



**A G E N D A**  
**HOUSTON-GALVESTON AREA COUNCIL**  
**FINANCE AND BUDGET COMMITTEE MEETING**

May 16, 2023, 9:20 AM

3555 Timmons Lane, Conference Room 2A

Houston, TX 77027

[https://us06web.zoom.us/webinar/register/WN\\_5W7S4j0FSqavavx1jAxjCw](https://us06web.zoom.us/webinar/register/WN_5W7S4j0FSqavavx1jAxjCw)

1. CALL TO ORDER

2. N/A

The presiding officer will be present at the primary meeting location to convene this meeting

3. PUBLIC COMMENTS –

Members of the public may participate by sending comments to

[BoardPublicComments@h-gac.com](mailto:BoardPublicComments@h-gac.com); by joining online via website; or by dialing US: 1-

888-788-0099 (Toll Free) or 1-877-853-5247 (Toll Free) (Meeting ID: 843 5711 4132;

Participant ID: 412609; Passcode: 222743)

4. DECLARE CONFLICTS OF INTEREST

**ACTION**

5. CONSENT AGENDA

Items listed are of a routine nature and may be acted on in a single motion unless requested otherwise by a member of the Board.

a. N/A

b. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY CONTRACT - TOTAL MAXIMUM DAILY LOAD

Request authorization to contract with Texas Commission on Environmental Quality to continue implementation of Regional Bacteria Reduction Plan and provide technical support; in the amount of \$2,000,000. (Staff Contact: Justin Bower)

c. REGIONAL HOUSEHOLD HAZARDOUS WASTE COLLECTION, TRANSPORTATION, AND DISPOSAL CONTRACT

Request authorization to award contract to Clean Earth for regional household hazardous waste collection, transportation, and disposal. (Staff Contact: Erin Livingston)

d. ACOUSTIC AND AUDIO-VISUAL CONTRACTORS

Request approval to contract with Dynasty Sound for a sound-masking system in the amount of \$48,856; and to solicit quotes and contract with vendors from approved governmental cooperatives for audio-visual equipment in the amount of \$356,112, including the first year of warranty and/or maintenance. (Staff Contact: Nancy Haussler)

e. INVESTMENT REPORT – FIRST QUARTER 2023

Request approval of the 2023 First Quarter Investment Report ending March 31, 2023. (Staff Contact: Jean Mahood)

6. FINANCE AND BUDGET COMMITTEE

Report on activities and Committee recommendations.

a. MONTHLY FINANCIAL REPORT – APRIL 2023

Request approval of the monthly financial report ending April 30, 2023. (Staff Contact: Jean Mahood)

7. AUDIT COMMITTEE

a. 2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT

Request approval of the 2022 Annual Comprehensive Financial Report. (Staff Contact: Nancy Haussler)

b. 2022 EMPLOYEE RETIREMENT PLAN

Request approval of the 2022 Employee Retirement Plan. (Staff Contact: Nancy Haussler)

8. HUMAN SERVICES

a. TEXAS EDUCATION AGENCY WORKFORCE CONVENER GRANT

Request approval to accept Texas Education Agency funding related to the 2023-2024 Tri-Agency Grant for Regional Conveners in the amount of \$600,000. (Staff Contact: Juliet Stipeche)

9. TRANSPORTATION PLANNING

a. TOW AND GO PROGRAM – CITY OF HOUSTON

Request authorization to enter into an interlocal agreement with the City of Houston for the Tow and Go Program; total amount is \$3,905,000. (Staff Contact: Craig Raborn)

10. N/A

11. REPORTS

a. N/A

b. N/A

c. N/A

d. EXECUTIVE DIRECTOR'S REPORT

Report on current and upcoming H-GAC activities. (Staff Contact: Chuck Wemple)

In compliance with the Americans with Disabilities Act, H-GAC will provide for reasonable accommodations for persons attending H-GAC functions. Requests should be received by H-GAC 24 hours prior to the function.

## 12. ADJOURNMENT

In compliance with the Americans with Disabilities Act, H-GAC will provide for reasonable accommodations for persons attending H-GAC functions. Requests should be received by H-GAC 24 hours prior to the function.

