

**MEETING MINUTES**  
**H-GAC BOARD OF DIRECTORS**  
**November 19, 2019**

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**ATTENDANCE ROSTER**

The following members of the Board of Directors (Board) of the Houston-Galveston Area Council (H-GAC) attended all or a portion of the November 19, 2019 Board meeting:

Austin County Judge Tim Lapham  
Brazoria County Commissioner Stacy Adams  
Chambers County Commissioner Gary Nelson  
Fort Bend County Commissioner Andy Meyers  
Galveston County Commissioner Joseph Giusti  
(Alternate)  
Harris County Commissioner Rodney Ellis  
(Alternate)  
Liberty County Judge Jay Knight  
Matagorda County Judge Nate McDonald  
Walker County Commissioner Jimmy Henry  
Waller County Judge Trey Duhon  
Wharton County Judge Phillip Spenrath  
  
City of Conroe Councilman Jody Czajkoski  
City of Deer Park Councilman William  
"Bill" Patterson  
City of Houston Council Member Greg  
Travis  
City of Houston Vice Mayor Pro Tem Jerry  
Davis  
City of La Porte Councilperson Chuck  
Engelken, Jr.

City of Lake Jackson Mayor Bob Sipple  
(Alternate)  
City of League City Councilman Larry  
Millican (Alternate)  
City of Missouri City Council Member Floyd  
Emery  
City of Pearland Mayor Tom Reid  
City of Sugar Land Council Member  
Naushad Kermally (Alternate)  
City of Texas City Commissioner Phil  
Roberts, Jr.

*Home Rule Cities (Less than 25,000):*  
City of Bellaire Council Member Trisha  
Pollard  
City of Dickinson Councilmember William  
King, III

*General Law Cities:*  
City of Pattison Mayor Joe Garcia  
City of Waller Councilmember Nancy  
Arnold

The following Board members were not marked in attendance at the November 19, 2019 Board meeting:

Colorado County Judge Ty Prause  
Harris County Commissioner Adrian Garcia  
Montgomery County Commissioner Charlie  
Riley  
City of Baytown Council Member Charles  
Johnson

City of Friendswood Councilmember Sally  
Branson  
City of Galveston Mayor Jim Yarbrough  
City of Huntsville Mayor Andy Brauning  
City of Pasadena Councilmember Cary Bass  
City of Rosenberg Mayor William Benton  
Huntsville ISD Trustee Rissie Owens

## **CALL TO ORDER**

The Board Chair, Brazoria County Commissioner Stacy Adams, called the Board meeting to order at 10:03 a.m. on Tuesday, November 19, 2019 in Conference Room B at 3555 Timmons Lane, Houston, TX 77027, and presided throughout. Chair Adams stated that a quorum was present.

### **1. INVOCATION**

Chair Adams gave the invocation.

### **2. PLEDGES OF ALLEGIANCE**

The Board Chair Elect, City of Waller Councilmember Nancy Arnold, led Board members and the audience in reciting the Pledges of Allegiance to the flags of the United States and the State of Texas.

### **3. PUBLIC COMMENT**

Chair Adams recognized City of Bunker Hill Village Council Member Susan Schwartz, Regional Director Ben DeLeon and Jay Guerrero with United States Senator John Cornyn's office, and Regional Director Jason Fuller with United States Senator Ted Cruz's office. Also in the audience were Community Outreach Coordinators with the Texas General Land Office Melissa Washington, Rhonda Masters, Brooke Bacuetas and Shannon Longoria. Heather Cantu, Senior Policy Advisor with the office of Commissioner Rodney Ellis was in attendance as well as Policy Analyst Aresha Davwa from the office of Harris County Judge Lina Hidalgo, Councilmember Teresa Vazquez-Evans of the City of Kemah, Adam Arendell, Councilmember for Precinct 3, City of Alvin in Brazoria County and Kaaren Cambio, Field Representative from the office of Congressman Dan Crenshaw.

Chair Adams explained that it is the custom at this time in the meeting to welcome any comments by the public.

There were no public comments.

### **4. DECLARE CONFLICTS OF INTEREST**

Chair Adams called for any Board member who could benefit in any way from an item before the Board to declare their personal conflict of interest either at this moment or not vote.

There were no conflicts of interest at this point.

### **5. CONSENT AGENDA**

Chair Adams called for the Consent Agenda. Waller County Judge Trey Duhon moved to approve the consent agenda, and Liberty County Judge Jay Knight seconded the motion. Chair Adams called for any discussion or comments; hearing none, Chair Adams then called for a vote which resulted in unanimous approval by all members present.

