



A G E N D A
HOUSTON-GALVESTON AREA COUNCIL
FINANCE AND BUDGET COMMITTEE MEETING
June 20, 2023, 9:00 AM
3555 Timmons Lane, Conference Room 2A
Houston, TX 77027

1. CALL TO ORDER
2. N/A
3. N/A
4. PUBLIC COMMENTS
5. DECLARE CONFLICTS OF INTEREST

ACTION

6. 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. CO-LOCATION SERVICES
Request approval to renew our service contract with Switch through July 20, 2026, with a total contract amount of \$76,968. (Staff Contact: Tanya Nguyen)
- c. HGACBUY – 911 EQUIPMENT AND EMERGENCY NOTIFICATION SOFTWARE AND SERVICES
Request authorization to negotiate a contract with the respondents listed in the Contract Award Recommendation Table for 911 Equipment and Emergency Notification Software and Services. (Staff Contact: Ronnie Barnes)
- d. CHILDCARE PROVIDER BOOT CAMP
Request approval to contract with the University of Houston for the development of a Childcare Provider Boot Camp and related project activities; contract amount is \$525,000. (Staff Contact: Juliet Stipeche)
- e. CHILDCARE SUPPORT CENTER
Request authorization to amend the current workforce support center contract with Equus Funds to implement a tiered pay system for existing staff; hire new staff; and purchase equipment, furniture and software licenses to support operations. Increased amount is \$922,981. (Staff Contact: Juliet Stipeche)
- f. TEXAS CLEAN RIVERS PROGRAM FISCAL YEAR 2024-2025
Request authorization to contract with Texas Commission on Environmental Quality for regional water quality monitoring; total contract is \$2,299,516. (Staff Contact: Justin Bower)
- g. LIVABLE CENTERS STUDY – CITY OF ALVIN

Request authorization to contract with firms in order ranked to conduct the City of Alvin Livable Centers Study for a total contract amount of \$220,000. (Staff Contact: Jose Cantu)

- h. TOW AND GO AGREEMENT – HARRIS COUNTY
Request authorization to enter into interlocal agreement with Harris County in the amount of \$7,350,000 for the Tow and Go Program. (Staff Contact: Craig Raborn)
 - i. 2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT
Request approval of the 2022 Annual Comprehensive Financial Report. (Staff Contact: Nancy Haussler)
 - j. 2022 EMPLOYEE RETIREMENT PLAN
Request approval of the 2022 Employee Retirement Plan. (Staff Contact: Jean Mahood)
7. FINANCE AND BUDGET COMMITTEE
Report on activities and Committee recommendations.
- a. MONTHLY FINANCIAL REPORT – MAY 2023
Request approval of the monthly financial report ending May 31, 2023. (Staff Contact: Jean Mahood)
8. TRANSPORTATION PLANNING
- a. REGIONAL STRATEGIC TRANSPORTATION FUND INTERLOCAL AGREEMENT – LEAGUE CITY
Request authorization to enter an Interlocal Agreement with the City of League City to receive \$6,382,271 into the Regional Strategic Transportation Fund. (Staff Contact: Craig Raborn)
 - b. REGIONAL STRATEGIC TRANSPORTATION FUND INTERLOCAL AGREEMENT – CITY OF PEARLAND
Request authorization to enter an Interlocal Agreement with the City of Pearland to receive \$491,093 into the Regional Strategic Transportation Fund. (Staff Contact: Craig Raborn)
 - c. ADVANCE FUNDING AGREEMENT – COMMUTER AND TRANSIT PILOT PROGRAM
Request approval of resolution and authorization to enter into an agreement with the Texas Department of Transportation for the Commuter and Transit Pilot Program in the amount of \$7,000,000. (Staff Contact: Craig Raborn)
9. HUMAN SERVICES
- a. WORKFORCE ADULT EDUCATION AND LITERACY CONTRACTS

Request approval of contracts to provide adult education and literacy services throughout the Gulf Coast region for the period July 1, 2023 through June 30, 2024; total amount of \$20,980,070. (Staff Contact: Juliet Stipeche)

10. N/A

11. REPORTS

a. N/A

b. N/A

c. EXECUTIVE DIRECTOR'S REPORT

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

12. EXECUTIVE SESSION

a. EXECUTIVE SESSION – EVALUATION OF H-GAC EXECUTIVE DIRECTOR

The Board of Directors will hold an Executive Session to conduct an annual evaluation of the Executive Director in accordance with Government Code, Title 5, Section 551.074. (Contact: Trey Duhon)

13. EXECUTIVE SESSION – FOLLOW-UP SESSION

a. EVALUATION OF H-GAC EXECUTIVE DIRECTOR

Discuss and possibly take action following Executive Session to evaluate performance of H-GAC's Executive Director. (Contact: Trey Duhon)

14. 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.

CO-LOCATION SERVICES

Background

The Houston-Galveston Area Council has contracted with Switch, formerly Data Foundry, to host the agency's critical applications and the Workforce Solutions Wide Area Network. Switch's Houston 2 data center is a new state-of-the-art data center with a 185-mph wind rating, specifically designed for high-performance computing environments. It serves as a secondary network for housing H-GAC's core services and the Workforce Solutions Wide Area Network, ensuring high availability connectivity between the Workforce Solutions contractors and the Texas Workforce Commission.