## **TEXAS COMMISSION ON ENVIRONMENTAL QUALITY CONTRACT - TOTAL MAXIMUM DAILY LOAD**

### **Background**

H-GAC has contracted with the Texas Commission on Environmental Quality since 2007 to support initiatives to reduce bacteria and other pollutants in area waterways through Total Maximum Daily Load projects. Under previous agreements, work orders have covered bayous in the Houston metropolitan area, as well as Clear Creek, Lake Houston, Armand Bayou, and other area watersheds. Through these agreements, H-GAC established the Bacteria Implementation Group, comprised of local government representatives and other stakeholders. The Bacteria Implementation Group developed a voluntary Regional Bacteria Reduction Plan, implementation of which is underway. The Caney Creek Total Maximum Daily Load in Matagorda County has been adopted by the Texas Commission on Environmental Quality and other Total Maximum Daily Loads and associated implementation plans are in development within other watersheds (see attached). Efforts to address bacteria and other pollutants by H-GAC and our partners are coordinated with these Total Maximum Daily Loads projects.

### **Current Situation**

Texas Commission on Environmental Quality has proposed a contract with H-GAC to continue coordination of regional bacteria reduction planning, implementation, and technical support including: evaluating water quality standards, monitoring and assessment; watershed planning and management; and facilitating public participation for waterbodies within the 13-county H-GAC service region.

These activities will begin September 1, 2023 and continue through November 30, 2028.