The following items were acted on by approval of the consent agenda:

- a. **H-GAC Board of Directors Minutes October 15, 2019**—approved minutes from the October 15, 2019 Board Meeting.
- b. **HGACBUY – Job Order Contracting**—authorized contract with respondent listed for job order contracting.
- c. **HGACBUY – Automotive Parts and Accessories for Light, Medium and Heavy Duty Vehicles, Fire Apparatus and Related Services**—authorized negotiating contracts with each respondent listed for Automotive Parts and Accessories for Light, Medium and Heavy Duty Vehicles, Fire Apparatus and Related Services.
- d. **HGACBUY – Auxiliary Power and Backup Generators**—authorized contracting with respondents listed for Auxiliary Power and Backup Generators.
- e. **HGACBUY – Grounds and Turf Equipment**—authorized contracting with respondents listed for grounds and turf equipment.
- f. **FY2020 Elder and Vulnerable Adult Justice Program**—approved modification to a previously approved Board action and authorized H-GAC to provide up to \$171,600 in local match for the Elder and Vulnerable Adult Justice program.
- g. **Integrated Transportation Planning, Programming, and project Tracking Database**—authorized the execution of an Interlocal Agreement with the New Jersey Institute of Technology to upgrade the existing database and provide two additional years of technical support; total amount not to exceed \$400,000 for the next three years.
- h. **Clean Vehicles and Heavy Duty Diesel Replacements Assistance Agreements**—authorized agreements for acquisition of ten vehicles; amount not to exceed \$1,105,041.05.
- i. **Montrose TIRZ #27 Livable Centers Study**—authorized contracting with firms in order ranked to conduct Livable Centers Study for the Montrose TIRZ #27; amount not to exceed \$210,873.15.
- j. **Renewal of Geographic Information Systems Software Maintenance Agreement**—approved renewal of annual maintenance and support agreement with Environmental Systems Research Institute; amount not to exceed \$63,300.
- k. **High Volume Black & White Copier/Printer**—approved a forty-eight (48) month lease for a Xerox D-125CP production system; amount not to exceed \$67,608.
- l. **Investment Report – September 30, 2019**—approved the Investment Report for the nine months ended September 30, 2019.

6. **FINANCE AND BUDGET COMMITTEE**  
a. **Monthly Financial Report - October 2019**

(over)

Chair Adams recognized Houston Council Member Greg Travis, Vice Chair of the H-GAC Finance and Budget Committee. Council Member Travis reported that the Committee met and made quorum and recognized H-GAC Executive Director Chuck Wemple for the presentation of three items for discussion. Mr. Wemple stated Chief Financial Officer Nancy Haussler would present items A and C and he would present item B. Mrs. Haussler presented the financial statement for the month of October 2019 which indicated we are close to what was projected for the year. She stated she had reported in the past some shortages in income for the purchasing program but now it is doing well in that program and the 9-1-1 program. The interest income is about where it was anticipated but the other income is down. Much of that was attributed to the Local Development Corporation which had some staffing issues late last year and early this year but are now fully staffed and a couple of loans are closing so it is anticipated that these numbers will improve going forward into 2020 and beyond.

Mrs. Haussler recommended the report for approval, and Judge Spenrath called for any questions. Hearing none, he requested a motion to approve the report as presented. Council Member Travis made a motion to approve and City of Bellaire Councilmember Trisha Pollard seconded the motion. The vote resulted in unanimous approval by all members present.

**b. Presentation of Proposed H-GAC 2020 Budget and Service Plan**

H-GAC Executive Director, Chuck Wemple stated the annual Budget and Service Plan was brought to the Board in October as a draft for information only, and now to a second presentation. Any revisions will be discussed here in November and have a public hearing and seek action on the Budget and Service Plan in December.

Mr. Wemple presented the accomplishments for 2019 which included a high level of performance on all programs and services and expansion of services in the Tow and Go Program to the remainder of Harris County this year. The Elder Justice Program also continued into a second year in 2019 as efforts were combined from the criminal justice group, the Area Agency on Aging and the Elder Program to form the Elder Justice Program. He gave a brief description of this program, as well as the start of a communications team that expanded the agency this year. Some new opportunities in 2019 included the Area Agency on Aging receiving a grant to start the first Regional Aging and Disability Resource Center. The first regional housing assessment was completed to look at how cities and counties can incentivize different types of housing in the communities. That will be brought to the Board for approval in December. We are also exploring opportunities to diversify funding, both creating new services that we may launch in 2020 as a fee for service revenue generator and a project discussed later in the Board meeting of the first major grant from the Houston Endowment to work on a project.