Current Situation

The current contract is up for renewal. H-GAC needs to renew the agreement with Switch to ensure business continuity and maintain reliable connection for the Workforce Solutions contractors. Staff received a service order to renew our current contract for a minimum monthly recurring charge of \$2,138 over a period of 36 months. The three-year term contract includes one full rack cabinet space and a 500 Megabytes rate network bandwidth service.

Funding Source

Local Funds and Texas Workforce Commission

Budgeted

Yes

Action Requested

Request approval to renew our service contract with Switch through July 20, 2026, with a total contract amount of \$76,968. (Staff Contact: Tanya Nguyen)

HGACBUY – 911 EQUIPMENT AND EMERGENCY NOTIFICATION SOFTWARE AND SERVICES

Background

The H-GAC Cooperative Purchasing Program (HGACBuy) establishes contracts for a variety of products and services through competitive solicitations. Member governments are able to use the contracts to make purchases. HGACBuy received and opened 42 proposals for 911 Equipment and Emergency Notification Software and Services on May 18, 2023. The following companies submitted a proposal:

911 Direct Holdings LLC *	Tallahassee, FL
AT&T Corp. DBA AT&T*	Dallas, TX
Bryx, Inc.	Rochester, NY
Carbyne, Inc*	New York, NY
CentralSquare Technologies, LLC	Lake Mary, FL
CenturyLink Communication LLC* DBA Lumen Technologies Group (Lumen)	Monroe, LA
Colossus, Incorporated DBA Caliber Safety	Winston Salem, NC
Comtech Solacom Technologies	Gatineau, Quebec, Canada
CSS Mindshare*	Lincoln, NE
Dictation Sales & Services, Inc. DBA Equature	Southfield, MI
Endura LLC DBA Concepts Seating Government	Brookfield, WI
ErgoFlex Systems, Inc. DBA Xybix Systems, Inc.	Littleton, CO
Evans Consoles Incorporated*	Grapevines, TX
Geo-Comm, Inc.	Saint Cloud, MN
Honeywell International, Inc. DBA US Digital Designs By Honeywell*	Tempe, AZ
HQE Systems, Inc*	Temecula, CA
Incident Communication Solutions DBA Peake LLC	Millersville, MD
Integrated Computer Systems, Inc DBA ICS	Mckinney, TX
Interaction Insight Corporation*	Red Bank, NJ
Intrado Life & Safety Solutions Corporation*	Longmont, CO
Invictus Apps, Inc. DBA Prepared	New York, NY
MCM Technology LLC DBA Mcmtech*	Birmingham, AL
MicroAutomation. Inc.	Centreville, VA
Motorola Solutions Connectivity, Inc.	Chicago, IL
Motorola Solutions, Inc.	Chicago, IL
National Public Safety Solutions DBA NPSS	Houston, TX
NGA 911, LLC DBA Next Generation Advanced (NGA)	Beverly Hills, CA
Noble 911 Services	Sisters, OR
NorthSouthGIS, LLC	Los Angeles, CA
NWN Corporation	Houston, TX
One Diversified, LLC	Norcross, GA

PURVIS Systems Incorporated	Middletown, RI
RapidDeploy, Inc.	Austin, TX
RapidSOS, Inc.	New York, Ny
Russ Bassett Corporation	Whittier, CA
SecuLore Solutions, LLC	Odenton, MD
Southern Software, Inc.	Southern Pines, NC
Stonehenge Properties LTD DBA Revcord*	Houston, TX
Tanches Global Management Inc.*	Houston, TX
Watson Furniture Group Inc DBA Watson Dispatch, Watson Consoles, Watson Desking	Poulsbo, WA
Westnet, LLC-A Delaware Limited Liability Company	Huntington Beach, CA
Western States Communications, Inc DBA WSC, Inc	San Angelo, TX

*Joint Bidders

Current Situation

This contract is a continuation of an existing contract in our portfolio, consisting of various types of 911 equipment, software and services used for emergency notification. All proposal responses have been evaluated by H-GAC staff. Thirteen of the 34 proposals being recommended for award are new vendors.

Funding Source

Participating local government purchases

Budgeted

NA

Action Requested

Request authorization to negotiate a contract with the respondents listed in the Contract Award Recommendation Table for 911 Equipment and Emergency Notification Software and Services. (Staff Contact: Ronnie Barnes)

ATTACHMENTS:

▢ EC07-23 Award Recommendation Table

Cover Memo

EC07-23 Award Recommendation Table

Proposal	Product Category
AT&T Corp. DBA AT&T, Colossus, Incorporated, Motorola Solutions, Inc., Voice Products Inc., RapidDeploy, Inc., Intrado Life & Safety Solutions Corporation	A, B, D
Bryx, Inc.	A, D
Carbyne, Inc, Noble 911 Services, LLC, NWN Corporation,	A, B, D
CenturyLink Communication LLC DBA Lumen Technologies Group (Lumen), Intrado Life & Safety Solutions, MicroAutomation, Inc., Motorola Solutions, Inc.	A & B
Colossus, Incorporated DBA Caliber Safety	B & D
Comtech Solacom Technologies	A, B
CSS Mindshare*, Chickasaw Communications, Action Communications, Broadband Communications, Baytown Communications, Paragould Communications, Smith Two-Way Radio, Mid-State Communications, Self Radio, Inc., NW Radio	D
Dictation Sales & Services, Inc. DBA Equature	A, B, D
Endura LLC DBA Concepts Seating Government	C
ErgoFlex Systems, Inc. DBA Xybix Systems, Inc.	C
Evans Consoles Incorporated, Tech Center Design, Inc., Merrifield Office Solutions LLC	C, D
GeoComm, Inc.	B, D
Honeywell International, Inc. DBA US Digital Designs By Honeywell, ANCOM Communications, Inc., Chicago Communications LLC, Crosspoint Communications, Day Management Corp DBA Wireless Systems, ERS Wireless, General Communications, Inc. DBA GenComm, Mount Olympus Pro Audio (MOPA), RACOM, Ron Taylor Fidelity Solutions, Inc.,	A, B, C, D