### **Funding Source**

Texas Commission on Environmental Quality

### **Budgeted**

Yes

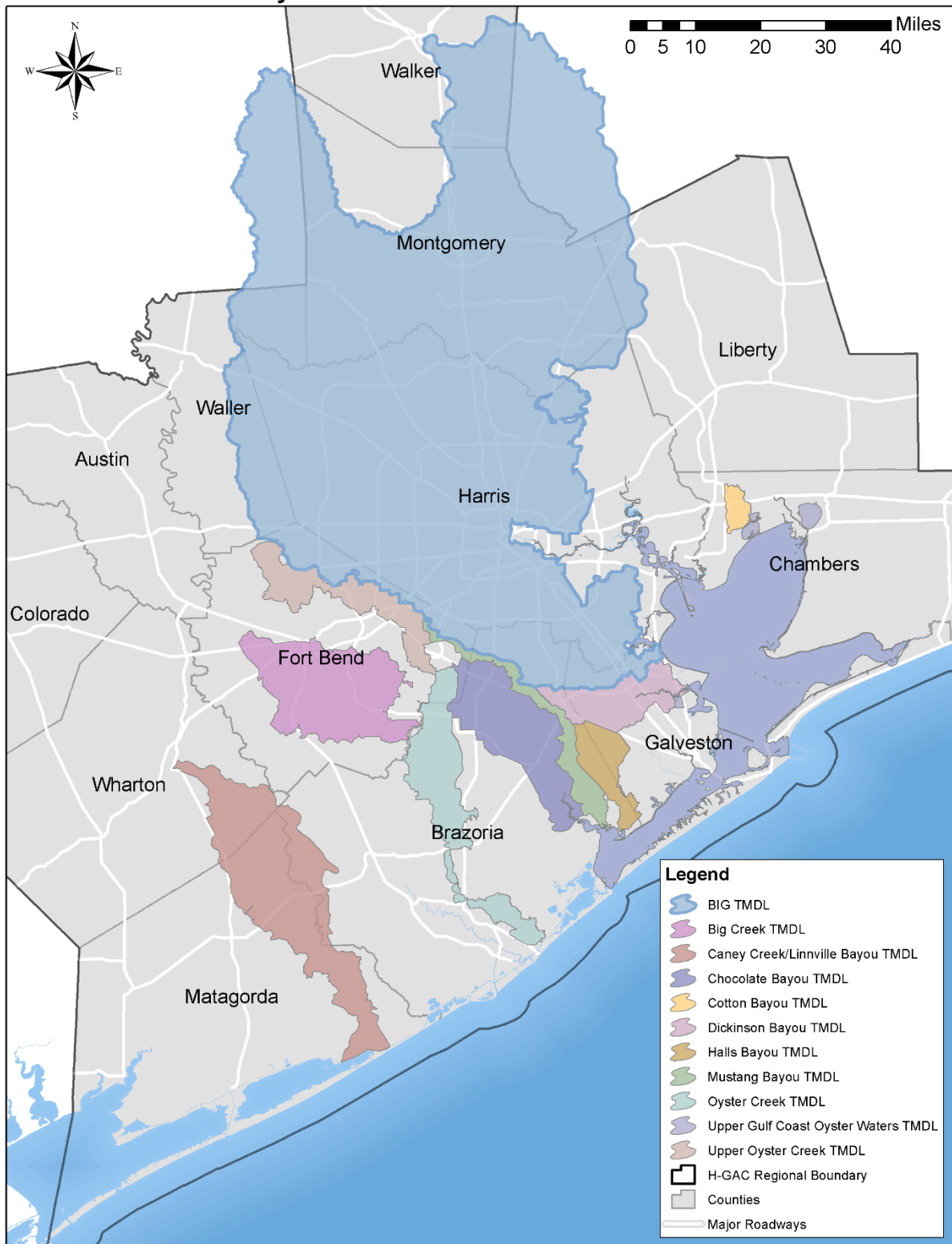
### **Action Requested**

Request authorization to contract with Texas Commission on Environmental Quality to continue implementation of Regional Bacteria Reduction Plan and provide technical support; in the amount of \$2,000,000. (Staff Contact: Justin Bower)

### **ATTACHMENTS:**

- TMDL Projects H-GAC 13-County Service Area Cover Memo

# TMDL Projects Within the H-GAC Service Area



## **REGIONAL HOUSEHOLD HAZARDOUS WASTE COLLECTION, TRANSPORTATION, AND DISPOSAL CONTRACT**

### **Background**

In February 2023, the Houston-Galveston Area Council issued a Request for Proposals for the collection, transport and disposal of household hazardous waste within the H-GAC region. Proposers were asked to provide pricing for one-day collection events and permanent facilities.

### **Current Situation**

Three proposals were received and opened on March 30, 2023, from Clean Earth Environmental Solutions, Clean Harbors Environmental Services, and Green Planet. The Clean Earth and Clean Harbors proposals were found to be complete. The Green Planet proposal was found to be incomplete and was disqualified. A committee consisting of H-GAC staff reviewed the proposals based on the following stated review criteria: qualifications, experience, and capability; proposed cost; safety plans, records, and certificates; transportation and facility lists; and past performance and references. Based on the evaluation criteria, staff recommends negotiating with Clean Earth. If awarded the contract, Clean Earth will provide planning assistance, on-site labor, transportation and disposal, supplies, and analysis of unknown materials for both the one-day and permanent facility scenarios as requested by local governments.

H-GAC will not guaranty a minimum quantity of or minimum level of local government participation under this contract. The proposed contract term is two years from the date of award with three additional twelve-month renewal options.

### **Funding Source**

Participating local governments

### **Budgeted**

N/A

### **Action Requested**

Request authorization to award contract to Clean Earth for regional household hazardous waste collection, transportation, and disposal. (Staff Contact: Erin Livingston)

## ACOUSTIC AND AUDIO-VISUAL CONTRACTORS

### Background

The Board of Directors approved the renovation of H-GAC offices which would utilize the negotiated allowance for tenant improvements that was included in the lease renewal in 2021. Part of the renovation of the design includes sound-masking and audio-visual equipment throughout the renovated space. H-GAC has worked closely with its audio-visual consultant on the components and requirements for a robust system that will meet the needs of the organization going forward.

### Current Situation

H-GAC issued a request for proposals from vendors to perform the sound-masking work on all floors consistent with the design drafted by SLR Consulting. Three proposals were received and shown below:

Dynasty Sound	\$48,856
I.E. Smart Systems	\$131,525
Verrex	\$163,163

SLR Consulting and staff reviewed the proposals and is recommending Dynasty Sound as the vendor for the sound- masking component.

Additionally, H-GAC has been working with its consultant, Leapoulos Consulting, on the design phase of the monitors, sound systems, integration, and software for the rest of the acoustic and audio components. This equipment is available on various governmental cooperative purchasing programs. H-GAC is proposing to solicit quotes from vendors exclusively from these cooperatives to assure that procurement requirements are met. Below is a breakdown of those costs:

Equipment purchases and labor	\$345,684
Recurring costs (annual)	
Microsoft license	\$8,160
Audio-visual maintenance	\$2,268
Total	\$356,112

Both acoustical items were included in the original scope of the project and are being paid for with tenant improvement funds provided by the landlord. H-GAC proposes seeking quotes from qualified vendors for the specified equipment on the design from the governmental cooperatives available to H-GAC.

