

**MEETING MINUTES
H-GAC BOARD OF DIRECTORS
November 21, 2017**

ATTENDANCE ROSTER

The following members of the Board of Directors of the Houston-Galveston Area Council attended all or a portion of the November 21, 2017 Board meeting:

Austin County Judge Tim Lapham
Chambers County Commissioner Gary Nelson
Fort Bend County Commissioner Andy Meyers
Galveston County Commissioner Ken Clark
Harris County Commissioner Rodney Ellis
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 Councilman William Sain
City of Conroe Councilman Seth Gibson
City of Friendswood Councilmember Mike Foreman (Alternate)
City of Houston Council Member Jerry Davis
City of Houston Council Member Greg Travis
City of Huntsville Mayor Andy Brauninger
City of La Porte Councilman Chuck Engelken, Jr.

City of Lake Jackson Mayor Pro Tem Gerald Roznovsky
City of League City Councilman Larry Millican (Alternate)
City of Missouri City Council Member Floyd Emery
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 Trisha Pollard

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 November 21, 2017 Board meeting:

Brazoria County Commissioner Stacy Adams
Colorado County Judge Ty Prause
Harris County Commissioner R. Jack Cagle
Waller County Judge Trey Duhon

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

City of Pasadena Councilmember Cary Bass
City of Pearland Mayor Tom Reid

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 10:08 a.m. on Tuesday, November 21, 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, Galveston County Commissioner Ken Clark 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 Bunker Hill Village Councilmember Susan Schwartz who was in attendance in the audience.

There were no public comments.

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 for special consideration, hearing no response City of Texas City Commissioner Dee Ann Haney moved approval of the Consent Agenda. City of Missouri City Council Member Floyd Emery 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 OCTOBER 17, 2017**—approved minutes of the October 17, 2017 Board Meeting.
- b. **REGIONAL HOUSEHOLD HAZARDOUS WASTE COLLECTION, TRANSPORTATION, AND DISPOSAL CONTRACT**—authorized to contract with firm in ranked order for regional household hazardous waste collection, transportation, and disposal.
- c. **RENEWAL OF ESRI GIS SOFTWARE MAINTENANCE AGREEMENT**—approved to renew annual maintenance and support agreement with Environmental Systems Research Institute; amount not to exceed \$62,900.
- d. **GROUND AND TURF EQUIPMENT**—authorized contracts with the lowest responsible bidders for Ground and Turf Equipment.
- e. **SEWER CLEANING, HYDRO-EXCAVATING, INSPECTION EQUIPMENT AND MISCELLANEOUS SERVICES**—authorized contracts with lowest priced responsible bidders for Sewer Cleaning, Hydro-Excavating, Inspection Equipment and Miscellaneous Services.
- f. **REGIONAL DWI TASK FORCE STEP GRANT - FY18**—authorized to contract with TxDOT for Selective Traffic Enforcement Program; amount not to exceed \$96,800.

- g. **CLEAN VEHICLES PROGRAM AGREEMENTS**—authorized agreement with Spring Branch ISD for acquisition of nineteen school buses; amount not to exceed \$2,075,675.

5. FINANCE AND BUDGET COMMITTEE

a. Monthly Financial Report

Chair Nelson recognized Commissioner Clark, Vice Chair of the H-GAC Finance and Budget Committee to present the report. Commissioner Clark then asked H-GAC Chief Financial Officer Nancy Haussler to present the report. Mrs. Haussler reported on the financial status report through October 2017. Mrs. Haussler noted that the Cooperative Purchasing and the Energy Purchasing Corporation were doing well. She noted that Cooperative Purchasing had quite a bit of activity due to the Hurricane Harvey disaster. Mrs. Haussler also noted that December was normally Cooperative Purchasing's biggest month of the year, and stated that a very good fiscal year was expected. Mrs. Haussler reported that interest income had improved due to increased rates offered by financial institutions. Mrs. Haussler then recommended the report for approval. Commissioner Clark moved approval of the report. City of Baytown Councilman William "Terry" Sain 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. Presentation of Proposed H-GAC 2018 Budget and Service Plan

Commissioner Clark recognized H-GAC Executive Director Jack Steele to present the report. Mr. Steele informed the Board members that a revised H-GAC 2018 Budget and Service Plan had been distributed to each member and noted minor changes to the plan.

Mr. Steele reported the bulk of the budget, 98% or \$347,876,141 were restricted funds, and 2% or \$7,378,619 were unrestricted funds. He noted that the total unified budget was up 22.91% or \$66,216,671 at \$355,254,760; the pass-through funds were up 24.51% or \$62,180,617 at \$315,910,311; operations were up 11.80% or \$4,153,512 at \$39,344,449. Mr. Steele also reported on changes in the budget with the most significant increase in Community and Environmental at 297.50% or \$53,168,333 which was entirely due to the disaster recovery funds which would be distributed to the H-GAC region. Mr. Steele also noted that Data Services funds were up 39.96% or \$1,705,735 due to aerial imagery and LIDAR imagery. Mr. Steele noted that Workforce funds increased 4.73% or \$10,798,938 due to disaster recovery employment programs administered by H-GAC; and local funds were up 36.69% or \$285,422. Also noted was a decrease in the Aging program at -16.32% or -\$1,594,038 due to federal appropriations that were delayed. Mr. Steele noted that the H-GAC 2018 Budget and Service Plan would be presented for possible action by the Board and in a Public Hearing in December.