HQE Systems, Inc	A, B, D
Incident Communication Solutions DBA Peake	A, B, C, D
Integrated Computer Systems, Inc DBA ICS	B
Interaction Insight Corporation, NWN Carousel	A, B, C, D
Intrado Life & Safety Solutions Corporation, Intuitus Corp	A, B, D
MCM Technology LLC	B, C, D
MicroAutomation. Inc.	A, B, D
Motorola Solutions, Inc.	A
NGA 911, LLC	A, B, D
Noble 911 Services	C
NorthSouthGIS, LLC	B, D
NWN Corporation	A, B, D
One Diversified, LLC	C, D
PURVIS Systems Incorporated	A, B, D
RapidSOS, Inc.	B, D
Russ Bassett Corporation	C
SecuLore Solutions, LLC	D
Stonehenge Properties LLC DBA Revcord, Firstline Business Systems, Sound Communications, KOVA Corporation, Vista Com, Louisiana Radio Communications, Quality Recording Solutions, Northland Business Systems, Foothill Communications, Warner Communications	A, D
Tanches Global Management Inc., RGB Spectrum	A
Watson Furniture Group Inc DBA Watson Dispatch, Watson Consoles, Watson Desking	C
Westnet, LLC-A Delaware Limited Liability Company	A, B, D

H-GAC Product Categories:

A. 911 equipment, including fixed/portable PSAP workstation/terminal equipment; related hardwired/wireless telephone equipment; servers, mobile data terminal equipment; controllers, routers, installation of fiber optic cable

B. Software: 911 records management, Computer-Assisted Dispatch/Mapping (CAD/CAM), in-vehicle/handheld mapping systems, ePCR (electronic patient care reporting), language interpretation, Automatic Number/Location ID (ANI/ALI)

C. Emergency notification equipment, software, and services

D. Furniture, consoles

E. Other 911 related equipment, systems and services not otherwise specified

CHILDCARE PROVIDER BOOT CAMP

Background

In the summer of 2022, the Texas Workforce Commission announced a grant proposal targeting local workforce boards to provide comprehensive support specifically focused on three key goals: expansion of childcare facilities in regions experiencing shortages, augmentation of childcare services catering to infants and toddlers, and establishment of collaborative childcare initiatives in partnership with employers.

The Gulf Coast Workforce Board was awarded a \$2,880,507 grant dedicated to childcare expansion, covering a project duration of eighteen months, beginning in October 2023. This initiative entails collaboration with childcare providers, community partners, and existing resources to develop a meticulously devised strategy to substantially elevate the quality of childcare programs, particularly in areas characterized as childcare deserts. The comprehensive strategy encompasses the following key objectives:

1. Enhancing awareness and accessibility of quality Texas Workforce Commission programs for families, while concurrently fostering sustainable business operations for childcare providers;
2. Expanding the knowledge and availability of Texas Workforce Commission partnerships for both childcare providers and families;
3. Enhancing the accessibility of Texas Workforce Commission services specifically tailored to the childcare industry; and
4. Facilitating greater accessibility to upskilling and training opportunities provided through Texas Workforce Commission programs, primarily targeting childcare teachers and staff.

Current Situation

As part of the strategy to meet the grant objectives, H-GAC's staff procured a provider to offer a Childcare Provider Bootcamp. A stringent selection process was undertaken to find a qualified contractor capable of meeting the grant's stipulated requirements, and eight timely submissions were received from the following entities:

1. Community Preschools Corporation
2. Craving for a Change Foundation
3. Mother Daughter ISH
4. Stephanie LaShaun Robinson, LLC
5. TNR Advisors & Management Consultants, LLC
6. Train Bright
7. University of Houston
8. Wonderschool

A panel of four qualified individuals conducted a thorough review of the proposals, ultimately ranking the University of Houston as the highest-scoring candidate. The University of Houston showed notable strengths, including a proven record of enhancing childcare capacity within our local communities. Moreover, their interdisciplinary team approach positions them to use their collective expertise effectively in delivering the proposed outcomes.

Funding Source

Texas Workforce Commission

Budgeted

Yes

Action Requested

Request approval to contract with the University of Houston for the development of a Childcare Provider Boot Camp and related project activities; contract amount is \$525,000. (Staff Contact: Juliet Stipeche)

CHILDCARE SUPPORT CENTER

Background

Workforce Solutions contracts with Equus to operate a support center to provide a single point of access for training and childcare scholarships. During the last five years, there has been a 65% increase in childcare funds for scholarships totaling over \$81 million; but staffing has increased less than 10%. This imbalance has resulted in an increase of unexpended funds from approximately \$25,000 in 2019 to \$18.5 million in 2022 and a significant list of customers waiting for an eligibility determination for financial assistance.

A staff of 89 oversees a workload encompassing over 7,000 applications for financial aid and responds to more than 850 daily calls. However, due to current staffing limitations, staff are unable to address more than 50% of the incoming calls. A variety of temporary solutions have been implemented to devote additional resources to increase capacity, but the lack of a permanent solution has created a bottleneck in the determination of eligibility and we continue to maintain a waiting list of customers.

