

TO: H-GAC Board of Directors
SUBJECT: Board Report
FROM: Jack Steele
DATE: November 7, 2011

Today's report focuses on items for your consideration in next week's Board of Directors meeting. There are two principal discussion items: the 2012 Proposed Budget and Service Plan and committee recommendations concerning allocation of second round hurricane recovery funds.

Consent Agenda—the investment officer's report is routine. We are requesting approval of the low compliant bid for automated samplers and flow measuring devices with associated equipment for use in water quality studies on the San Bernard River.

We have cooperative purchasing recommendations for Dodge and Chrysler car and truck products, grounds equipment, citizen involvement and outreach services, and sewer cleaning equipment.

We are requesting approval of a minor update to the regional homeland security implementation plan. The proposed amendment adds additional local actions which contribute to achievement to statewide goals. We have clean vehicles contracts for your consideration to replace or convert twenty-seven heavy duty diesel engines resulting in annual emission reductions in excess of ten tons per year.

We are requesting authority to execute an agreement with TxDOT adopting TxDOT's disadvantaged business enterprise program. We have previously had a local program, but TxDOT requires that we adopt theirs, based on guidance it has received from the Federal Highway Administration. We are requesting approval of consultant agreements to conduct subregional planning studies for several communities in the Fort Bend area, and separately for the Pearland/Northern Brazoria County area. Finally, we are recommending a second year agreement with Texas Children's Hospital to continue and expand its Safe Kids child restraint and child seat program. This contract extension will include expanded outreach to bilingual communities.

Finance and Budget—will meet at **9:40 a.m.** in Conference Room C. We have the monthly financial report. We will also have a brief presentation of the Proposed 2012 Budget and Service Plan, with a detailed review in the Board meeting. There are no significant changes in the document from the version you reviewed last month. While pass-through funds are down approximately 19%, due to state and federal funding changes, the proposed budget continues all major H-GAC services, within the bounds of available resources. We will also present recommended employee salary ranges for consideration. We are recommending no across the board salary increases for 2012. We are recommending incrementing salary ranges by two percent to provide for merit, market, and scope of responsibility adjustment as warranted. No change in fringe benefits is recommended.

Hurricane Ike Disaster Recovery Update—Hurricane Ike Recovery Committee is meeting on Wednesday to review the proposed round 2.2 method of distribution for approximately \$969.5 million in hurricane recovery funds. Of this amount, \$647.4 million is for housing related activities, and \$322.1 million is for non-housing programs, including infrastructure repair and replacement. We will provide you with a copy of the Committee’s final recommendation immediately after their meeting on Wednesday.

H-GAC Advisory Committee Appointments—we have one advisory committee appointment for your consideration on Tuesday.

Retiring Board Member Resolution—Mayor Turner from Huntsville is not seeking re-election and will be completing his service on the H-GAC Board this month.

As you can see, we have a full list of important items on the agenda before us next week. I hope you will plan to be present, participate fully in the discussions, and represent your local government. Meanwhile, if you have questions or suggestions about any H-GAC program or service, please contact me.

Sincerely,

Jack Steele

JS/ndg

Enclosure