Mr. Wemple presented a high-level review of the draft H-GAC Budget and Service Plan. He highlighted the 2020 challenges and opportunities for H-GAC. He reported that a forum for regional disaster mitigation will be launched so the Regional Flood Control and others will be brought here for discussions and other activities. He reported a slight increase in the budget compared to October to look at expanding H-GAC workspace into the eighth floor due to workspace needs for the current and increasing staff. This will be brought back to the Board in

December for a public hearing. Mr. Wemple stated, for a quick overview, that most funding is based on state and federal grants so funds cannot be taken from one service and put in another.

Mr. Wemple stated the questions for the Board in December are “Is the Budget and Service Plan responsive to the needs of the region, is it a sound financial plan and are those funds we will receive accountable to you as we move forward?” He drew attention to Page 2, a proposed budget and summary, Page 10, looking at revenues and expenditures, and Page 12, a schedule of shared administrations.

There was one question regarding Public Service in the budget and Mr. Wemple explained it will be an increase in the HGACBuy Program primarily, which is a cooperative purchasing program. For information only.

**c. Recommended Salary and Benefit Program – 2020**

Chair Adams recognized Chief Financial Officer Mrs. Nancy Haussler who presented the 2020 Recommended Salary and Benefit Program from a green sheet due only to a typo of the year. She stated it is required to submit this schedule to the State Auditor’s Office so a comparison was done of where the salary ranges show for the state and then compared ranges in equitable jobs across the salary pool. It was proposed that the salary categories 5–11 be adjusted slightly above the state pool range because it is believed that salaries in this region are higher than the state’s average salary due to cost of living in Houston. Due to a possible recession that might happen in 2020 the bottom range may also be expanding. She stated this is comparable to the state’s ranges. These salary ranges include a merit pool of increases which is in the budget presented. Mr. Wemple added that this is strictly a performance-based merit increase only. For information only.

**7. AUDIT COMMITTEE**

**a. Contract with Independent Auditor**

Chair Adams recognized Liberty County Judge Jay Knight as Chair of the Audit Committee. Judge Knight reported an Audit Committee meeting was held on October 31, 2019 and a quorum was met. They met with BKD, Patillo, Brown and Hill, and Whitley Penn. Whitley Penn has been our audit firm since 2013. Judge Knight then recognized Executive Director Chuck Wemple who stated these three companies responded to the committee’s request for proposals. They were first scored by an H-GAC internal scoring team and then brought to the Audit Committee meeting to give the presentations. Since Whitley Penn has had the contract for six years there were concerns and the committee felt it would be good to rotate the companies. They were allowed to bid this time, but items on the list were highly preferred and presented at the Board meeting. The next step would be to seek action to negotiate a contract in the preferred order.

There were no questions, so Judge Knight moved that the Board allow the Executive Director to negotiate with CPA firms recommended by the Audit Committee for external audit services. Houston Council Member Greg Travis seconded the motion. The resulting unanimous vote was for approval.

**8. COMMUNITY AND ENVIRONMENTAL PLANNING**

**a. Exploring a Framework for Regional Conservation Planning**

Chair Adams recognized Director of Community & Environmental Planning Jeff Taebel who requested the Board's approval to enter into a contract with the Houston Endowment for an amount not to exceed \$190,000 to explore a framework for regional land conservation planning. Mr. Taebel described detailed plans for this project and explained the need for a view of what is happening in the region. The grant for this project is to establish the way of the land, which will be a one-year effort kicking off next month. He stated interest in finding available funding sources for specifically poor land conservation and the possibility of integrating conservation into some of the large disaster mitigation projects that may be being developed. He also reported plans to expand data and mapping capabilities, to expand our transportation plan to Austin, Colorado, Matagorda, Walker and Wharton counties, as well as build on work going on in coastal counties. He stated there are plans to seek support from leaders of the thirteen counties for voluntary conservation measures. Mr. Taebel reported plans to roll up the findings from this in a workshop session that will be near the end of next year and determine whether there is a consensus or a possible framework for setting some goals and moving forward with additional planning. Mr. Taebel requested Board authorization to accept the contract with the Houston Endowment for an amount not to exceed \$190,000 to conduct that work.