Current Situation

H-GAC Workforce team members are leading an effort to restructure the support center to enhance operations and customer service. The primary focus lies in two critical areas: increasing child enrollments and improving call response capabilities using additional staff and technology. These strategic measures will enable the support center to enhance child enrollments, provide prompt call responses, and deliver a higher level of customer service to our region's residents.

Funding Source

Texas Workforce Commission

Budgeted

Yes

Action Requested

Request authorization to amend the current workforce support center contract with Equus Funds to implement a tiered pay system for existing staff; hire new staff; and purchase equipment, furniture and software licenses to support operations. Increased amount is \$922,981. (Staff Contact: Juliet Stipeche)

TEXAS CLEAN RIVERS PROGRAM FISCAL YEAR 2024-2025

Background

The Texas Clean Rivers Program is a partnership between the Texas Commission on Environmental Quality (TCEQ), regional agencies, and local governments, with the aim of improving the quality of surface water that flows through our landscapes, cities and towns. Since 1992, H-GAC has been the lead agency responsible for implementing the Texas Clean Rivers Program in four major basins that cover over 66% of the H-GAC region. This includes over 100 cities, all 13 H-GAC member counties and portions of two counties outside the H-GAC service area. The work that H-GAC conducts, under contract with the Texas Commission on Environmental Quality, includes water quality monitoring, analysis, stakeholder involvement and public awareness.

Current Situation

H-GAC has worked with the Texas Commission on Environmental Quality and local partners to develop the following two-year work plan, under which H-GAC will:

- Conduct water quality assessments that address specific concerns of local governments and other stakeholders.
- Continue serving as a water quality “data clearinghouse” for environmental agencies, local governments and the public.
- Coordinate multiple state and local agencies in the planning and implementation of water quality monitoring programs.
- Provide data to support Texas Commission on Environmental Quality in evaluating permits for wastewater treatment and conducting Total Maximum Daily Load studies.
- Continue to produce and distribute high quality publications to raise public awareness of water quality issues.

The Texas Commission on Environmental Quality has increased the base allocation for all Clean Rivers Program Partners, resulting in a \$368,286 increase for this two-year contract. This is the first increase in the base allocation since 2001.

This work will begin on September 1, 2023 and continue until August 31, 2025.

Funding Source

Texas Commission on Environmental Quality

Budgeted

Yes

Action Requested

Request authorization to contract with Texas Commission on Environmental Quality for regional water quality monitoring; total contract is \$2,299,516. (Staff Contact: Justin Bower)

LIVABLE CENTERS STUDY – CITY OF ALVIN

Background

Livable Centers are places where people can live, work, and play with less reliance on their cars. They encourage a complementary mix of land uses that are designed to be walkable, connected, and accessible by multiple modes of transportation, including bus, bike, or walking.

Establishing Livable Centers is one of the implementation strategies to reduce reliance on single-vehicle occupancy in H-GAC's 2045 Regional Transportation Plan. H-GAC and our local partners work with communities to identify a vision for the study area and specific recommendations, such as pedestrian and bicycle facilities.

A total of thirty-nine Livable Centers studies have been completed in our region, with six more in process or planned, as shown on the attached map. As part of the development of these studies, H-GAC engages consultants to provide planning and study development services.

Current Situation

The next Livable Centers study is ready to begin for the City of Alvin, for a study area of 13.18 square miles that contains Alvin's historic downtown, parks and open space, businesses, and residential neighborhoods. The study area was selected because this area of Alvin was established and developed many years prior to current development guidelines. There is limited opportunity to install sidewalks and bike lanes due to nonexistent setback requirements at the time of construction. The study will focus on a forward-looking vision and practical implementation strategies that consider responsible stewardship of the City of Alvin's existing resources to best meet the community's needs.

To support H-GAC and the City of Alvin in this process, H-GAC conducted an RFP for consultant services. A committee of representatives from H-GAC, the Texas Department of Transportation, and the City of Alvin evaluated three proposals submitted by firms on Thursday, April 6, 2023 and interviewed the top three ranked firms on Wednesday, May 4, 2023. Based on the committee's scoring and evaluation of the proposals and interviews, the recommendation and ranking are shown below:

