiative is known as WORKFORCE ONE. Grant number DHCD070102.

Project Period: The project shall commence on July 1, 2001 and shall terminate no later than June 30, 2002, the period of performance being 12 months. Funding for the project from the state was received on _____.

Payments: The RRPDC shall disburse to the CHAMBER \$963,978.95 from the Virginia Department of Housing and Community Development (DHCD), as provided herein, on a quarterly ~~reimbursement~~ basis.

The Contract Documents Shall Consist of:

- (1) This signed "Contract for Award of Incentive Funds from the Regional Competitiveness Program".
- (2) The funding proposal for WORKFORCE ONE.
- (3) The Budget Document and Work Plan prepared by the CHAMBER, including benchmarks to be submitted to DHCD in July 2001.
- (4) The General Terms and Conditions.
- (5) The Special Terms and Conditions.

Precedence of Terms: In the event of a conflict between or among terms in the documents included in this contract, the following documents control in order from the most important to the least important: the signed Contract; the Special Terms and Conditions; the General Terms and Conditions; the funding proposal; the budget document and work plan.

IN WITNESS HEREOF, the parties have caused this contract to be duly executed intending to be bound thereby.

GENERAL TERMS AND CONDITIONS

ADMINISTRATIVE CONDITIONS:

1. **AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that the RRPDC shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this contract.
2. **USE OF FUNDS:** These funds shall only be used for the purposes and activities covered in the funding proposal and revised benchmarks provided to VDHCDC.
3. **BASIS OF PAYMENT:** For services performed in accordance with the provisions of the Agreement, the COMMISSION shall pay the CHAMBER actual costs as defined herein. The COMMISSION shall pay to the CHAMBER the full contract amount of \$ _____ in quarterly installments.

commencing July 1, 2001 (or, with respect to the first such installment, immediately following receipt of the funds by the COMMISSION, if such receipt occurs on or after July 1, 2001).

In consideration of the fact that exact costs for each of the program budget line items are difficult to estimate, the COMMISSION will allow a maximum of 10% overrun on the total funds budget for each line item with the following exceptions:

For line items for which the budget exceeds \$50,000, the maximum allowable cost overrun will be \$5,000. It is understood that while such overruns will be allowed, in no case will the grand total for expenditures exceed the amount identified in this contract.

~~Payments shall be made for billings rendered quarterly for actual work completed. Billings~~**Accounting statements** for the first, second, and third quarters shall be submitted to the COMMISSION within 30 days after the end of each quarter. ~~Payment for work performed during the final quarter of the year must be requested from the COMMISSION within 45 days after the end of the program year.~~ All invoices**accounting statements** shall be supported by progress reports specified in "Special Terms and Conditions." Payment of all invoices**each subsequent quarterly payment** will be subject to acceptance by the COMMISSION of the work performed. All costs are subject to audit by the COMMISSION's auditor. **The COMMISSION may withhold from a quarterly payment amounts specifically related to exceptions it takes to individual items identified in the previous accounting statement, until such exceptions are resolved.**

Any expenditures questioned by the COMMISSION in the fiscal or performance audit of the program will be discussed with the CHAMBER's staff. In the event that agreement is reached that the exception is proper, the COMMISSION will reimburse the amount of the exception. ~~In the event that the exception is not proper, the COMMISSION shall deduct the amount of the exception from the invoice and pay only the amount deemed proper.~~

The CHAMBER shall provide a list of all personnel anticipated to charge time against the activities covered by this Agreement. This listing will identify personnel by payroll classification only (Vice President, Director, Secretary, etc.) and their present actual payroll rate per hour or annual salary.

Actual costs shall include direct salaries, payroll burden, indirect costs or overhead, and direct non-salary costs. Such costs shall be maintained in the CHAMBER's records in accordance with generally accepted cost accounting procedures and recordations. Payroll burden and overhead costs shall be subject to the COMMISSION's review and approval.