There being no questions, Judge Spenrath made a motion to approve and Vice Chair and City of Waller County Council Member Nancy Arnold seconded the motion. The resulting unanimous vote was for approval.

## **9. PLANS AND PROJECTS REVIEW COMMITTEE**

Chair Adams recognized Plans and Projects Review Committee Chair Vice Mayor Pro Tem Jerry Davis who reported there are two presentations, one by Brian Sims and another by Joshua Owens. The Plans and Projects Review Committee voted unanimously on both, finding consistency with H-GAC criteria and therefore asked Mr. Sims to present his proposal.

### **a. USDA Rural Development – Lake Bonanza Water Supply**

Mr. Sims, Sr. Planner in the Water Resources Department, presented a request for an intergovernmental and interagency review from the United States Department of Agriculture Rural Development Program regarding a funding proposal submitted by the Lake Bonanza Water Supply Corporation, located in Montgomery County. He stated they are seeking funding from USDA to drill a new water well; an alternative fresh water supply source to plan for future growth and to address a water quality issue with the existing water wells. After review, the staff found this project consistent with the Regional Water Quality Management Plan and with the goals and objectives of the Our Great Region 2040 plan, a key strategy to work with other entities on long term solutions to increase water storage and distribution. Mr. Sims recommended the Board also find the project to be consistent with H-GAC's plans, policies and review criteria which includes the Regional Water Quality Management Plan and the Our Great Region 2040 Plan.

There being no questions, City of Dickinson Councilmember William King, III made a motion to approve and it was seconded by Vice Mayor Pro Tem Jerry Davis. The resulting unanimous vote by all members was for approval.

### **b. Junior's Smokehouse Processing Plant – USDA Loan**

Vice Mayor Pro Tem Jerry Davis recognized Joshua Owens, Sr. Planner from the Community and Environmental Department for this presentation. Mr. Owens reported on a request from the United States Department of Agriculture to provide an intergovernmental review on a requested expansion rural development loan from Junior's Smokehouse, located in El Campo in Wharton County. He stated this request was found to be in conformance of the economic development strategy. One of the goals of this strategy is to ensure additional federal funding for projects throughout the region. Junior's Smokehouse is the provider of smoked jerky and sausage to the local gas chain Buccee's.

There being no questions, Wharton County Judge Spenrath made the motion to approve and Councilmember William King, III seconded the motion. The resulting unanimous vote by all members was for approval.

## **10. ELECTION COMMITTEE**

### **a. Election Committee – Proposed Bylaws Amendment**

Chair Adams recognized Missouri City Council Member Floyd Emery, Election Committee Chair, who reported the Election Committee met to count received ballots on the proposed Bylaw Amendment. There were 36 ballots sent out and 32 (89%) were received back. The findings of the ballots were 28 in favor and 4 against so the Amendment has been approved by the recording of the ballots.

Executive Director Chuck Wemple stated the next step is to update the Bylaws with the Amendment and to send it out to the Board. The website will also be updated. Chair Adams added that this Amendment empowers the Board to add items to the agenda.

## **11. H-GAC ADVISORY COMMITTEE APPOINTMENTS**

### **a. H-GAC 2019 Advisory Committee Appointments**

Chair Adams reported a number of appointments came from Harris County. After the mailout, four names were added to two committees and the Board's approval was requested of these nominations as reported on the green sheet. No other names were requested to be added and Chair Adams asked for a motion to approve. Motion was made to approve by Harris County Commissioner Rodney Ellis and seconded by Vice Mayor Pro Tem Jerry Davis. The resulting unanimous vote by all members was for approval.

## **12. WATER RESOURCES COMMITTEE**

### **a. Report from Water Resources Committee**

Chair Adams recognized Fort Bend County Commissioner Andy Meyers on behalf of the Water Resources Committee who reported the staff submitted a list of flood mitigation projects to go out for application for federal grants for funding. Commissioner Meyers recognized Executive Director Chuck Wemple to give an update. Mr. Wemple reviewed with the Board the water issues resulting from the historic drought after Hurricane Ike and the oversupply of water over the last few years. He stated there was an opportunity for projects to be funded through the state that would look at addressing water supply issues. He reported there are seven or eight projects on the prioritized list for regional flood mitigation that are multijurisdictional regarding flooding and beyond the conceptual early discussion phase. Mr. Wemple stated this list will be brought back to

the Board for consideration in January to discuss in more detail. The General Land Office will present at the conclusion of this Board meeting on the upcoming funds and mitigation funding. There is Proposition 8, HUD mitigation and other funding coming. The goal is to look at projects that are already underway where H-GAC is already participating, including the Cedar Bayou Initiative, the lower Colorado alliance, Galveston County and Clear Creek and Dickinson bayous to improve situations outside our region that would lessen impact inside our region. For information only.