1. Kimley-Horn
2. TJKM Transportation Consultants
3. Gap Strategies

Funding Source

Federal: \$198,000

Local: \$ 22,000

Budgeted

Yes

Action Requested

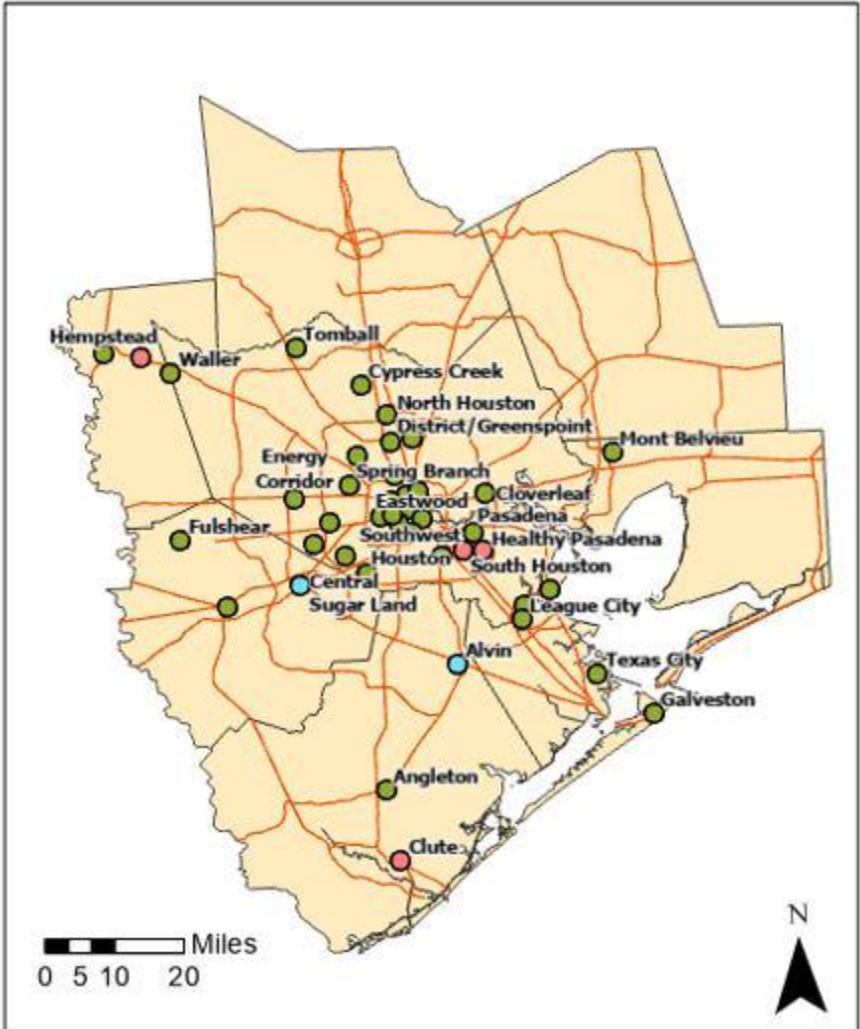
Request authorization to contract with firms in order ranked to conduct the City of Alvin Livable

Centers Study for a total contract amount of \$220,000. (Staff Contact: Jose Cantu)

ATTACHMENTS:

▢ Alvin Study Area Map

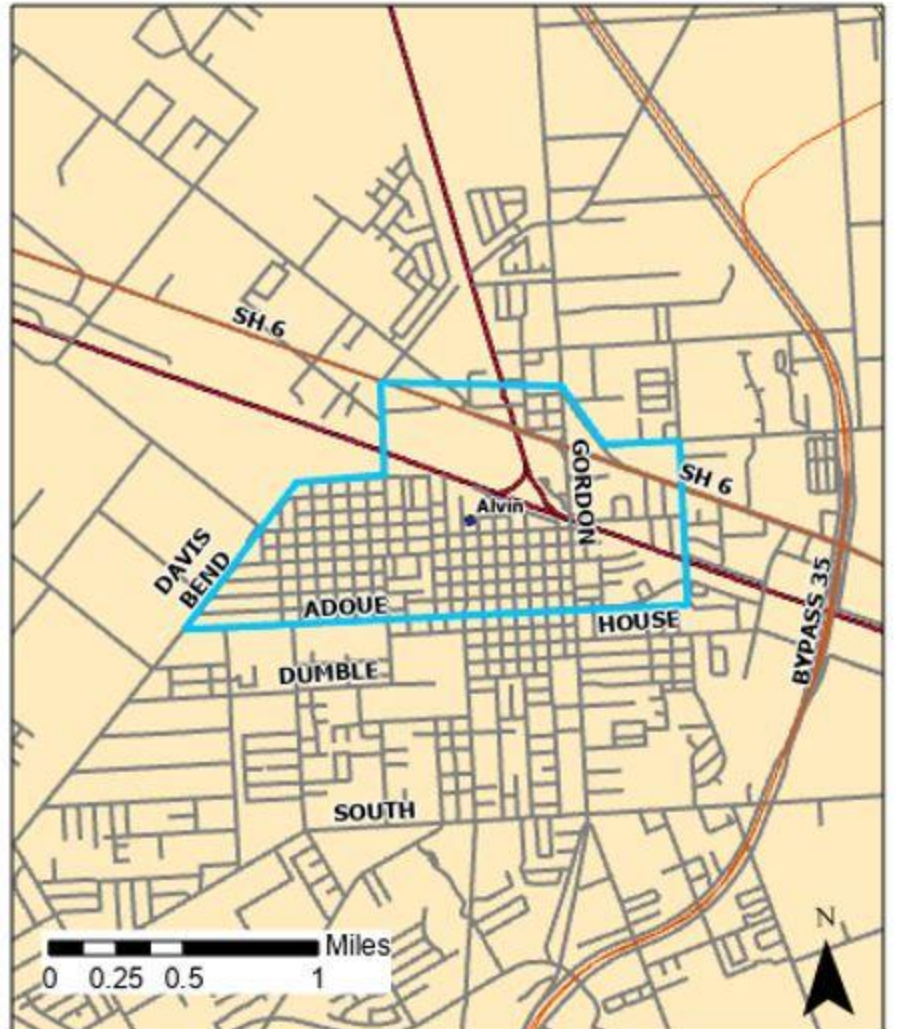
Cover Memo



Legend

- Active Studies
- Future Studies
- Completed Studies
- Major Roads

**Livable Centers
Study Areas**



Legend

- Alvin Study Area
- Rail Lines
- Streets



TOW AND GO AGREEMENT – HARRIS COUNTY

Background

The Houston-Galveston Area Council works with local governments to implement the Tow and Go Program as part of regional incident management activities. The purpose of the Tow and Go Program is to quickly remove stalled vehicles from area freeways to a nearby safe location at no cost to the motorist, thereby reducing traffic congestion and secondary crashes. Currently, H-GAC has agreements with the City of Houston and Harris County to conduct these tows. Tow and Go service currently operates within unincorporated Harris County, as well as the cities of Bellaire, Deer Park, Houston, Humble, Jersey Village, La Porte, Pasadena, and Webster.