Non-salary direct costs shall include purchase and rental of material, supplies, equipment, and services not normally included in the computation of overhead but necessary for the performance of work specified. Also included as direct non-salary costs shall be costs for certain communications and reproductions charged directly to the work specified plus necessary travel and per diem expenses as identified in the Commonwealth's Accounting Policies and Procedures Manual.

4. **APPLICABLE LAWS:** This contract shall be governed in all respects, whether as to validity, construction, capacity, performance or otherwise, by the laws of the Commonwealth of Virginia.
5. **SEVERABILITY:** Each paragraph and provision of this contract is severable from the entire contract; and if any provision is declared invalid, the remaining provisions shall nevertheless remain in effect.
6. **COLLATERAL AGREEMENTS:** Where there exists any inconsistency between this contract and other provisions of collateral agreements which are made a part of this contract by reference or otherwise, the provisions of this contract shall control.
7. **INTEGRATION AND MODIFICATION:** No alteration, amendment or modification in the provisions of this contract shall be effective unless it is reduced to writing, signed by the parties and attached hereto.
8. **DISCLAIMER:** Nothing in this contract shall be construed as authority for either party to make commitments that will bind the other party beyond the project contained herein. Furthermore, the CHAMBER shall not assign, sublet, or subcontract any work related to the Contract or any interest it may have herein without the prior written consent of the RRPDC.
9. **During the performance of this contract, the grantee agrees as follows:**
 - a. The CHAMBER will not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin, except where religion, sex, or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the CHAMBER. The CHAMBER agrees to post in conspicuous places,

available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

- b. The CHAMBER, in all solicitations or advertisements for employees placed by or on its behalf, will state that the CHAMBER is an equal opportunity employer.
 - c. Notices, advertisements and solicitations placed in accordance with state law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.
 - d. The CHAMBER will include the provisions of the foregoing paragraphs a, b and c in every subcontract or purchase order of over \$10,000 so that the provisions will be binding upon each subcontractor or vendor.
10. **PRIOR APPROVAL OF CHANGES:** The CHAMBER must obtain approval from the RRPDC for significant changes to the project, as determined by the Executive Committee of the RRPDC, including, but not limited to, changes of substance in program activities, designs, or plans set forth in the approved funding application and changes in the approved project budget.
 11. **CONTINGENT FEE WARRANTY:** The CHAMBER warrants that it has not employed or retained any person or persons for the purpose of soliciting or securing this contract or the funding for it. The CHAMBER further warrants that it has not paid or agreed to pay any company or person any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon the award or making of this contract or the funding for it. For breach of one or both of the foregoing warranties, the RRPDC shall have the right to terminate this contract without liability, or, in its discretion, to deduct from the agreed contract amount, amount of said prohibited fee, commission, percentage, brokerage fee, gift, or contingent fee.
 12. **LIABILITY:** The CHAMBER shall take out and maintain, during the life of this contract, such bodily injury liability and property damage liability insurance as will protect it from claims of damages for personal injury, including death, as well as from claims for property damage, which may arise from its activities under this contract. If the CHAMBER has a self-insurance program, it may self-insure the risks associated with this contract in lieu of commercial insurance required herein.
 13. **DOCUMENTS:** The CHAMBER shall provide a clear, reproducible copy of publications and documents (in machine-readable form upon request) to the RRPDC.

All public relations publications and reports produced by the CHAMBER (other than internal reports directed specifically to the COMMISSION) shall contain the following:

1. An acknowledgment, "This project is funded in part by a grant/cooperative agreement with the Virginia Department of Housing and Community Development and the Richmond Regional Planning District Commission."
2. A disclaimer, "The contents of this report reflect the views of the author(s), who is solely responsible for the facts and the accuracy of the data presented herein. The contents do not necessarily reflect the official views or policies of the Virginia Department of Housing and Community Development or the Richmond Regional Planning District Commission. This report does not constitute a standard, specification, or regulation."
3. —The above noted acknowledgment shall be placed on all public relations publications. The acknowledgment and disclaimer shall be published ~~on~~ at the inside front cover beginning of all executive summaries and final report documents, and shall comply in all respects with any applicable regulations from VDHCD or the Commonwealth of Virginia

This provision applies only to materials or documents developed with the funds provided by this grant. It does not apply to materials or documents previously copyrighted or registered under the CHAMBER's copyright or trademark or to materials or documents that are developed with other funds.