### Funding Source

Local Tenant Improvement Allowance

### Budgeted

Yes

### Action Requested

Request approval to contract with Dynasty Sound for a sound-masking system in the amount of \$48,856; and to solicit quotes and contract with vendors from approved governmental cooperatives for audio-visual equipment in the amount of \$356,112, including the first year of warranty and/or maintenance. (Staff Contact: Nancy Haussler)



## INVESTMENT REPORT – FIRST QUARTER 2023

### **Background**

N/A

### **Current Situation**

N/A

### **Funding Source**

N/A

### **Budgeted**

N/A

### **Action Requested**

Request approval of the 2023 First Quarter Investment Report ending March 31, 2023. (Staff Contact: Jean Mahood)

### **ATTACHMENTS:**

▢ Investment Report 2023 First Quarter

Cover Memo

**Houston Galveston Area Council  
Investment Report  
For the Three Months Ended March 31, 2023**

	Book Value	Market Value	Percent of Portfolio	
<b>Beginning Balance 12/31/2022</b>				<b>\$ 9,519,763.63</b>
Certificate of Deposit (Maturity 09/11/2023) Yield 3.76% Chase Bank	1,061,720.39	1,061,720.39	11.07%	
Certificate of Deposit (Maturity 07/11/2023) Yield 4.85% Bank of America	1,012,133.33	1,012,133.33	10.55%	
Certificate of Deposit (Maturity 10/10/2023) Yield 4.95% Bank of America	3,400,000.00	3,400,000.00	35.45%	
TexPool Prime Account Yield 4.61%	4,000,000.00	4,113,156.10	42.88%	
Money Market Fund Yield 4.47% BOA Balance as of March 31, 2023	4,788.42	4,788.42	0.05%	
	<b>\$ 9,478,642.14</b>	<b>\$ 9,591,798.24</b>	<b>100.00%</b>	<b>\$ 9,591,798.24</b>
<b>Total Investment Income Y-T-D</b>	<b>\$ 72,034.61</b>			

The above securities are in compliance with PFIA and the investment objectives stated within the H-GAC Investment Policy.

  
 \_\_\_\_\_  
 Jean Mahood  
 Investment Officer

  
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 Nancy Haussler  
 Chief Financial Officer

## MONTHLY FINANCIAL REPORT – APRIL 2023

### **Background**

N/A

### **Current Situation**

N/A

### **Funding Source**

N/A

### **Budgeted**

N/A

### **Action Requested**

Request approval of the monthly financial report ending April 30, 2023. (Staff Contact: Jean Mahood)

### **ATTACHMENTS:**

▢ Monthly Financial Report - April 2023

Cover Memo

**HOUSTON-GALVESTON AREA COUNCIL  
FINANCIAL STATUS REPORT  
For the Four Months Ended April 2023**

	Budget Year to date	Actual Year to date	Variance Dollar	%
<b>Combined Revenues and Expenditures</b>				
Revenues	\$ 132,488,968	\$ 125,491,188	\$ (6,997,779)	-5%
Expenditures	(131,222,346)	(125,005,721)	6,216,625	-5%
<b>Change in Combined Fund Balance</b>	<b>\$ 1,266,621</b>	<b>\$ 485,467</b>	<b>\$ (781,154)</b>	

<b>Change in Fund Balance by Fund Type</b>				
Change in fund balance - General Fund	\$ 381,937	\$ 94,540	\$ (287,398)	
Change in fund balance - Gulf Coast Regional 911	501,379	513,598	12,219	
Change in fund balance - Enterprise Fund*	(543,159)	(122,671)	420,489	
<b>Total Change in Fund Balances</b>	<b>\$ 340,157</b>	<b>\$ 485,467</b>	<b>\$ 145,310</b>	

**Variance Analysis**

The Board approved a reduction of H-GAC's fund balance for capital improvement in 2023. As a result, the budget year to date figures shown above will amortize the use of fund balance throughout the year. The actual balance will be shown in contrast so that the reader can see the comparison between budget and actual.

\* The Cooperative Purchasing program has contributed a \$138,091 decrease toward the Enterprise fund balance YTD, and the EnergyPurchasing Corporation is reflecting a \$15,421 increase to the Enterprise fund balance.