Since the Tow and Go program began on May 1, 2018, there have been over 162,000 tows provided at no cost to the driver. The average incident clearance time less than 17 minutes.

Current Situation

H-GAC is requesting to enter into an intergovernmental agreement with Harris County to reimburse Harris County for freeway monitoring, towing, and administrative costs associated with the Tow and Go Program. The agreement will support the continuation of the Tow and Go currently performed by Harris County for an 18-month period from August 1, 2023, through January 31, 2025. The Texas Department of Transportation has authorized the expenditure of these funds, and the funds are budgeted in the Transportation Improvement Program.

Funding Source

Surface Transportation Block Grant Funds

Budgeted

Yes

Action Requested

Request authorization to enter into interlocal agreement with Harris County in the amount of \$7,350,000 for the Tow and Go Program. (Staff Contact: Craig Raborn)

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)

MONTHLY FINANCIAL REPORT – MAY 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 May 31, 2023. (Staff Contact: Jean Mahood)

ATTACHMENTS:

▢ Monthly Financial Report - May 2023

Cover Memo

HOUSTON-GALVESTON AREA COUNCIL
FINANCIAL STATUS REPORT
For the Five Months Ended May 2023

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	Budget	Actual	Variance	
	Year to date	Year to date	Dollar	%
Combined Revenues and Expenditures				
Revenues	\$ 171,523,303	\$ 160,628,861	\$ (10,894,442)	-6%
Expenditures	(169,739,219)	(159,852,367)	9,886,853	-6%
Change in Combined Fund Balance	\$ 1,784,084	\$ 776,495	\$ (1,007,589)	

Change in Fund Balance by Fund Type				
Change in fund balance - General Fund	\$ 477,422	\$ 81,143	\$ (396,279)	
Change in fund balance - Gulf Coast Regional 911	626,724	742,086	115,362	
Change in fund balance - Enterprise Fund	(678,949)	(46,734)	632,215	
Total Change in Fund Balances	\$ 425,196	\$ 776,495	\$ 351,298	

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 \$73,672 decrease toward the Enterprise fund balance YTD, and the EnergyPurchasing Corporation is reflecting a \$26,938 increase to the Enterprise fund balance.

HOUSTON-GALVESTON AREA COUNCIL
FINANCIAL STATUS REPORT
For the Five Months Ended May 2023

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	Annual Budget	Budget Year to Date*	Actual Year to Date	Variance Dollar	%
Revenues					
General and Enterprise Fund					
Membership dues	\$ 462,137	\$ 435,795	443,691	\$ 7,895	2%
HGAC Energy Purchasing Corporation	75,000	36,698	59,467	22,770	62%
Cooperative Purchasing fees (a)	5,500,000	2,032,800	1,780,614	(252,186)	-12%
Gulf Coast Regional 911 fees	2,742,629	1,397,918	1,788,820	390,902	28%
Interest Income	75,000	42,278	107,168	64,891	153%
Other (b)	7,391,987	2,047,580	2,911,824	864,244	42%
Total General and Enterprise Fund revenues	\$ 16,246,753	\$ 5,993,069	\$ 7,091,584	\$ 1,098,516	18%
Special Revenue Fund					
Federal Grant	\$ 200,000	\$ 60,660	\$ 68,130	\$ 7,470	12%
State Grants	474,532,763	165,469,574	153,469,147	(12,000,428)	-7%
Total Special Revenue Fund revenues	\$ 474,732,763	\$ 165,530,234	\$ 153,537,277	\$ (11,992,957)	-7%
Total Revenues	\$ 490,979,516	\$ 171,523,303	\$ 160,628,861	\$ (10,894,442)	-6%
Expenditures					
Personnel (c)	\$ 36,196,353	\$ 14,222,849	\$ 13,119,601	\$ (1,103,247)	-8%
Pass-through funds - grant	426,788,885	147,793,346	140,046,393	(7,746,953)	-5%
Consultant and contract services (d)	17,414,411	4,267,899	3,056,630	(1,211,269)	-28%
Lease of office space	2,107,342	808,286	709,965	(98,320)	-12%
Equipment	3,081,557	372,849	1,306,740	933,890	250%
Travel	682,000	132,644	100,618	(32,026)	-24%
Other expense	5,192,635	2,141,346	1,512,419	(628,927)	-29%
Total Expenditures	\$ 491,463,182	\$ 169,739,219	\$ 159,852,367	\$ (9,886,853)	-6%
Excess of Revenues over(under) Expenditures	\$ (483,666)	\$ 1,784,084	\$ 776,495	\$ (1,007,589)	

Variances:

*** 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 expense throughout the year.**

a) Cooperative Purchasing revenues has picked up some this month which narrows the variance gap.

b) The other revenues are exceeding the projection level mainly from the office renovation project and the Triple Loan program.

c) Personnel expenditures continue to stay behind projection as we continue to fill the vacant positions.

d) The consultant expenses are further behind compared to last month. We will make the necessary adjustments during our mid-year budget preparation.