14. **TERMINATION FOR CAUSE:** In the event of any material breach of this contract, the RRPDC reserves the right to terminate the contract at any time before the date of completion, upon written notice to the CHAMBER specifying the nature of the breach. In connection with such termination, payments made to the CHAMBER or recoveries by the RRPDC shall be in accord with the work performed prior to the date notice is received by the CHAMBER.
15. **TERMINATION FOR CONVENIENCE:** The RRPDC may terminate the contract if funding for this program is terminated. The RRPDC or the CHAMBER may terminate the contract in whole, or in part, if both parties agree that the continuation of the contract will not produce beneficial results commensurate with further expenditure of funds. The RRPDC and the CHAMBER shall agree upon the termination conditions, including the effective date, and in the case of partial terminations, the portion to be terminated. The CHAMBER shall not incur new obligations for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible. The RRPDC shall allow full credit to the CHAMBER for the RRPDC's share of the

noncancellable obligations properly incurred by the CHAMBER prior to termination.

16. **REGULATORY COMPLIANCE:** The CHAMBER shall comply with all laws, ordinances, rules, regulations, and lawful orders of any public authority bearing on the performance of the project and shall give all Notices required thereby. The CHAMBER hereby consents to inspection by any state regulatory agency having jurisdiction over any part of the project performed with the assistance of the grant funds.
17. **INDEMNIFICATION:** The CHAMBER agrees to indemnify, defend, and hold harmless the Commonwealth of Virginia and the Richmond Regional Planning District Commission, their officers, agents, and employees from any claims, damages, and actions of any kind or nature, whether at law or in equity, arising from, related to, or caused by the project, provided that such liability is not attributable to the sole negligence of the RRPDC.
18. **EQUIPMENT AND SUPPLIES:** The CHAMBER agrees to remit to the COMMISSION the COMMISSION's interest in the fair market value of Project equipment or supplies prematurely withdrawn from appropriate use. The amount of COMMISSION interest in the property shall be determined on the basis of the ratio of the amount paid under this contract for the property and the actual cost of the property. Fair market value shall be calculated by straight-line depreciation of the equipment or supplies, based on the useful life of the equipment or supplies established by the Commonwealth of Virginia. The fair market value of the equipment and supplies shall be the value immediately before the occurrence prompting the withdrawal of that property from use. In the case of equipment or supplies lost or damaged by casualty or fire, the fair market value shall be calculated on the basis of the condition of that property immediately before the casualty or fire, irrespective of the extent of insurance coverage.

ASSURANCES AND CERTIFICATIONS:

1. **ASSURANCES – NON-CONSTRUCTION PROGRAMS:** By entering this contract, the authorized representative of the CHAMBER certifies that the CHAMBER is in compliance with each of the following applicable requirements:
 - (a) Has the legal authority to apply for state assistance, and has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of the project.
 - (b) Will give the RRPDC, the awarding state agency, and the Comptroller of the Commonwealth of Virginia, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to this contract; and will establish a proper accounting system in accordance with generally accepted accounting standards or RRPDC directives.

- (c) Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain.
- (d) Will initiate and complete the work within the applicable time frame after receipt of approval of the RRPDC.

2. **CERTIFICATION – CONFLICT OF INTEREST:** The CHAMBER warrants that it has fully complied with the State and Local Government Conflict of Interests Act.

3. **CERTIFICATION – LOBBYING:** The undersigned official for the CHAMBER certifies, to the best of his or her knowledge and belief, that:

(a) No state appropriated funds received under this contract have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of the General Assembly, an officer or employee of the General Assembly, or an employee of a member of the General Assembly in connection with the awarding of any state contract, the making of any state grant, the making of any state loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any state contract, grant, loan, or cooperative agreement.