c. Recommended Salary and Benefit Program – 2018

Commissioner Clark recognized Mrs. Haussler to present the report. Mrs. Haussler reported that the salary range matrix included in the report was a salary comparison between H-GAC's salaries and salary ranges to those of the State. Mrs. Haussler went over the matrix in detail. Mrs. Haussler noted that merit increases were submitted and reviewed each year. She also reported that a three percent merit increase was included in the proposed Salary and Benefit Program. Mrs. Haussler stated that merit increases were not given across the board for each employee, increases were submitted and approved depending on performance. Mrs. Haussler stated that the program also included employee insurance consisting of health, vision, dental, long term disability and basic life insurance.

Mr. Steele noted that the recommended Salary and Benefit Program would be presented for possible action at the December Board meeting.

6. AUDIT COMMITTEE

a. Audit Committee

Chair Nelson recognized Liberty County Judge Jay Knight, Vice Chair of the Audit Committee to present the report. Judge Knight reported that the Audit Committee met by conference call to discuss the independent external auditor for H-GAC. Judge Knight stated that the committee recommended using the services of Whitley Penn for the annual audit of H-GAC's financial records for fiscal year ending 2017 in the amount of \$78,000.

Commissioner Meyers noted that Whitley Penn had been the external auditor for the last five years. He noted that there was a consensus at the Audit Committee meeting that there would likely be a hard rotation in 2018.

Commissioner Clark moved approval of the Audit Committees recommendation. City of Sugar Land Mayor Joe Zimmerman 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. COMMUNITY AND ENVIRONMENTAL PLANNING

a. Economic Development Administration Planning Grant

Chair Nelson recognized H-GAC Community and Environmental Director Jeff Taebel to present the report. Mr. Taebel requested approval to enter into a contract with the Economic Development Administration for planning and coordination activities in an amount not to exceed \$262,000. Mr. Taebel stated that the three-year grant would be used to support the efforts of the Gulf Coast Economic Development District. Mr. Taebel reported that the work would include planning and coordinating activities to update and implement the regional Comprehensive Economic Development Strategy and maintain eligibility for jurisdictions in the region to apply for EDA funding that supports local projects. Wharton County Judge Phillip Spenrath moved approval of the grant. 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.

8. RESOLUTION HONORING RETIRING BOARD MEMBER

b. Resolution Honoring Retiring Board Member

Chair Nelson recognized and thanked City of Bellaire Council Member Pat McLaughlan and City of Baytown Councilman William "Terry" Sain, both were retiring from the H-GAC Board and were presented resolutions honoring their service to the Board and the region. Commissioner Clark moved approval. Fort Bend County Commissioner Andy Meyers seconded the motion. Chair Nelson called for any discussion or comments; hearing none, he then called for a vote which resulted in unanimous approval. Council Member McLaughlan and Councilman Sain both provided words of thanks to the Board.

9. HURRICANE HARVEY UPDATE

a. FEMA Housing Program

Chair Nelson recognized Mr. Steele to present the Hurricane Harvey update. Mr. Steele reported that H-GAC entered into contracts with the General Land Office (GLO) and administered an immediate housing program. He also noted that the contract had since been amended to provide

for specific funding amounts of various program sub-components. Mr. Steele reported that eligibility of clients would be determined by FEMA and a preferred service to those clients would also be identified at the time eligibility as determined. Mr. Steele reported that the program was planned to be in place for approximately sixteen-months. H-GAC Chief Operations Officer Chuck Wemple stated that a communications process was being put into place to keep local governments informed. He also stated that they anticipated serving approximately 2000 households through the program, noting that approximately two-thirds of housing would consist of manufactured homes or RV's, with the rest consisting of leased/rental homes, or repairs to homes.

b. HUD Community Development Block Grant – Disaster Recovery Allocation Process

Mr. Steele reported that HUD awarded \$5.02 billion as the initial installment for the CDBG Disaster Recovery Program. He stated that there would be a second installment and possibly a third installment. Mr. Steele noted that the State would be developing an action plan to distribute the funds and H-GAC's task would be to develop a method of distribution for the affected counties and cities.

Mr. Steele then asked Mr. Wemple to continue with the report. Mr. Wemple gave a detailed report regarding the CDBG Disaster Recovery Allocation process and answered questions from the Board members. Several members continued the discussion and requested clarification of the process. Mr. Wemple noted that staff would continue to keep the Board members updated and informed on the Hurricane Harvey recovery process.

10. INFORMATION

a. Executive Director's Report

Chair Nelson recognized Mr. Steele for the Executive Director's report. Mr. Steele reminded Board members that the December Board meeting, although scheduled near the holiday season, was a very important meeting that would include Hurricane Harvey updates and the possible action on the H-GAC 2018 Budget and Service Plan as well as the 2018 Salary and Benefit Program. He encouraged Board members to attend.

11. ADJOURNMENT

Chair Nelson noted that there being no further business to be considered by the Board, the meeting was adjourned at 10:56 a.m.