

MEETING MINUTES
H-GAC BOARD OF DIRECTORS
August 15, 2017

ATTENDANCE ROSTER

The following members of the Board of Directors of the Houston-Galveston Area Council attended all or a portion of the August 15, 2017 Board meeting:

Austin County Judge Tim Lapham
Brazoria County Commissioner Stacy Adams
Chambers County Commissioner Gary Nelson
Fort Bend County Commissioner Andy Meyers
Harris County Commissioner R. Jack Cagle
Liberty County Judge Jay Knight
Matagorda County Judge Nate McDonald
Montgomery County Commissioner Charlie Riley
Walker County Commissioner Jimmy Henry
Wharton County Judge Phillip Spenrath

City of Baytown Mayor Stephen DonCarlos
(Alternate)
City of Conroe Councilman Seth Gibson
City of Friendswood Councilmember Sally
Branson
City of Houston Council Member Jerry Davis
City of Houston Council Member Greg Travis

City of Huntsville Mayor Andy Brauninger
City of Lake Jackson Mayor Pro Tem Gerald
Roznovsky
City of League City Mayor Pat Hallisey
City of Pearland Mayor Tom Reid
City of Rosenberg Mayor Pro Tem Jimmie J. Peña
City of Sugar Land Mayor Joe Zimmerman
City of Texas City Commissioner Dee Ann Haney

Home Rule Cities (Less than 25,000):
City of Bellaire Councilmember Pat McLaughlan

General Law Cities:
City of Waller Council Member Nancy Arnold
City of Meadows Place Alderman Terry Henley

School Districts (Outside Houston ISD):
Trustee Rissie Owens, Huntsville ISD

The following members of the H-GAC Board of Directors were not marked in attendance at the August 15, 2017 Board meeting:

Colorado County Judge Ty Prause
Galveston County Commissioner Ken Clark
Harris County Commissioner Rodney Ellis
Waller County Judge Trey Duhon

City of Deer Park Councilman Thane Harrison
City of Galveston Mayor Jim Yarbrough

City of La Porte Councilman Chuck Engelken, Jr.
City of Missouri City Mayor Pro Tem Floyd Emery
City of Pasadena Councilmember Cary Bass

Home Rule Cities (Less than 25,000):
City of Dickinson Councilmember William King,
III

CALL TO ORDER

Board Chair, Chambers County Commissioner Gary Nelson called the meeting of the Board of Directors to order at 10:00 a.m. on Tuesday, August 15, 2017 in Conference Room B at 3555 Timmons Lane in Houston and presided throughout. Chair Nelson stated that a quorum was present.

1. INVOCATION

At the request of Chair Nelson, Matagorda County Judge Nate McDonald presented the invocation.

2. PLEDGES OF ALLEGIANCE

At the request of Chair Nelson, Fort Bend County Commissioner Andy Meyers led Board members in reciting the Pledges of Allegiance to the flags of the United States and the State of Texas.

3. PUBLIC COMMENT

Chair Nelson recognized Jessica Hart, Office of Senator Ted Cruz and Bunker Hill Village Councilmember Susan Schwartz who were in attendance in the audience.

There was one public comment, Dr. Vernus C. Swisher, Chief Executive Officer, Career and Recovery Resources, Inc.

4. CONSENT AGENDA

Chair Nelson called for the Consent Agenda. He asked if any member of the Board wished to remove an item from the Consent Agenda, hearing none, Chair Nelson asked for a motion to approve the consent agenda. City of Texas City Commissioner Dee Ann Haney moved approval. City of Huntsville Mayor Andy Brauninger seconded the motion. Chair Nelson called for any discussion or comments, hearing none Chair Nelson then called for a vote which resulted in unanimous approval.

The following items were acted on by approval of the Consent Agenda.