(b) If any funds other than state appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of the General Assembly, an officer or employee of the General Assembly, or an employee of a member of the General Assembly in connection with this contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit a Commonwealth of Virginia Disclosure Statement for lobbyists, in accordance with its instructions.

(c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

FINANCIAL MANAGEMENT CONDITIONS:

1. **FISCAL CONTROL:** The CHAMBER shall establish fiscal control and fund accounting procedures that assure proper disbursement of, and accounting for, grant funds. The CHAMBER shall for the purposes of this contract:

(a) Provide all accounting, bookkeeping, fiscal, and administrative services required by or related to this contract.

(b) Maintain appropriate support for all expenditures incurred and maintain all books, documents, papers, accounting records, and other evidence supporting the costs incurred associated with this contract. It shall make such materials available at its offices at all reasonable times during the contract period, and for three years

from the date of final payment under this contract, for inspection and audit by the RRPDC or any authorized representative of the state.

(c) Monitor the contract budget to be sure expenditures do not exceed the approved budget, and if necessary, prepare requests for budget modifications and/or extensions of time.

(d) Provide to the RRPDC all subcontracts and/or purchase orders in excess of \$5,000 for review and approval prior to solicitation.

2. **OBLIGATING STATE FUNDS BEYOND PROJECT PERIOD:** *The CHAMBER shall not incur costs or obligate funds for any purpose pertaining to the project beyond the expiration date stipulated in the contract.* The only costs that are authorized for a period of up to 90 days following the contract expiration date are those strictly associated with closeout activities. Closeout activities are limited to the preparation of final reports.

Any extension of the contract can only be authorized by the RRPDC. Verbal or written assurances of the contract to increase funding from other than the RRPDC shall not constitute authority to obligate funds for programmatic activities beyond the expiration date.

The RRPDC has no obligation to provide additional prospective funding. Any renewal of the contract to increase funding and to extend the period of performance is at the sole discretion of the RRPDC.

3. **FINANCIAL RECORDS AVAILABILITY:** The CHAMBER agrees to retain all books, records, and other documentation relative to this contract for three years after final payment, or until audited by an independent auditor, whichever is earlier. The RRPDC, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period.

SPECIAL TERMS AND CONDITIONS:

1. The CHAMBER will provide the RRPDC with monthly financial reports (by the 1025th business calendar day of the following month, or the first business day thereafter if such 25th day falls on a weekend or holiday) and quarterly status reports detailing the attainment of the benchmarks provided to DHCD subsequent to the submission of the first annual report to DHCD.
2. The applicable staff from the CHAMBER and the RRPDC will meet periodically to discuss the progress of the project.
3. The RRPDC will develop a draft final annual report that will be based upon the documentation provided by the CHAMBER. CHAMBER staff will review the

report for accuracy and suggest corrections/changes to the RRPDC by a deadline determined by the RRPDC to facilitate the reporting deadline.

4. The annual report is due to the Virginia Department of Housing and Community Development by May 2002 and will cover the period April 1, 2001 to March 31, 2002. Both the CHAMBER and the RRPDC will ensure that their timetables will incorporate the reporting deadline.

Following Chairman Brooks report on changes to the Greater Richmond Chamber of Commerce contract, on motion of Mr. McHale, seconded by Mr. Harrison, the Richmond Regional Planning District Commission unanimously approved the amended contract for WorkForce One and The Retail Institute contract.

Approval of Minutes of May 10, 2001 Meeting

There being no corrections or additions, on motion of Mr. Butler, seconded by Mr. Harrison, the Richmond Regional Planning District Commission unanimously approved the minutes of the May 10, 2001 meeting.

Approval of April 2001 Financial Report

There being no corrections, on motion of Mr. Harrison, seconded by Mr. Butler, the Richmond Regional Planning District Commission unanimously accepted the financial report for audit.