**HOUSTON-GALVESTON AREA COUNCIL  
FINANCIAL STATUS REPORT  
For the Four Months Ended April 2023**

	Annual Budget	Budget Year to Date*	Actual Year to Date	Variance Dollar	%
<b>Revenues</b>					
<b>General and Enterprise Fund</b>					
Membership dues	\$ 462,137	\$ 342,444	443,691	\$ 101,247	30%
HGAC Energy Purchasing Corporation	75,000	29,885	41,201	11,316	38%
Cooperative Purchasing fees (a)	5,500,000	1,625,860	1,255,050	(370,810)	-23%
Gulf Coast Regional 911 fees	2,742,629	1,109,032	1,373,125	264,093	24%
Interest Income	75,000	37,747	88,909	51,162	136%
Other (b)	7,391,987	1,625,595	2,009,191	383,596	24%
<b>Total General and Enterprise Fund revenues</b>	<b>\$ 16,246,753</b>	<b>\$ 4,770,564</b>	<b>\$ 5,211,167</b>	<b>\$ 440,603</b>	<b>9%</b>
<b>Special Revenue Fund</b>					
Federal Grant	\$ 200,000	\$ 44,030	\$ 40,456	\$ (3,574)	-8%
State Grants	474,532,763	127,674,374	120,239,565	(7,434,809)	-6%
<b>Total Special Revenue Fund revenues</b>	<b>\$ 474,732,763</b>	<b>\$ 127,718,404</b>	<b>\$ 120,280,021</b>	<b>\$ (7,438,383)</b>	<b>-6%</b>
<b>Total Revenues</b>	<b>\$ 490,979,516</b>	<b>\$ 132,488,968</b>	<b>\$ 125,491,188</b>	<b>\$ (6,997,779)</b>	<b>-5%</b>
<b>Expenditures</b>					
Personnel (c )	\$ 36,196,353	\$ 11,253,986	\$ 10,215,065	\$ (1,038,921)	-9%
Pass-through funds - grant	426,788,885	113,698,009	109,914,650	(3,783,359)	-3%
Consultant and contract services (d)	17,414,411	3,641,483	2,143,174	(1,498,309)	-41%
Lease of office space	2,107,342	649,660	566,576	(83,084)	-13%
Equipment	3,081,557	265,087	806,658	541,571	204%
Travel	682,000	98,343	74,799	(23,544)	-24%
Other expense	5,192,635	1,615,779	1,284,799	(330,980)	-20%
<b>Total Expenditures</b>	<b>\$ 491,463,182</b>	<b>\$ 131,222,346</b>	<b>\$ 125,005,721</b>	<b>\$ (6,216,625)</b>	<b>-5%</b>
<b>Excess of Revenues over(under) Expenditures</b>	<b>\$ (483,666)</b>	<b>\$ 1,266,621</b>	<b>\$ 485,467</b>	<b>\$ (781,154)</b>	

**Variiances:**

**\* This month we are presenting a slightly different variance analysis format. The new analysis compares actual year-to-date expenses against the past five-year average percentage to date, which will more closely track actual revenue and expenses throughout the year.**

a) Corporation Purchasing revenues are slightly behind compare to previous years.

b) Other revenues are ahead of projections mainly from Economic Development Tripple R and CARES Act Round Two Loan programs.

c) Personnel expenses are behind. We still have some vacant positions budgeted that are not yet filled.

d) The consultant expenses are under the projection level mainly in the Clean Rivers, Transportation and 911 programs.

## 2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT

### **Background**

N/A

### **Current Situation**

N/A

### **Funding Source**

N/A

### **Budgeted**

N/A

### **Action Requested**

Request approval of the 2022 Annual Comprehensive Financial Report. (Staff Contact: Nancy Haussler)

## **2022 EMPLOYEE RETIREMENT PLAN**

### **Background**

N/A

### **Current Situation**

N/A

### **Funding Source**

N/A

### **Budgeted**

N/A

### **Action Requested**

Request approval of the 2022 Employee Retirement Plan. (Staff Contact: Nancy Haussler)

## TEXAS EDUCATION AGENCY WORKFORCE CONVENER GRANT

### Background

The Texas Regional Pathways Network was launched in 2019 to support Governor Abbott's Tri-Agency Workforce Initiative, through which the Texas Education Agency, Texas Higher Education Coordinating Board, and Texas Workforce Commission work collaboratively to increase economic prosperity in Texas by linking education and industry.