- a. **H-GAC BOARD OF DIRECTORS MINUTES JULY 18, 2017**—approved minutes of the July 18, 2017 Board Meeting.
- b. **WATER QUALITY MANAGEMENT PLAN UPDATE**—accepted FY17 H-GAC 604(b) Water Quality Management Plan Update.
- c. **FY18-19 SOLID WASTE MANAGEMENT AND IMPLEMENTATION PROGRAM**—adopted resolution approving funding plan and application submittal, and authorizing contract with Texas Commission on Environmental Quality for FY18-19 solid waste management implementation program; amount not to exceed \$2,033,742.
- d. **WATER QUALITY MONITORING ON MILL CREEK**—authorized contract with Texas A&M AgriLife Extension Service for water quality monitoring services in Mill Creek Watershed, amount not to exceed \$50,000.
- e. **INTERGOVERNMENTAL AGREEMENT WITH TEXAS TRANSPORTATION INSTITUTE**—authorized to negotiate two-year Intergovernmental Agreement with Texas Transportation Institute for professional support and assistance to H-GAC's travel demand modeling and development; amount not to exceed \$250,000.

- f. **CLEAN VEHICLES PROGRAM AGREEMENTS**—authorized agreement for acquisition of six heavy-duty diesel trucks; amount not to exceed \$371,560.
- g. **BRAZORIA COUNTY THOROUGHFARE PLAN - INTERLOCAL AGREEMENT**—authorized to enter into an Interlocal Agreement with Brazoria County to update the Brazoria County Thoroughfare Plan, total amount not to exceed \$500,000.
- h. **HIGH CAPACITY TRANSIT TASKFORCE SUPPORT SERVICES**—approved contract with Phoenix Infrastructure Group to provide support for the High Capacity Transit Taskforce; total project amount not to exceed \$49,275.
- i. **DISASTER DEBRIS CLEARANCE AND REMOVAL SERVICES**—authorized to negotiate contracts with each respondent for Disaster Debris Clearance and Removal Services.
- j. **LAW ENFORCEMENT TRAINING GRANT FY2018 AND FY2019**—approved resolution authorizing H-GAC to apply for and accept the FY2018 and FY2019 State Criminal Justice Planning Fund grant award of \$932,400 for the H-GAC Law Enforcement Training Project.
- k. **FY2018 INTERLOCAL COOPERATION AGREEMENT WITH THE OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION**—authorized to contract with Office of the Governor, Criminal Justice Division for criminal justice planning; amount not to exceed \$316,823.14.
- l. **FY2018 HOMELAND SECURITY INTERLOCAL COOPERATION AGREEMENT WITH THE OFFICE OF THE GOVERNOR, HOMELAND SECURITY GRANTS DIVISION**—authorized to contract with Office of the Governor, Homeland Security Grants Division; amount not to exceed \$80,000.
- m. **INVESTMENT OFFICER'S REPORT**—approved Investment Officer's report.

5. **FINANCE AND BUDGET COMMITTEE**

a. **Monthly Financial Report**

Chair Nelson recognized Brazoria County Commissioner Stacy Adams, Chair of the H-GAC Finance and Budget Committee to present the report. Commissioner Adams reported that the Finance and Budget Committee met prior to the Board meeting and the committee met with a quorum. He then asked H-GAC Chief Financial Officer Nancy Haussler to deliver details of the report. Mrs. Haussler reported on the monthly financial status report through the month of July. Mrs. Haussler noted that the report reflected the budget amendment that the Board approved at the July Board of Directors meeting. Mrs. Haussler reported, as expected in previous months that Cooperative Purchasing had met projections. She also stated that other income would improve in the fall when the Aerial Imagery project was expected to begin and data sales would increase. Mrs. Haussler then requested approval of the monthly financial report. Commissioner Adams moved approval of the report. City of Meadows Place Alderman Terry Henley seconded the motion. Chair Nelson called for any discussion or comments; hearing none, he then called for a vote which resulted in unanimous approval.

b. Benefit Insurance Coverage

Commissioner Adams reported that the Finance and Budget Committee also reviewed the benefit insurance coverage for the employees of H-GAC, he then asked Mrs. Haussler to present the report. Mrs. Haussler reported that each year H-GAC has engaged a consultant to request quotes for insurance coverage.