Annual Audit – Review and Approval of Audit Contract

Mr. Sweetland, RRPDC Finance and Contracts Administrator, reported that the Commission, at its May meeting, approved the selection of the audit firm Dunham and Aukamp, to perform the annual audit for fiscal years 2001 through 2003. Mr. Sweetland stated that legal counsel has reviewed and revised the draft contract. The Executive Committee has also reviewed the contract and recommends approval.

Following general discussion, on motion of Mr. Harrison, seconded by Mr. Butler, the Richmond Regional Planning District Commission unanimously approved the following contract.

CONTRACT FOR FINANCIAL AND COMPLIANCE AUDIT
By and Between
RICHMOND REGIONAL PLANNING DISTRICT COMMISSION
and
Dunham & Aukamp, PLC (Certified Public Accountants)

This Contract, entered into this _____ day of _____, 2001, between the Richmond Regional Planning District Commission, hereinafter referred to as the "RRPDC" and Dunham & Aukamp, PLC, hereinafter referred to as the "AUDITOR".

WITNESSETH:

In consideration of the mutual covenants set forth herein, the parties hereto do mutually agree as follows:

- I. AUDITING STANDARDS. The AUDITOR shall examine all funds and accounts of the RRPDC in accordance with generally accepted auditing standards: Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the U. S. Comptroller General; the provisions of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; Specifications for Audits of Authorities, Boards, and Commissions issued by the Commonwealth of Virginia Auditor of Public Accounts; the pronouncements of the Governmental Accounting Standards Board (GASB); other appropriate Federal and State regulations, where applicable; and all revisions to any of the above.

- II. SCOPE OF SERVICES. The AUDITOR shall perform the following basic services to the RRPDC for fiscal years 2001, 2002 and 2003:
 1. Examination of all funds and accounts of the RRPDC.
 2. Preparation of an annual audit report for each fiscal year, ending on June 30, of each year, according to the requirements outlined generally in Section I above.
 3. Preparation of a management letter, under separate cover, at the conclusion of the examinations, setting forth comments and recommendations noted by the AUDITOR during the course of each examination. Said management letter shall be reviewed in draft form with the Executive Director and the RRPDC Audit Committee prior to its submittal in final form to the RRPDC Board.

4. Observation of the adequacy of the internal control structure. If weaknesses are noted, appropriate recommendations shall be reviewed with the Executive Director and the Audit Committee and then included in a separate letter to the RRPDC Board.
5. The AUDITOR shall disclose immediately all findings of suspected fraud or embezzlement to the RRPDC Executive Director, Chairman of the Board, General Counsel and Audit Committee.
6. The AUDITOR shall report, to the RRPDC Executive Director, in writing, any changes in key AUDITOR personnel assigned to the RRPDC audit.
7. The AUDITOR shall meet with the RRPDC Executive Director and the Audit Committee, as needed, during the course of and after completion of the audit on matters directly relating to the audit or the AUDITOR's performance thereof.
8. The AUDITOR agrees to make a presentation to the RRPDC Board of the findings of the audit and the recommendations contained in the AUDITOR's management letter.

III. CHANGE ORDER FOR EXTRA OR ADDITIONAL SERVICES. There shall be no extra work allowed on this project without prior written authorization in the form of a change order from the RRPDC. No officer, agent or employee of the RRPDC is authorized to give verbal instructions to increase the scope of work and the AUDITOR shall not use verbal instructions as the basis for additional costs. Requests for changes in the scope of work shall be made in writing by the AUDITOR, reviewed by the RRPDC Audit Committee, and either approved or denied in writing prior to initiation of any extra or additional work.

IV. RRPDC RESPONSIBILITIES. The RRPDC will:

1. Provide or make available to the AUDITOR all pertinent information in its possession which the AUDITOR deems necessary for the successful implementation of this Contract, and which may lawfully be released, including, but not limited to: basic accounting records, work papers, schedules and documents required in support of financial transactions and account balances.
2. Provide access to RRPDC contract and procurement documents.
3. Provide reasonable workspace during RRPDC's normal office hours for the AUDITOR's field staff while working on this engagement.