On January 13, 2023, we applied for a Texas Education Agency grant to serve as a Tri-Agency regional convener for this Workforce Development Area. The role of a designated Tri-Agency regional convener is to oversee the development, implementation, and monitoring of the regional strategy for high-quality career and education pathways into targeted industries across an entire workforce development area. The responsibilities of a regional convener include:

- 1) Regional Alignment;
- 2) Regional Work-Based Learning; and
- 3) Regional Data and Communications.

The regional convener will lead strategic planning and completing grant activities that demonstrate their proficiency to serve as a regional convener. After successful completion of all training and grant requirements, the regional convener will become eligible to achieve a Tri-Agency Regional Convener designation, signaling their expertise and capacity to provide ongoing leadership and coordination to advance Tri-Agency priorities across their workforce development area and will become a member of the Texas Regional Pathways Network. Designated regional conveners will engage with future Texas Regional Pathways Network CTE Perkins Reserve grantees and conduct their role as a designated regional convener beyond the grant.

On April 10, 2023, we received notice from the Texas Education Agency that we had been selected for an award based on its proposal for \$600,000 for the next twelve months.

### Current Situation

The Gulf Coast Workforce Board and its operating affiliate, Workforce Solutions, partner with a diverse array of stakeholders including schools, colleges, local city and county governments, non-profits, and social service providers, as well as the business community and philanthropy, to focus on our shared economic, educational, and workforce needs. We collect and organize local economic data to help employers meet their human resource needs and individuals build careers, so that both can compete in the global economy.

With this grant, we will first focus on the high-skills and high-growth areas of healthcare, education, and building and construction, where we have multiple existing partnerships. Our mission is to convene the right persons and entities to create a strategic, regional plan to effectively communicate, collaborate, and coordinate efforts to create a seamless transition from K-12 to post-secondary to employment in meaningful careers in these identified industries.

Our goal is to augment K-12 education with immersive and real-world job experience in a focused area of concentration, so students may build social capital and networks with local educators and employers while "earning and learning." Pursuant to the grant's requirements, one full-time project director will be hired to oversee this project and leverage our workforce staff's existing work with



educational institutions, work-based learning, pre-apprenticeship and apprenticeship programs, and economic and business organizations. This project will be informed by current labor-market data and analysis provided by our workforce labor market team.

**Funding Source**

Texas Education Agency

**Budgeted**

Yes

**Action Requested**

Request approval to accept Texas Education Agency funding related to the 2023-2024 Tri-Agency Grant for Regional Conveners in the amount of \$600,000. (Staff Contact: Juliet Stipeche)

## **TOW AND GO PROGRAM – CITY OF HOUSTON**

### **Background**

The Houston-Galveston Area Council’s Metropolitan Planning Organization, in partnership with the City of Houston and Texas Department of Transportation, implemented the Tow and Go Program in 2018 to reduce congestion on local area freeways caused by stalled vehicles. The Tow and Go Program's goal is to quickly remove stalled vehicles from freeways to a nearby safe location with no direct cost to the motorist. The Tow and Go Program also supports the Vision Zero goals of the agencies through reduction of secondary crashes and fatalities. The program that has been ongoing for five years and has completed over 160,000 tows. Average towing clearance time is just over 16 minutes.

### **Current Situation**

H-GAC works with the City of Houston for the towing and management of the Tow and Go Program. The Texas Department of Transportation has authorized the expenditure of these funds, which are budgeted in the Transportation Improvement Program. H-GAC is requesting authorization to enter an interlocal agreement with the City of Houston to continue the Tow and Go Program to fund administration and reimbursement of the tows provided at no direct cost to the stranded motorist. This agreement will extend the funding of the Tow and Go program in Houston by 18 months, from July 2023 to December 2024.

### **Funding Source**

Federal - Surface Transportation Block Grant funding

### **Budgeted**

Yes

### **Action Requested**

Request authorization to enter into an interlocal agreement with the City of Houston for the Tow and Go Program; total amount is \$3,905,000. (Staff Contact: Craig Raborn)

## **EXECUTIVE DIRECTOR'S REPORT**

### **Background**

N/A

### **Current Situation**

N/A

### **Funding Source**

N/A

### **Budgeted**

N/A

### **Action Requested**

Report on current and upcoming H-GAC activities. (Staff Contact: Chuck Wemple)