REGIONAL STRATEGIC TRANSPORTATION FUND INTERLOCAL AGREEMENT – LEAGUE CITY

Background

In November 2020, the Transportation Policy Council (TPC) approved the update the Transportation Development Credit policy. As part of the policy update, the Transportation Policy Council approved the creation of the Regional Strategic Transportation Fund which provides a mechanism to exchange transportation development credits for local funds. These local funds would then be used to support lower-cost, high impact transportation projects that can be implemented in the near-term and improve funding flexibility.

Current Situation

H-GAC staff and the City of League City have held discussions to identify projects that are eligible for the Regional Strategic Transportation Fund program. If approved, the Transportation Policy Council would increase the federal funding amount and provide transportation development credits as the match. In exchange, the City would provide 10% of the project cost to be placed into the Regional Strategic Transportation Fund. The City would also commit to spend 10% of the project cost on other transportation activities within the region.

An Interlocal Agreement with the City of League City is needed to receive \$6,382,271 into the Regional Strategic Transportation Fund. The Transportation Policy Council can use the funds to support grant applications sponsored by H-GAC as well as projects that impact the following focus areas:

- Non-state routes in rural areas
- Maintenance and preservation of roadways in small-urban, rural and economically disadvantaged areas
- Investment in local active transportation projects
- Localized safety improvements to address discrete pedestrian conflict points and intersections

Funding Source

Federal

Budgeted

No

Action Requested

Request authorization to enter an Interlocal Agreement with the City of League City to receive \$6,382,271 into the Regional Strategic Transportation Fund. (Staff Contact: Craig Raborn)

REGIONAL STRATEGIC TRANSPORTATION FUND INTERLOCAL AGREEMENT – CITY OF PEARLAND

Background

In November 2020, the Transportation Policy Council (TPC) approved the update to the Transportation Development Credit policy. As part of the policy update, the Transportation Policy Council approved the creation of the Regional Strategic Transportation Fund which provides a mechanism to exchange transportation development credits for local funds. These local funds would then be used to support lower cost, high impact transportation projects that can be implemented in the near-term and improve funding flexibility.

Current Situation

H-GAC staff and the City of Pearland have held discussions to identify projects that are eligible for the Regional Strategic Transportation Fund program. If approved, the Transportation Policy Council would increase the federal funding amount and provide transportation development credits as the match. In exchange, the City would provide 10% of the project cost to be placed into the Regional Strategic Transportation Fund. The City would also commit to spend 10% of the project cost on other transportation activities within the region.

An Interlocal Agreement with the City of Pearland is needed to receive \$491,093 into the Regional Strategic Transportation Fund. The Transportation Policy Council can use the funds to support grant applications sponsored by H-GAC as well as projects that impact the following focus areas:

- Non-state routes in rural areas
- Maintenance and preservation of roadways in small-urban, rural and economically disadvantaged areas
- Investment in local active transportation projects
- Localized safety improvements to address discrete pedestrian conflict points and intersections

Funding Source

Federal

Budgeted

No; amends budget

Action Requested

Request authorization to enter an Interlocal Agreement with the City of Pearland to receive \$491,093 into the Regional Strategic Transportation Fund. (Staff Contact: Craig Raborn)

ADVANCE FUNDING AGREEMENT – COMMUTER AND TRANSIT PILOT PROGRAM

Background

The Commuter Transit and Pilot Program has been administered by H-GAC since 1998. Launched, by H-GAC's Commute Solutions team, this program seeks to reduce pollution and congestion in the region through piloting transit expansion projects like commuter bus, and transit supportive concepts like first mile/last miles shuttles, carshare, bike share and more.

Numerous pilot projects have resulted in successful ongoing transit services in locations such as Conroe, League City, Galveston, Fort Bend County, and Harris County Transit. The first suburb-to-suburb transit service pilot project (The Woodlands Township – The Energy Corridor District) is in its second year of operation.

H-GAC has funded the projects using Congestion Mitigation and Air Quality Funds accessed through Advance Funding Agreements (AFA) with the Texas Department of Transportation on a revolving basis.

Current Situation

The existing AFA funding agreement expires on August 31, 2024. There is substantial lead time needed to execute the next AFA, at least 6-8 months from the time of application. A resolution from the board granting permission to execute the agreement is needed as part of the application package.

The current request is to enter a new AFA for Control Section Job (CSJ) #912-00-687, MPO ID 18854, for an amount not to exceed \$7,000,000.

Funding Source

Federal - Congestion Mitigation and Air Quality Funding

Budgeted

Yes

Action Requested

Request approval of resolution and authorization to enter into an agreement with the Texas Department of Transportation for the Commuter and Transit Pilot Program in the amount of \$7,000,000. (Staff Contact: Craig Raborn)

ATTACHMENTS:

WORKFORCE ADULT EDUCATION AND LITERACY CONTRACTS

Background

The Adult Education and Family Literacy Act, which falls under Title II of the Workforce Innovation & Opportunity Act, authorizes publicly funded adult education activities. For the 2023-2024 period, the Workforce Board will continue to act as the grantee/fiscal agent for the region's adult education consortium, with Education Service Center (ESC) Region 6 serving as the lead agency providing technical assistance and support to fourteen contractors.