Mrs. Haussler reported that H-GAC received multiple proposals. The proposals were presented in the board report in ranked order. Mrs. Haussler noted that H-GAC had an extraordinarily high claim year in 2017, which caused claims to exceed the premiums. Mrs. Haussler noted that because of the high claims, very high quotes were received from the current provider, Aetna. Mrs. Haussler noted that for the first time in years, Blue Cross/Blue Shield presented a very competitive proposal with basically the same design as the current H-GAC benefit plan. Mrs. Haussler then recommended: Blue Cross/Blue Shield for health insurance with a 7.3% increase; dental insurance with Aetna with a 5.00% increase; and to continue with The Hartford for life insurance and long-term disability and Aetna Vision, both at the same costs as the previous year; along with Wellvia Solutions for telemedicine services.

Mrs. Haussler then presented Alliant Lead Consultant Mr. Jason Ellis. Mr. Ellis presented a detailed summary of the services Alliant had provided for H-GAC and the process involved in obtaining proposals from the insurance companies. Following Mr. Ellis' presentation, Mrs. Haussler then asked for approval of the benefit insurance coverage as presented.

City of Houston Council Member Greg Travis inquired about the no cost to the employee item in the report. Mrs. Haussler noted that H-GAC has historically paid the employee premium at 100 percent, but noted that any dependent coverage was the responsibility of the employee. H-GAC Executive Director Jack Steele stated that the comparison between H-GAC's workforce and a city or municipality's workforce were quite different, noting that while the 2017 claims for H-GAC were high, they were moderate compared to most local governments. He also noted that while H-GAC pays 100 percent of the employee's insurance, zero percent was paid for the dependent of the employee, stating that was usually not the pattern with local governments.

Mr. Ellis stated that in the private sector, employees paid a smaller premium with higher deductibles. Mr. Ellis also noted that Alliant was constantly looking at what other employers were doing for their employees. He then noted that H-GAC had taken a stance to pay 100 percent of the insurance premium for the employee, but the trade-off was that the cost for family coverage was much higher. Mr. Ellis noted that those costs balanced out in comparison.

Judge McDonald requested clarification on the cost increase and how they were paid. Mrs. Haussler stated that the benefit costs were charged to grants programs, she noted that the increased amounts were budgeted into the mid-year budget as well as the next year's budget. Mr. Steele stated that a series of moderate adjustments had been made over the years noting, however, that not many changes were made this year, based on the uncertainty in the health insurance marketplace. He also noted that once the health insurance marketplace was more clear, other long-term options would be reviewed.

Commissioner Adams stated that the Finance and Budget Committee discussed the matter at length and he suggested that next year several different options should be presented for

consideration. Commissioner Adams then moved approval of the benefits insurance coverage as presented. Commissioner Haney seconded the motion. Chair Nelson called for any discussion or comments; hearing none, he then called for a vote which resulted in approval with Council Member Travis and Vice Mayor Pro Tem Davis opposed.

6. PLANS AND PROJECTS REVIEW COMMITTEE

Chair Nelson recognized City of Conroe Councilman Seth Gibson, Chair of the Plans and Projects Review Committee. Councilman Gibson reported that the committee reviewed three proposed projects, City of Wharton USDA Rural Housing Preservation Grant, K2 Waste Solutions, LLC Transfer Station, and City of Missouri City CDBG Application. Councilman Gibson stated that each project was discussed in detail at the committee meeting. He noted that a recommendation was made to the K2 Waste Solutions LLC Transfer Station to place a fifty-foot buffer between the project and the adjoining property.