- V. PERSONNEL. The AUDITOR represents that he has, or shall secure at his expense, all personnel, including subcontractors, required to perform and complete the scope of work on this Contract.
- VI. TIME OF PERFORMANCE. The services of the AUDITOR in preparing the annual fiscal year audit are to commence on or about August 1 of each fiscal year, beginning in 2001, and shall be completed no later than September 15 of each fiscal year. This contract may be extended by mutual agreement of both the RRPDC and the AUDITOR.
- VII. COMPENSATION AND METHOD OF PAYMENT. The AUDITOR shall be paid for the annual audit in a lump sum amount equaling not more than a total of \$6,600.00 upon completion of all work and final acceptance by the RRPDC. The AUDITOR shall mail the RRPDC its billing invoice for services rendered within ten (10) days following the presentation of the annual audit report to the RRPDC Board. All payments for amounts approved shall be mailed to the AUDITOR within thirty (30) days following receipt by the RRPDC of the billing invoice, subject to the satisfactory delivery of all work products defined in the Scope of Service of this Agreement.
- VIII. AMENDMENTS. This Contract may be amended from time to time by the RRPDC and shall be subject to renegotiation if such amendment results in a change in the scope of services, compensation, or method of payment.
- IX. DISPUTES. Should disputes, alternatives or other disagreements related to the performance of the work hereunder arise between the RRPDC and the AUDITOR, the parties hereto shall negotiate in good faith in an attempt to resolve same; such negotiations shall be a condition precedent to any remedy at law.
- X. CONFIDENTIALITY. Any reports, information, data, drawings, specifications, estimates, and summaries given to or prepared or assembled by the AUDITOR under this Agreement shall not be made available to any individual or organization by the AUDITOR without prior written approval from the Executive Director of the RRPDC, or the Director's designee.
- XI. REPORTS OF WORK. The RRPDC and the AUDITOR shall schedule progress meetings at appropriate intervals throughout the audit work. These meetings will provide for the exchange of information related to the status of the work, anticipated progress, and any problems that have arisen. A draft audit report will be presented to and discussed with the Audit Committee prior to the Board meeting. The audit report on the financial statements and associated management letter shall be completed, delivered and presented to the RRPDC Board at their regular monthly Board meeting held on the second Thursday of September.

- XII. AUTHORIZED REPRESENTATIVES. The RRPDC has designated its Executive Director or his designee to serve as the principal contact to give direction to the AUDITOR throughout the duration of the work. The AUDITOR designates Michael D. Aukamp, CPA, to serve as the principal contact for the firm and to give direction to the engagement team performing the audit.
- XIII. EMPLOYMENT DISCRIMINATION. During the performance of this Contract, the AUDITOR agrees as follows:
- A. The AUDITOR shall not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin, except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the AUDITOR. The AUDITOR agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.
 - B. The AUDITOR, in all solicitations or advertisements for employees placed by or on behalf of the AUDITOR, will state that such AUDITOR is an equal opportunity employer.
 - C. Notices, advertisements, and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.
 - D. The AUDITOR will include the provisions of the foregoing paragraphs A, B, and C in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
- XIV. CONFLICT OF INTEREST. The AUDITOR certifies that to the best of his knowledge, no employee of the RRPDC, nor any member thereof, nor any public agency or official affected by this Agreement, has any pecuniary interest in the business of the AUDITOR, and that no person associated with the AUDITOR has any interest that would conflict in any manner with the performance of the Agreement.
- XV. COMPLIANCE WITH LAWS. This Agreement was made and entered into in the City of Richmond, Virginia, and shall be governed, controlled and interpreted under the laws of the Commonwealth of Virginia. The AUDITOR shall at all times observe and comply with all laws, ordinances, and regulations of the federal, state and local governments which may in any manner affect the performance of this Agreement.