Current Situation

In the Gulf Coast region, we currently fund a consortium of adult education instruction at the 300 sites throughout the 13-county region. We fund both direct service providers and the Region 6 Education Support Center, which provides technical assistance and support to the consortium members. Consortium service contract providers deliver adult education and literacy instruction through face-to-face, remote, or hybrid methods. Services encompass English language instruction (also known as English Second Language (ESL)), literacy classes, adult basic education, adult secondary education, integrated education, GED preparation, joint basic education-skills training classes, college and career readiness, employability skills, services for internationally trained professionals, job search assistance, training, workplace literacy, and digital literacy. Since the onset of the pandemic in March 2020, adult education successfully transitioned from in-person to remote and hybrid instruction, continuing to provide the services referenced above to eligible residents in the 13-county region.

For 2023-2024, Adult Education will continue to:

- Identify Workforce Solutions youth customers and collaborate with career offices to inform them about available workforce services.
- Integrate adult education with Workforce Solutions' Employer Service component to meet the increasing demand for on-site basic skills and English language instruction by employers.
- Expand the availability of workforce services to the community by establishing connections and improving integration among adult education providers, career offices, workforce youth providers, and vocational rehabilitation, ensuring easy access to services regardless of entry point.
- Foster closer collaboration with workforce system childcare and youth services divisions to build stronger synergy within the workforce system.
- Enhance outcomes and capture co-enrollment across the workforce system
- Integrate services, such as adult education and literacy, throughout the Workforce Solutions system
- Develop stronger relationships with AEL service providers to learn more about their communities, services, and supports to enhance our workforce system with expanded partnership.

Staff estimates that approximately \$22.6 million will be available for the adult education program in 2023. This year, we are piloting a new method of distributing funds based on the Gulf Coast Workforce Board Audit and Monitoring Committee's performance report card system and whether a service provider is on a corrective action plan or not. Using this information, staff developed an allocation method for service providers taking into account current funding and a performance-based recommendation for increases of 0%, 3%, 6% or 9%

For the upcoming year, we have also allocated an additional \$720,000.00 for the Region 6 Education Support Center to purchase Burlington English, a comprehensive, web-based, fully blended series of courses for English language instruction that will be available to all consortium partners. Research has consistently shown that this type of instructional approach leads to notable increases in students' education fluency levels.

Funding Source

Texas Workforce Commission

Budgeted

Yes

Action Requested

Request approval of contracts to provide adult education and literacy services throughout the Gulf Coast region for the period July 1, 2023 through June 30, 2024; total amount of \$20,980,070. (Staff Contact: Juliet Stipeche)

ATTACHMENTS:

▢ Adult Education and Literacy Funding Chart Cover Memo

WORKFORCE ADULT EDUCATION AND LITERACY
JULY 1, 2023 – JUNE 30, 2024 CONTRACTS

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Provider	Current	Proposed Range		Increase
Adult Education Center	\$360,000	\$344,808	\$360,000	0%
A.A.M.A	\$770,000	\$737,506	\$839,300	9%
Alliance for Multicultural Community	\$705,000	\$675,249	\$726,150	3%
BakerRipley Adult Education	\$705,000	\$675,249	\$747,300	6%
Boys & Girls Club	\$360,000	\$344,808	\$392,400	9%
Brazosport College	\$820,000	\$785,396	\$844,600	3%
Chinese Community Center	\$370,000	\$354,386	\$392,200	6%
College of Mainland	\$1,350,000	\$1,293,030	\$1,390,500	3%
Community Family Center	\$687,000	\$658,009	\$728,220	6%
Harris County Department of Education	\$4,720,000	\$4,520,816	\$4,720,000	0%
Houston Community College	\$4,420,000	\$4,233,476	\$4,552,600	3%
Lone Star College	\$1,550,000	\$1,484,590	\$1,596,500	3%
San Jacinto College	\$820,000	\$785,396	\$869,200	6%
Wharton County Junior College	\$935,000	\$895,543	\$991,100	6%
Region 6 ESC	\$1,110,000	\$1,063,158	\$1,830,000	
Total	\$19,682,000	\$18,851,420	\$20,980,070	

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)

EXECUTIVE SESSION – EVALUATION OF H-GAC EXECUTIVE DIRECTOR

Background

In April 2018, a committee composed of Board officers, Election Committee members, Past Chairs, and representatives from Cities/Counties appointed Chuck Wemple as Executive Director of the Houston-Galveston Area Council.

Current Situation

Chuck Wemple has completed his fifth year of service as Executive Director. The Board of Directors conducts an annual evaluation of the Executive Director's performance. A survey was sent to all Board members to complete Chuck Wemple's performance review.

Funding Source

N/A

Budgeted

N/A

Action Requested

The Board of Directors will hold an Executive Session to conduct an annual evaluation of the Executive Director in accordance with Government Code, Title 5, Section 551.074. (Contact: Chair Trey Duhon)

EVALUATION OF H-GAC EXECUTIVE DIRECTOR

Background

Chuck Wemple has completed his fifth year of service as Executive Director. The Board of Directors conducts an annual evaluation of the Executive Director's performance. A survey was sent to all Board members to complete Chuck Wemple's performance review.

Current Situation

The Chair of the Finance and Budget Committee sent a memorandum and performance survey to all Board members. Following a duly called closed session, the H-GAC Board may take action in open session regarding the Executive Director's performance.

Funding Source

N/A

Budgeted

N/A

Action Requested

Discuss and possibly take action following Executive Session to evaluate performance of H-GAC's Executive Director. (Contact: Chair Trey Duhon)