Commissioner Haney inquired about the acceptance of hazardous or radioactive waste into the facility at the K2 Waste Solutions, LLC Transfer Station. H-GAC Community and Development Senior Planner Erin Livingston reported that the facility stated, in the application that each load would be examined as it entered the facility for hazardous material.

City of Friendswood Councilmember Sally Branson moved approval of the three projects presented including the recommendation made by the committee. Liberty County Judge Jay Knight seconded the motion. Chair Nelson called for any discussion or comments; hearing none, he then called for a vote which resulted in unanimous approval.

6. HUMAN SERVICES

a. Regional Workforce System 2018 Contracts

Chair Nelson recognized H-GAC Human Services Director Mike Temple for the report. Mr. Temple reported that the Gulf Coast Workforce Board periodically solicits proposals to operate the Workforce Solutions System and provide adult education instruction, annually serving approximately 25,000 businesses and more than 400,000 people in the 13-county region. He also noted every four years a call for proposals had been solicited, putting in place annual contracts renewable each year through the fourth year depending on performance, availability of funds, and approval of the Workforce Board and H-GAC's Board. Mr. Temple reported that the Workforce Board recommended a total of four new contractors to the system and to commit seventy percent of Workforce Solutions funds to direct financial aid for eligible individuals. Mr. Temple requested authorization to negotiate 2018 Workforce Solutions and adult education contracts as proposed, in the amount of \$229,475,000.

Vice Mayor Pro Tem Davis thanked Mr. Temple for his presentation and his work throughout the Houston area. He then asked for clarification on amounts requested by the bidders, inquiring if amounts were distributed by total amounts requested or could lesser amounts be funded. Mr. Temple noted that lesser than the requested amounts had been provided in the past.

Commissioner Haney moved approval. City of Houston Vice Mayor Pro Tem seconded the motion. Chair Nelson called for any discussion or comments; hearing none, he then called for a vote which resulted in unanimous approval.

7. LEGISLATIVE COMMITTEE

a. Legislative Committee

Chair Nelson recognized Alderman Henley, Chair of the Legislative Committee for the report. Alderman Henley reported that the committee met prior to the Board meeting. He reported that the Special Session was still in session with thirty-six hours left in the session. Alderman Henley reported that the only bill that had passed both the House and the Senate was the Sunset Legislation. He also noted that Senate Bill 1 was being negotiated. Alderman Henley then asked Mr. Steele for an update. Mr. Steele added that abortion complication reporting passed, mail and ballot fraud reporting passed, and municipal annexation for cities above 500,000 had also passed. He noted that there were several other bills in process. Mr. Steele also noted a few bills that appeared to be dead but came back to life. He then reported that extending passports on maternal mortality and DNR approval would likely pass. Mr. Steele stated a financial fix on retired teacher health insurance would need to pass, banning abortion coverage in general health insurance would likely pass, the study school finance would likely pass, a measure banning local dues by local governments except for police and fire would likely pass, pre-emption of texting rule was in the “maybe” category, a state government spending cap proposal would likely pass, and the bathroom bill looked to be dead unless it could be attached somewhere else.

8. H-GAC ADVISORY COMMITTEE APPOINTMENTS

a. H-GAC Advisory Committee Appointments

Chair Nelson recognized H-GAC Chief Operations Officer Chuck Wemple for the report. Mr. Wemple reviewed the nominations for each advisory committee that were submitted, he then asked for approval of the appointments. Mayor Zimmerman moved approval. Commissioner Haney seconded the motion. Chair Nelson called for any discussion or comments; hearing none, he then called for a vote which resulted in unanimous approval.

9. INFORMATION

a. Executive Director’s Report

Chair Nelson recognized Mr. Steele for the Executive Director’s report. Mr. Steele stated that he had nothing additional to report.

10. ADJOURNMENT

Chair Nelson noted that there being no further business to be considered by the Board, the meeting was adjourned at 10:48 a.m.