XVI. TERMINATION. The following terms shall apply to the RRPDC's right to terminate this Agreement:

- A. Termination for Default. The AUDITOR's right to perform this contract may be terminated by the RRPDC in the event services are not performed as called for in the contract. Thereafter, the RRPDC may have the service performed by others and the AUDITOR shall be liable for all costs to the RRPDC in excess of the contract price for the remaining portion of the contract. The AUDITOR will be notified of this termination in writing by the RRPDC.
- B. Termination for Convenience. The RRPDC may terminate this contract for convenience. If the RRPDC elects to terminate the contract, written notice will be mailed, by U.S. Certified Mail-Return Receipt Requested, at least thirty (30) days in advance of the effective date. The AUDITOR will be paid for all labor and materials provided to the RRPDC's satisfaction as of the termination date. Upon such termination, the RRPDC shall not be responsible for any payment for work performed by the AUDITOR after the termination date, or for the lost profit or revenue anticipated by the AUDITOR for the canceled portion of the contract. The AUDITOR will be notified of this termination in writing by the RRPDC.
- C. Termination for Non-Appropriation. The contract will automatically terminate upon failure of the RRPDC Board to appropriate funds for its continuation. The AUDITOR will be notified of this termination in writing by the RRPDC.

XVII. HOLD HARMLESS AND INDEMNIFICATION AGREEMENT.

- A. The AUDITOR shall indemnify and hold the RRPDC and its officers, agents, and employees harmless from and defend against all claims, damages, losses and expenses including attorney's fees arising out of or resulting from the AUDITOR's providing or failing to provide any product, goods or services required under the Request for Proposals or related contract, including but not limited to any such claim, damage, loss or expense, that is attributable to bodily injury, sickness, disease or death or to injury to or destruction to tangible property, including the loss of use resulting therefrom, or to economic loss; provided, however, that the AUDITOR's indemnification obligation under the scope of service under any contract shall be limited to claims, damages, losses, and expenses caused in whole or in part by any act or omission of the AUDITOR, or any subcontractor (a "Subcontractor") performing work required by the AUDITOR's contract with the RRPDC, or anyone directly or indirectly

employed by any of them or anyone whose acts the AUDITOR or any Subcontractor may be liable, regardless of whether or not such claims, damages, losses, and expenses are caused in part by a party indemnified hereunder.

- B. The AUDITOR's indemnification obligation in Part XVII (A) of this Agreement, with respect to any and all claims by any employee or statutory employee of the AUDITOR, or any Subcontractor, or by anyone directly or indirectly employed by any of them, or anyone for whose acts the AUDITOR or Subcontractor may be liable, shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the AUDITOR or any Subcontractor under

Worker's Compensation Acts, Disability Benefits Acts or other Employee Benefit Acts.

XVIII. CONTRACT DOCUMENTS. The contract documents which comprise the entire Agreement between the RRPDC and the AUDITOR consist of the following:

- A. Any written modifications, executed by both parties, duly delivered after the execution of the Contract.
- B. This Contract.
- C. The RRPDC's Request for Proposal, dated March 20, 2001.
- D. The AUDITOR's proposal dated April 26, 2001.
- E. In the event of conflicts of the provisions contained in the contract documents, the order of priority for interpretation shall be the same order as enumerated above.

Announcements

There were no announcements.

Committee Reports

There were no committee reports.

Closed Session – Section 2.1-344 (A)(1) of the Code of Virginia, Regarding Personnel Matters

On motion of Ms. Ringley, seconded by Mr. Harrison, the Richmond Regional Planning District Commission went into Closed Session pursuant to the Virginia Freedom of Information Act, Section 2.1-344 (A)(1) of the Code of Virginia, 1950, as amended, for personnel matters.

The Richmond Regional Planning District Commission reconvened into regular session. There was a vote certifying to the best of each members knowledge only those items that were the subject of the motion were discussed.

Adjournment

Since there was no further business to come before the Richmond Regional Planning District Commission, the meeting adjourned at 2:00 p.m.

Joseph E. Brooks
Chairman

Jo A. Evans
Assistant Executive Director