Chair Adams suggested changing the name of that Committee since it has evolved. Mr. Wemple stated we can explore making a more obvious name such as a mitigation committee that could then take on anything regarding drought, flooding or hurricanes.

### **13. EXECUTIVE DIRECTOR'S REPORT**

Chair Adams also called on Isaac Perez, Small Business Development Coordinator from Public Services Department to present on the H-GAC Spotlight – Small Business Financing.

#### **a. H-GAC Spotlight – Small Business Financing**

Mr. Perez presented the H-GAC Small Business Lending Program, otherwise known as the Houston-Galveston Area Local Development Corporation (LDC). He stated the LDC is certified to do business across Texas and is a separate non-profit entity within H-GAC that allows us to administer two different loans, one from the Small Business Administration and the other from the Economic Development Administration. Although each come with their own set of rules and guidelines, this presentation focused on the ability to help small businesses start or expand operations via attractive loan rates and he provided examples. Mr. Perez asked the Board members to let them know how they can help businesses within the region. For information only.

There was discussion about the downtown revitalization program and Mr. Wemple explained it is a grant. He stated there was shrinkage in the servicing revenue due to a recession, so the program was discontinued. However, after the work of Isaac and the team under Ronnie Barnes, the program was restarted and resulted in extra funds which was then reinvested out in the communities. These are easy application grants with a one-to-one match requirement and are local funds produced by the businesses paying back their servicing revenue so they can be leveraged if a region has another grant and it could be part of its local match. Mr. Perez was asked to send out the presentation via email and he agreed. Mr. Perez also stated the SBA loan program can be of indefinite size, but a portion afforded by the SBA is a maximum of \$5 million unless it is an energy project or a special manufacturing project which would go to \$5.5 million. Mr. Perez stated the traditional share is 40% from SBA, 50% from the local bank and 10% from the borrower. If it is a startup business or a special use property, that portion can go up to 15-20%. Mr. Wemple stated the banks get first lien on everything.

#### **b. Current and Upcoming H-GAC Activities**

Mr. Wemple reported a series of caucus meetings were recently completed where Home Rule cities, General Law cities and independent school districts made their appointments to the H-GAC's Board. Those three have been completed and Home Rule Cities appointed two primaries



and two alternates. General Law Cities appointed two primary representatives and two alternates. Independent School Districts met and appointed one primary and one alternate.

Mr. Wemple stated a poll was taken to see what the General Rule and Home Rule Cities think H-GAC should be working on and the results included flood mitigation and water wells and supplies in Montgomery County's Lake Bonanza and Daisetta. The independent school districts included looking at homelessness in the region as it is affecting the students. Mr. Wemple also reported that H-GAC will be seeking help with the required cyber security training with local governments. There may be a small fee associated with that training.

Mr. Wemple mentioned the Aging and Disabilities Resource Center earlier which ranked fourth in the state for calls. The eighth annual hiring Red White and You event was held at Minute Maid Park where employers met with veterans and others to look for jobs. There were 133 employers and 18 veteran service organizations, along with almost 3,500 job candidates. Two candidates were hired onsite and almost 1,200 potential job offers were made at that event.

Mr. Wemple mentioned the housing assessment coming to the Board next month and a regional assessment on broadband and highspeed internet needs and solutions will be released for the region as well.

Mr. Wemple stated the Water Resources group which Brian spoke of earlier is also teaming up with North Central Texas Council of Governments to look at opportunities to help reduce litter in the waterways.

Mr. Wemple also reported that some of the team members attended a conference by the company that provides the contract management software system, Agiloft. We were up against the public sector, Seattle and King County, US Department of Transportation and the Houston-Galveston Area Council brought home the prize. He stated that Staci Stalarow, his former Executive Assistant when he was the Chief Operating Officer, was one of the key staff working on this, as well as Nancy Haussler, Chief Financial Officer, and Jasmin Logan in Accounting. They all went down to receive this award on behalf of H-GAC and all Board members congratulated them with applause.

Mr. Wemple reported the H-GAC Annual Meeting will be Friday, January 24, 2020 at the Briar Club.

For information only.

#### **14. ADJOURNMENT**

Chair Adams noted that since there was no further business to be considered by the Board, the meeting was adjourned at 10:57 a.m.

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